



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP22/03

Monday, 10 January 2022

Smoke Alarms Holdings Limited 03 - Panel Receives Application

The Panel has received an application from Mr Anthony Richard Lewis and Greenwich Capital Partners Pty Ltd (the **Applicants**) in relation to the affairs of Smoke Alarms Holdings Ltd (**SAS**).

Details of the application, as submitted by the Applicants, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

SAS is a company which the Applicants say has more than 50 members.

On 23 December 2021, SAS issued a replacement offer information statement (**OIS**) for a pro-rata entitlement offer to eligible shareholders of 2 new shares for every 1 existing share held at an issue price of \$0.05 per new share to raise approximately \$7.42 million (**Offer**). The Offer is made in conjunction with a shortfall offer to existing and potential new shareholders and is fully underwritten by Fast Future Pty Ltd and Synergy 4 Pty Ltd.

The OIS discloses that Fast Future and Synergy 4, who have agreed to underwrite 60% and 40% of the Offer respectively, could potentially increase their voting power in SAS from 4.40% to 42.2% in the case of Fast Future and 0.88% to 26.1% in the case of Synergy 4.

The Offer is scheduled to close on 28 January 2022 with new shares to be issued on 4 February 2022.

The Applicants submit that the circumstances are unacceptable, including because:

- neither Fast Future nor Synergy 4 hold an Australian Financial Services Licence and therefore cannot legally underwrite the Offer

- Mr Cameron Davis (current SAS director) and Mr Randall Deer (former SAS director) are associated with the underwriters
- the OIS *“omits the current shareholdings of Cameron Davis and Randall Deer and their associated parties”, “does not highlight the likely change in control of SAS” and “provides potentially misleading disclosures regarding the release of financial information”* and
- there is no independent expert opinion on the fairness or reasonableness of the Offer.

The Applicants seek interim orders and final orders, including that:

- the underwriting to the Offer be cancelled
- an independent expert be required to assess whether the Offer is fair and reasonable and
- the maximum holding of SAS by the alleged associated parties be set at 20% following the Offer.

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