



Friday, 16 May 2008

DoloMatrix International Limited – Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 12 May 2008 from DoloMatrix International Limited in relation to its affairs, following Transpacific’s agreement to issue a supplementary bidder’s statement. DoloMatrix is the subject of an off-market takeover bid by Transpacific Industries Holdings Pty Limited, a subsidiary of Transpacific Industries Group Limited (see media release [TP08/41](#)).

DoloMatrix’s application alleged that there were deficiencies in Transpacific’s bidder’s statement relating to (among other things) the disclosure of assumptions and financial forecasts, the future prospects of Transpacific, and the defeating conditions of the bid. It was submitted that these issues gave rise to unacceptable circumstances.

Transpacific agreed to dispatch a supplementary bidder’s statement to DoloMatrix shareholders, which:

1. includes the assumptions underlying its FY2008 financial forecasts
2. in respect of the defeating condition in section 11.11(b)(i), includes a statement that Transpacific is not aware of any regulatory approvals or consents that are required in relation to the proposed transaction (other than ACCC clearance), but that it will immediately apply for, disclose and use its best endeavours to obtain such approvals upon becoming aware of any that are required and
3. includes a partial waiver of the defeating condition in section 11.11(c), the effect of which is that Transpacific will not be able to rely on a deemed breach of the condition that there is “no material adverse change” where it forms the view that it would have offered a lower price had it been aware of information that DoloMatrix failed to disclose to the market.

Transpacific agreed to dispatch the supplementary bidder’s statement to DoloMatrix shareholders concurrently with the bidder’s statement.

The application raised other issues which the Panel decided not to conduct proceedings on.

For the above reasons, the Panel concluded there was no reasonable prospect that it would make a declaration of unacceptable circumstances if it conducted proceedings. Accordingly, the Panel declined to conduct proceedings.

The President of the Panel appointed Braddon Jolley, Simon Mordant (Sitting President) and Andrew Sisson as the Panel to consider the application.

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

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