



# 1 Acquisitions resulting in large or larger corporate groups

- Shares or assets to be acquired are connected with Australia
- The combined Australian revenue of the following parties is at least **\$200 million**
  - the acquirer group (incl. connected entities)
  - for share acquisitions - the target (incl. connected entities) being acquired
  - for acquisitions of assets that form all or substantially all of the assets of a business - the Australian revenue attributable to the business, **AND**
- EITHER
- the target Australian revenue below is at least **\$50 million**
  - for share acquisitions - the Australian revenue of the target (incl. any connected entities being acquired)
  - for acquisitions of assets that form all or substantially all of the assets of a business - the Australian revenue attributable to the business
- OR
- the overall transaction/market value is at least **\$250 million**



# 2 Acquisitions by very large corporate groups

- Shares or assets to be acquired are connected with Australia
- Australian revenue of acquirer group (incl. connected entities) is at least **\$500 million, AND**
- the Australian revenue below is at least **\$10 million**
  - for shares acquisitions - the Australian revenue of the target (incl. any connected entities being acquired)
  - for acquisitions of assets that form all or substantially all of the assets of a business - the Australian revenue attributable to the business



# 3 3 year 'look back'

## Large corporate groups (as set out in threshold 1)

- In determining whether the **\$50 million** 'target threshold' above is satisfied, also **include** the cumulative Australian revenue (as at the relevant contract date) attributable to any shares or assets acquired by the acquirer group (incl. connected entities) in the past 3 years where those shares or assets relate to the carrying on of a business that predominantly involves the supply or acquisition of the same or substitutable goods or services (regardless of where located in Australia)

BUT:

- **Exclude** share acquisitions (or acquisitions of assets that form all or substantially all of the assets of a business) where the Australian revenue attributable to the target is less than \$2 million
- **Exclude** acquisitions of assets that do not form all or substantially all the assets of a business, if the market value of the asset is less than \$2 million

OR

## Very large corporate groups (as set out in threshold 2)

- In determining whether the **\$10 million** 'target threshold' above is satisfied, also **include** the cumulative Australian revenue (as at the relevant contract date) attributable to any shares or assets acquired by the acquirer group (incl. connected entities) in the past 3 years where those shares or assets relate to the carrying on of a business that predominantly involves the supply or acquisition of the same or substitutable goods or services (regardless of where located in Australia)

BUT:

- **Exclude** share acquisitions (or acquisitions of assets that form all or substantially all of the assets of a business) where the Australian revenue attributable to the target is less than \$2 million
- **Exclude** acquisitions of assets that do not form all or substantially all the assets of a business, if the market value of the asset is less than \$2 million



# 4 Standalone asset acquisition threshold

- Assets connected with Australia do not form all, or substantially all, of the assets of a business to be acquired, **AND**
- Australian revenue of acquirer group (incl. connected entities) is at least **\$200 million, AND**
- Overall transaction/market value is at least **\$200 million** on the contract date

- Assets connected with Australia do not form all, or substantially all, of the assets of a business to be acquired, **AND**
- Australian revenue of acquirer group (incl. connected entities) is at least **\$500 million, AND**
- Overall transaction/market value is at least **\$50 million** on the contract date



# 5 Targeted thresholds

- Acquisition of a supermarket by a major supermarket (Coles and Woolworths and their connected entities)
- Acquisition of shares or assets by a major supermarket which results in the acquisition of an interest in land that meets certain size requirements (and is not an extension or renewal of a lease for land upon or where the acquisition of an equitable interest in that land has previously been notified to the ACCC)

All or substantially all assets of the business is not a defined concept. The Explanatory Statement provides that where the asset acquisition would enable the acquirer to effectively continue operating a business that is similar to the business currently operated using the acquired assets, this will typically involve an acquisition of all, or substantially all, of the assets of a business.

Connected entity means an entity that is either a related entity of the first entity or is controlled by the first entity within the meaning of s50AA of the Corporations Act (with some amendments to 50AA(4))

Australian revenue means the entity's gross revenue (or the gross revenue of assets that constitute all or substantially all the assets of a business) - determined in accordance with accounting standards - for the entity's most recently ended 12-month financial reporting period on the contract date that is attributable to transactions within or into Australia

Transaction value means the greater of the sum of either (i) the consideration received or (ii) the market value of all the shares and assets being acquired pursuant to the contract, arrangement, or understanding pursuant to which the acquisition is to take place

Connected with Australia means the body corporate (whose shares are to be acquired) or the entity in which the interest is acquired 'carries on a business in' - or that the asset being acquired is used in, or forms part of, a business carried on in Australia

Contract date means the date on which a contract, arrangement or understanding has been entered into, pursuant to which the acquisition of shares or assets is to take place