



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP12/28

Thursday, 26 April 2012

MacarthurCook Property Securities Fund 02 – Panel Receives Application

The Panel has received an application from Pelorus Private Equity Limited in relation to the affairs of MacarthurCook Property Securities Fund. The application concerns:

- a 13 for 15 non-renounceable rights issue, announced by the responsible entity¹ of MacarthurCook (the **Responsible Entity**) on 20 April 2012, to raise approximately \$5.8 million at 3.5 cents per unit and
- an alleged association between AIMS Group Holding Pty Ltd (the parent company of the Responsible Entity) and ZhaoFeng Property Management Limited.

Details of the application, as submitted by the applicant, 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

For general details of the rights issue see [TP12/26](#) which provides details in relation to *MacarthurCook Property Securities Fund 01*.

Pelorus holds approximately 9.3% of the units in MacarthurCook.

Pelorus submits (among other things) that:

- the voting power of AIMS (and therefore, the Responsible Entity) will increase from 12.09% to 39.3% depending on the participation in the rights issue
- the rights issue has been designed to frustrate Pelorus' attempt to replace the Responsible Entity (on 4 April 2012, Pelorus announced that it would

¹ MacarthurCook Fund Management Limited

requisition a meeting of MacarthurCook unitholders to replace the Responsible Entity, with the meeting to be held on 29 June 2012)

- the rights issue constitutes a misuse of the rights issue and underwriting exceptions in items 10 and 13 of section 611
- there are deficiencies in the disclosures surrounding the rights issue, including the investor presentation and
- ZhaoFeng is an associate of AIMS, and the association (including, in particular, the sale of MacarthurCook units from ZhaoFeng to AIMS in January 2012) has helped AIMS achieve its control objectives.

Pelorus seeks an interim order that the rights issue be suspended pending the outcome of the Panel proceedings.

Pelorus seeks final orders that:

- either the Responsible Entity be prevented from proceeding with the rights issue or the rights issue and underwriting arrangements be approved by MacarthurCook unitholders who are not related to the Responsible Entity, AIMS, ZhaoFeng, Perpetual Trustee Co Ltd or any of their associates and
- AIMS be required to divest itself of units sold to it by ZhaoFeng in January 2012.

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