



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP23/42

Monday, 4 December 2023

Southern Cross Media Group Limited - Orders and Undertakings

The Panel has made final orders (Annexure A) and accepted undertakings from Allan Gray Australia Pty Limited (**Allan Gray**) (Annexure B) in relation to an application dated 24 October 2023 by Keybridge Capital Limited in relation to the affairs of Southern Cross Media Group Limited (**Southern Cross**) (see [TP23/32](#)).

Background

On 22 November 2023, the Panel made a declaration of unacceptable circumstances in relation to the affairs of Southern Cross (see [TP23/37](#)).

Orders

The Panel has made orders to the effect that the 6.83% of Southern Cross shares acquired by ARN Media Limited in contravention of s606 are vested in ASIC for sale.

Undertakings

The Panel has also accepted undertakings from Allan Gray to the following effect:

- Allan Gray provide a corrective substantial holder notice in relation to its holding in Southern Cross in a form approved by the Panel.
- Allan Gray sell within 3 months the further 0.08% of Southern Cross shares acquired by Allan Gray in contravention of s606.

The sitting Panel was Michael Borsky KC (sitting President), Sylvia Falzon and Marina Kelman.

The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

Allan Bulman
Chief Executive, Takeovers Panel
Level 16, 530 Collins Street
Melbourne VIC 3000
Ph: +61 3 9655 3500
takeovers@takeovers.gov.au



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ANNEXURE A

CORPORATIONS ACT SECTION 657D ORDERS

SOUTHERN CROSS MEDIA GROUP LIMITED

The Panel made a declaration of unacceptable circumstances on 22 November 2023.

THE PANEL ORDERS

1. The Sale Shares are vested in the Commonwealth on trust for ARN.
2. ASIC must:
 - (a) sell the Sale Shares in accordance with these orders and
 - (b) account to ARN for the proceeds of sale, net of the costs, fees and expenses of the sale and any costs, fees and expenses incurred by ASIC and the Commonwealth (if any).
3. ASIC must:
 - (a) retain an Appointed Seller to conduct the sale and
 - (b) instruct the Appointed Seller:
 - (i) to use the most appropriate sale method to secure the best available sale price for the Sale Shares that is reasonably available at that time in the context of complying with these orders, including the stipulated timeframe for the sale and the requirement that none of ARN or its associates may acquire, directly or indirectly, any of the Sale Shares other than on market
 - (ii) to provide to ASIC a statutory declaration that, having made proper inquiries, the Appointed Seller is not aware of any interest, past, present, or prospective which could conflict with the proper performance of the Appointed Seller's functions in relation to the disposal of the Sale Shares
 - (iii) unless the Appointed Seller sells Sale Shares on market, that it obtains from any prospective purchaser of Sale Shares a statutory

declaration that the prospective purchaser is not associated with ARN or its associates and

- (iv) to dispose of all of the Sale Shares within 3 months from the date of its engagement.
4. The Company and ARN must do all things necessary to give effect to these orders, including:
 - (a) doing whatever is necessary to ensure that the Commonwealth is registered with title to the Sale Shares in the form approved by ASIC and
 - (b) until the Commonwealth is registered, complying with any request by ASIC in relation to the Sale Shares.
 5. None of ARN or its associates may, directly or indirectly, acquire any of the Sale Shares other than on market.
 6. Neither Allan Gray nor any of its associates may take into account any relevant interest or voting power that any of them or their respective associates had, or have had, in any of the Sale Shares or any of the shares referred to in paragraph 7 of the Declaration when calculating the voting power referred to in Item 9(b) of section 611¹ of a person six months before an acquisition exempted under Item 9 of section 611.
 7. Nothing in these orders obliges ASIC to invest, or ensure interest accrues on, any money held in trust under these orders.
 8. Orders 2, 3, 4, and 5 come into effect three business days after the date of these orders. All other orders come into effect immediately.

Interpretation

9. In these orders the following terms apply.

Appointed Seller	an investment bank or stock broker
ARN	ARN Media Limited
ASIC	Australian Securities and Investments Commission, as agent of the Commonwealth
Declaration	the Panel's declaration of unacceptable circumstances in these proceedings dated 22 November 2023

¹ Unless otherwise indicated, all statutory references are to the *Corporations Act 2001* (Cth) and all terms used in Chapter 6 or 6C have the meaning given in the relevant Chapter (as modified by ASIC)

on market	in the ordinary course of trading on Australian Securities Exchange and not by crossing or special crossing
Sale Shares	16,376,774 ordinary shares in the issued capital of Company held by ARN
the Company	Southern Cross Media Group Limited

Tania Mattei
General Counsel
with authority of Michael Borsky KC
President of the sitting Panel
Dated 4 December 2023



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ANNEXURE B

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT 2001 (CTH) SECTION 201A UNDERTAKING

SOUTHERN CROSS MEDIA GROUP LIMITED

Pursuant to section 201A of the *Australian Securities and Investments Commission Act 2001* (Cth), Allan Gray Australia Pty Ltd (ACN 112 316 168) (**Allan Gray**) undertakes to the Panel that:

- (a) within two business days after and subject to approval by the Panel under (b), Allan Gray will disclose to the Australian Securities Exchange, in the form approved by the Panel:
 - (i) a corrective notice in relation to its substantial holding in Southern Cross Media Group Limited (ACN 116 024 536) (**Southern Cross**), which includes details of Allan Gray's historical deemed relevant interest in 14.8% of Southern Cross' ordinary shares by operation of section 608(3)(a) of the *Corporations Act 2001* (Cth) due to Allan Gray's relevant interest in the ordinary shares of ARN Media Limited (ACN 008 637 643); and
 - (ii) an explanatory covering letter to that corrective notice;
- (b) within two business days from the date of this undertaking, Allan Gray will provide a draft of the disclosure to the Panel for review and approval.

Allan Gray agrees to confirm in writing to the Panel when it has satisfied its obligations under this undertaking.

Executed for and on behalf of Allan Gray Australia Pty Ltd

Elizabeth Lee, Head of Legal and Company Secretary

1 December 2023

**AUSTRALIAN SECURITIES AND
INVESTMENTS COMMISSION ACT 2001 (CTH) SECTION 201A
UNDERTAKING**

SOUTHERN CROSS MEDIA GROUP LIMITED

Pursuant to section 201A of the *Australian Securities and Investments Commission Act 2001* (Cth), Allan Gray Australia Pty Ltd (ACN 112 316 168) (**Allan Gray**) undertakes to the Panel that:

- (a) within three months from the date of this undertaking, it will sell a total of 192,739 ordinary shares in Southern Cross Media Group Limited (ACN 116 024 536) (the **Sale Shares**); and
- (b) none of Allan Gray or its associates may, directly or indirectly, acquire any of the Sale Shares.

Allan Gray agrees to confirm in writing to the Panel when it has satisfied its obligations under this undertaking.

Executed for and on behalf of Allan Gray Australia Pty Ltd

Elizabeth Lee, Head of Legal and Company Secretary

1 December 2023