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## Templeton Global Growth Fund Limited (TGG) buyback and takeover by WAM Global Limited (WGB) 29 October 2021

### Overview

On 29 June 2021, Templeton Global Growth Fund Limited ("TGG") announced that it had entered into a Scheme Implementation Agreement with WAM Global Limited ("WGB") under which it is proposed that, an offer by TGG to buy-back some of its fully paid ordinary shares; and WGB acquire the remaining shares in TGG. The Court approved the Transaction on 19 October 2021 and the Transaction was implemented on 29 October 2021 and ATO issued Class Ruling CR 2021/78 :

- TGG undertake an off-market share buy-back (Buy-Back) for \$1.579 per share
- TGG Shareholders who did not elect to participate in the Buy-Back (Scrip for Scrip Accepting TGG Shareholders) were automatically deemed to have chosen to participate in the Scrip for Scrip Arrangement:
  1. For each TGG Share, that number of WAM Global shares (New WAM Global Shares) is determined by dividing the TGG pre-deferred tax net tangible assets (NTA) by the WAM Global pre-deferred tax NTA, i.e.  $\$1.696/2.712 = 0.625$ ; which means the investors will receive 625 WGB shares for every 1,000 TGG shares.
  2. One WAM Global bonus option (New WAM Global Bonus Option) for every New WAM Global Share received by a Scrip for Scrip Accepting TGG Shareholder.

### Buy-Back Corporate Action

The automated corporate action is supported. Once the participating quantity is entered, the Capital Component Amount, Franked Amount, Unfranked Amount and Franking Credit will be auto-filled with the following details:

<b>CGT Date</b>	29/10/2021
<b>Buyback Price</b>	\$1.579
<b>Component Component</b>	\$1.281
<b>Franked Dividend Component</b>	\$0.215
<b>Unfranked Dividend Component</b>	\$0.083

### Takeover Corporate Action

- 1 Process the scrip components to get WGB shares: for every 1,000 TGG shares, you should get 625 WGB shares. You will get scrip-for-scrip rollover relief for this portion with  $(1 - 0.08 / (0.08 + 2.59)) = 97.003745\%$  of the source cost base.
- 2 Disposal of the remaining cost base of TGG (around 3%) for **5c** per share, this is the Option component, where the scrip-for-scrip rollover relief is not applicable:  $8c \times 625 / 1000 = 5c$ .
- 3 Instead of matching 5c cash received for TGG, this  $5c \times 1000 = \$50$  is used to acquire 625 units of WGB0 or **8c** per WGB0 on **29/10/2021**. This part needs manual processing via Transactions > Investment - Buy.
- 4 Match Step 2 and 3.



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