

Street Talk

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Getting a green light both ways

Back-door listings often go by unnoticed, but a few observers have remarked on some surprising elements in Con Scrinis's proposal to back his private The Traffic Group into the old Western Kingfish (the fish farm that went into administration after a series of issues, including most of its yellow tail kingfish dying).

Particularly as Scrinis is simultaneously calling for an extraordinary general meeting at rival Traffic Technologies, the same company at which he once was joint managing director, in an attempt to win back control of the group.

Potentially, if both proposals are successful, Scrinis could end up running Traffic Technologies and its newly listed competitor, The Traffic Group.

In itself, it's unusual to have one man running two companies that compete head to head. At the very least, it might make for some tricky conversations around government and council tenders on traffic signs, lights and guard rails.

There's also a few interesting wrinkles in The Traffic Group prospectus. For one, it does not have a financial forecast because the operations are "inherently uncertain".

Interestingly, Scrinis is also offering Traffic Technologies' shareholders a priority shareholding in his float, perhaps as an incentive to get their vote at the EGM.

It looks like this situation has some way to play out yet.