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Public M&A  
Annual Review

2022



# 2022 in review and looking ahead to 2023

## A reminder of some of the important geo-political events of 2022

War returned to Europe in 2022 and continues into 2023 with little respite for those affected. The UK witnessed the death of its longest-serving monarch, Queen Elizabeth II, at around the same time as one of its shortest prime ministerial reigns in recent history. The Truss/Kwarteng 'mini-budget' in September unleashed a period of chaos in the financial markets, with a significant impact on the pensions industry and increasing borrowing costs for home-owners who were seeking to re-mortgage at that time.

Although generally well-received, the appointment of Jeremy Hunt to replace Kwasi Kwarteng as chancellor, was not enough to save Liz Truss's premiership and she resigned shortly thereafter. The anointing of Rishi Sunak as leader of the Conservative Party has brought a degree of stability to government though significant challenges await him: increased interest rates, high inflation, a cost of living crisis at home and ongoing war in Europe to name but a few.

## The impact on the UK public M&A market in 2022 and possible outcomes for 2023

2022 was very much a year of two halves. It started in a similar vein to 2021, which was a year of very significant M&A activity, with a similar number of announced bids in Q1 2022 as in Q1 2021. Although the Russian invasion of Ukraine started to put a dampener on activity, it was over the summer that the foot came off the pedal as central banks around the world responded to rising inflation by raising interest rates from what had been, for a number of countries and regions, a sustained period of historically low rates. The increased borrowing costs and, in the UK, the period of political instability in September and October, resulted in a marked reduction in M&A activity during the second half of the year, to a level even below that which immediately followed the outbreak of the COVID-19 pandemic in 2020.

One of the primary drivers for a return to higher activity levels in 2023 will inevitably be stability in the lending market. Although purchasers have accepted a structurally higher cost of capital for the foreseeable future, it is the lack of certainty over short to medium term interest rates that creates challenges to calculating likely returns on investment, and ultimately deters investments from being made. That said, there remains a significant amount of private capital available to be deployed and it is surely only a matter of time until investors have sufficient confidence in the debt markets for deal-making to ramp up again. Increased political and market stability should also result in increased confidence in the boardroom and, with corporates remaining relatively well-capitalised following fundraisings in 2020 and 2021, strategic M&A opportunities may also be on the horizon in 2023.

We hope you enjoy the insights and analysis in this publication and, as ever, we would be very happy to discuss any of the topics mentioned.

With very best wishes,

The Ashurst UK Public M&A Team

## ASHURST ROLES ON Q4 ANNOUNCED BIDS

Wentworth Resources  
on the offer from  
Etablissements Maurel &  
Prom

Centreview Partners  
on the offer for Crestchic by  
Aggreko

Stifel  
on the offer for Jigsaw  
Insurance Services by PIB  
Group

Jefferies  
on the offer for Appreciate  
Group by PayPoint

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# Overview

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## Deal volume

Of the deals we review, 2022 saw a decrease in UK public M&A deal volume over the year, with the steepest decline in the last quarter, in which only seven firm offers were announced, largely as a result of the turbulent economic and political conditions globally and particularly in the UK.

48 firm offers were announced in 2022 compared to 61 firm offers announced in 2021, making it more closely aligned with 2020, in which 41 firm offers were announced (largely due to the COVID-19 pandemic), than 2021. Of those firm offers announced in 2022, all but two (which were for unquoted companies) were for Main Market (25) or AIM (21) targets.

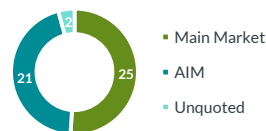
## Deal values

The aggregate value of deals in 2022 is approximately £41.35 billion. This represents a decrease of around 32% from £61.4 billion in 2021. In 2022, there were 13 offers in excess of £1 billion, and interestingly almost half (6) of those offers were announced in Q3. The highest value deal of the year was the £9.86 billion offer from Schneider Electric SE for AVEVA Group plc (noting that this deal value includes the c.59% stake in AVEVA already held by Schneider Electric).

## Bid consideration

Cash was again the most prevalent form of consideration in 2022, with 32 out of 48 firm offers being solely for cash. The vast majority of the remaining bids were either all-share or cash and share offers though, among those which do not fall into those main categories, it is noteworthy that the offer by PIB Group for Jigsaw Insurance Services includes a completion accounts mechanism. This is likely to have been made possible commercially as a result of a Jigsaw being unquoted and having a relatively small and concentrated shareholder base.

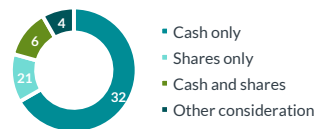
Trading status of target company



Approximate bid value



Type of consideration



2022	2021	2020
48	61	41

ANNOUNCED BIDS

2022	2021	2020
39	53	38

RECOMMENDED ON ANNOUNCEMENT

2022	2021	2020
39	48	30

SCHEMES OF ARRANGEMENT

2022	2021	2020
50.3%	41.6%	59.7

AVERAGE BID PREMIA (UNWEIGHTED)

2022	2021	2020
39.8%	34.6%	59.7%

AVERAGE BID PREMIA (WEIGHTED)

A summary of the key features of each announced offer is set out in a table in the Appendix.

## Bid premia

Average bid premia (unweighted) across all firm offers increased from 41.8% in 2021 to 50.3% in 2022, although for offers above £250 million, the unweighted average for 2022 was 41.3%.

On a weighted basis, the average of the bid premia on announced bids in 2022 was 39.82%, up from 34.55% in 2021. For offers above £250 million in 2022, the weighted average was 40%.

## Board recommendation

As is customary in the UK market, the vast majority of bids were recommended by the target board at the time of announcement of a firm offer, with a small number of bids subsequently becoming recommended during the offer process. However, the following three offers remained hostile throughout, with only the offer for CIP Merchant Capital eventually completing.

- Mr.Serge Crasnianski offer for Photo-Me International plc
- Corporation Financiere Europeene S.A. offer for CIP Merchant Capital Limited
- AdvancedAdvTLimited offer for M&C Saatchi plc

## Bid structure

Consistent with other years and the fact that the vast majority of announced bids were recommended by the target board, schemes of arrangement continue to be the structure of choice in 2022. 39 of the 48 announced bids were structured as schemes of arrangement, with the remaining 9 being takeover offers.

## Competing bids

Three target companies were the subject of competing bids in 2022, being RPS Group, M&C Saatchi and Tungsten Corporation. The bid for Stagecoach by National Express, which was announced in late 2021, was also gazumped in 2022 by an all-cash offer from the German-based DWS Group.

Interestingly, the three competitive situations in 2022 each had different outcomes.

It was Kofax, the first bidder for Tungsten Corporation, that ultimately prevailed over Pagero Group, whilst Tetra Tech came in second and outbid WSP Global with its offer for RPS Group. However, most interesting was the competitive process for M&C Saatchi in which neither bidder was successful and M&C Saatchi has ultimately remained in public hands. This outcome was largely driven by an individual connected with AdvancedAdvT, the first bidder, holding a significant stake in the target.

## Private-equity backed bids

Unlike 2021, private equity-backed bids only constituted 19% of all announced bids in 2022 in comparison to 2021 where it constituted 49% of announced bids.

## Break fees and reverse break fees

Unsurprisingly, no break fees were given by target companies in 2022.

However, target companies were the recipients of reverse break fees on three separate occasions, including SARIA's offer for Devro pursuant to which SARIA will pay a reverse break fee of up to £10.8 million (which represents 2% of deal value) in certain specified circumstances.

## Irrevocable undertakings

Irrevocable undertakings were given on 45 bids. Of those 45 bids, 33 included irrevocable undertakings from non-director shareholders.

17 non-director shareholder irrevocable undertakings also contained matching and/or topping rights, which represents approximately 35% of all firm offers announced in 2022.

## Formal sale processes

Although a considerable number of formal sale processes, whether as part of a strategic review or on a standalone basis, were commenced in 2022, only two processes resulted in a firm offer being announced, namely the offer by Sycamore Partners for Ted Baker and the combination between Vistry Group and Countryside Properties.

## Panel consultation in relation to the offer timetable in competitive situations (PCP 2022/3)

Following extensive changes to the contractual offer timetable that were implemented in July 2021, the Panel has published a consultation in order to clarify how the offer timetable operates where one bidder is proceeding by way of a scheme of arrangement and a competing bidder by way of contractual offer, and where one or both offers are subject to a condition relating to a relevant official authorisation or regulatory clearance. The PCP proposes to amend the Takeover Code to clarify the following matters:

- Where one bidder is proceeding by way of a contractual offer and a competing bidder by way of a scheme of arrangement, the shareholder meetings for the second bidder should normally precede Day 60 of the first bid to allow target shareholders sufficient time to decide on and subsequently lodge acceptances of the first bid following the outcome of the shareholder meetings. In addition, the sanction hearing for the second bid's scheme should normally take place after Day 60 of the first bid.
- In a competitive situation, the Panel will not normally introduce an auction procedure under Rule 32.5 until after the last condition relating to a relevant official authorisation or regulatory clearance has been satisfied or waived by each of the bidders.

The consultation closed for comments on 13 January 2023 and the Code Committee expects to publish the Response Statement in Spring 2023, with the amendments to come into effect approximately one month after its publication.

## Panel consultation on miscellaneous amendments to the Takeover Code (PCP 2022/4)

Concurrently with the publication of PCP 2022/3, the Panel published a second consultation on various proposed amendments to the Code, including the following:

- Proposals to provide the Panel with greater flexibility to provide derogations and waivers from the Takeover Code in exceptional circumstances (e.g. serious financial difficulty) and to remove limitations on the Panel's ability to waive the requirements of Rule 9 in cases of serious financial difficulty.
- The removal of a Note on Rule 2 that the Panel will not normally require a possible offer announcement to be made if it is satisfied that rumour or speculation, or an untoward movement in the target's share price, results only from a clear and unequivocal public statement.
- A requirement that a party to an offer (or any concert party) which procures an irrevocable commitment or letter of intent prior to a firm offer announcement must publish the irrevocable commitment or letter of intent on a website (rather than only following the announcement of a firm intention to make an offer).

The timing for receipt of comments, expected publication of a Response Statement and effectiveness of the amendments are the same as for PCP 2022/3.

## Response Statement to the Panel consultation on the presumptions of the definition of 'acting in concert' and related matters (RS 2022/2)

On 14 December 2022, the Panel published its Response Statement to PCP 2022/2, a consultation in relation to the presumptions of the definition of 'acting in concert' and related matters, which was published on 26 May 2022.

As readers will know, 'acting in concert' is effectively an anti-avoidance mechanism designed to prevent certain requirements of the Takeover Code – and the mandatory offer requirement, in particular – from being subverted. The proposed amendments – which are summarised in detail in the Ashurst [Q2 2022 Public M&A Update](#) – include the following:

- Raising the threshold for 'associated company' status from 20 % to 30% (which brings the threshold in line with the control threshold under the Takeover Code).
- Distinguishing between voting rights and equity share capital, and as a result applying different threshold to determine associated company status.
- Treating a fund in the same way as a company such that an investment in a fund is equivalent to a company's equity share capital.

The Panel has noted that respondents were generally supportive of the proposals and the amendments proposed have been adopted subject to certain modifications. The Panel has also provided additional guidance on the application of the presumptions, including in relation to joint ventures, portfolio companies of a private equity firm and government-owned entities.

The amendments to the Takeover Code will take effect on 20 February 2023 and will be applied from this date to all companies and transactions, including those which straddle the implementation date, except where to do so would give the amendments retroactive effect.

## Pre-Emption Group revised Statement of Principles

Although not directly related to the UK public M&A arena, readers may be interested in the publication by the Financial Reporting Council, on behalf of the Pre-Emption Group, of a revised Statement of Principles on the disapplication of pre-emption rights. Among other matters, the revised Statement of Principles effectively states that a company may seek shareholder approval at their AGM for a non-pre-emptive issue of up to 20% of its issued share capital on the same basis as the previous model which allowed for non-pre-emptive issues of up to 10% of issued share capital.

Further information on this matter can be found in the Ashurst [Corporate Update](#) published on 10 November 2022.

# The year in review: looking back at Q1-Q3 2022

*The following sections are extracted from News Digests of other quarterly Public M&A updates that we have published throughout 2022.*

## Amendments to Practice Statement No. 20

The proposed amendments to Practice Statement No. 20 were published by the Panel on 9 February 2022. The main amendment intends to clarify the application of the requirement to consult the Executive, under Rule 2.2 of the Code, where the share price of a potential offeree company moves 10% or more above the lowest share price since:

- the first active consideration of an offer by a potential offeror;
- the receipt by the offeree company of an approach by a potential offeror in relation to a possible offer; or
- the time at which a potential offeror is first sought.

The Amendment also seeks to clarify how the Executive normally interprets Note 1 on Rule 2.2 of the Code. In respect of Notes 1(b) and 1(c) on Rule 2.2, the Executive's policy is to treat a 10% share price movement as being relevant for determining the latest time by which it should first be notified by either a potential offeror or the offeree company, or by its financial adviser, of a possible offer. Accordingly, if the relevant party has already notified the Executive of the possible offer prior to the occurrence of a 10% share price movement, the Executive will not expect to be consulted again solely because of the 10% share price movement.

However, the Executive's expectations remain that it should be consulted each time the offeree company is the subject of rumour and speculation or there is a 5% share price movement in the course of a single day.

## Publication of Panel's Response Statement to PCP 2021/1 (Miscellaneous Code Amendments)

On 5 May 2022, the Panel published its Response Statement RS 2021/1. This Response Statement details the individual responses received from the respondents to the proposed amendments published in the PCP 2021/1. The principal comments and suggestions made by the respondents were generally supportive of the proposals and, having considered the responses to the consultation, the Code Committee has adopted the amendments proposed in the PCP, subject to certain minor modifications and clarifications which are detailed in the Response Statement.

Details of the proposed amendments to the Takeover Code are contained in our 2021 UK Public M&A Review, which principally relate to the following matters:

- The requirement for a potential offeror to disclose an obligation to offer a minimum level, or particular form, of consideration.
- A restriction on acquisitions of interests in shares by a mandatory offeror at the end of the offer timetable.
- Clarifying the "look-back period" for determining the price of a mandatory offer.
- Amending the chain principle test.
- Restrictions following the lapsing of an offer or a statement of no intention to bid.

The amendments to the Takeover Code set out in this Response Statement took effect on 13 June 2022.



## Scheme of arrangement: difficulties relating to the requirement for a 'majority in number'

A recent scheme of arrangement application for Ortho Clinical Diagnostics Holdings plc illustrated the challenges that the 'majority in number' of those voting or 'headcount' test from s899(1) of the Companies Act 2006 can bring about. For some UK public companies – particularly those with an overseas listing such as on Nasdaq or Euronext – a large proportion of their shares are held by a single or small number of nominees on behalf of many beneficial owners. In circumstances where these companies have been taken over by way of a scheme of arrangement, the following different solutions have been used to ensure that the headcount test does not obstruct an otherwise acceptable scheme:

- Re Equitable Life Assurance Society (No. 1) [2002] BCC 319 – Where a member has different beneficial owners who instruct the member to vote for or against the scheme, the court may direct that the member be counted as having voted both for and against. However, this approach may not produce a majority in number if there are only a few members in total because such votes cancel each other out.
- Re Cardtronics plc [2021] EWHC 1617 (Ch) – Cardtronics (whom Ashurst advised) initially had only one registered member who was a nominee for American depositary receipt holders. In order to satisfy the headcount test, two shares were converted into certificated form by two directors and they became registered members. The court noted that it would be informed as to the value of the underlying voting interests and was content that such arrangements did not amount to a manipulative share split. The court saw this as providing a pragmatic solution while acknowledging that different approaches existed. The key question was whether the court felt "able to rely on the outcome of the meeting as a true expression of the will of the members when the times comes for sanction".

- Re GW Pharmaceuticals plc [2021] EWHC 716 (Ch) – In this case, the court accepted a different approach from Equitable Life: For the purposes of the headcount test, the chair of the court meeting should treat a holder of scheme shares (that cast a vote both for and against the scheme) as voting in favour if that holder cast more votes in favour than against, and otherwise the holder should be treated as voting against. As compared to Equitable Life, this means the nominee's vote would have an effect for one side.

Although for Ortho, the court considered that the GW Pharmaceuticals approach was best in the circumstances, whether to adopt the approach in Cardtronics or GW Pharmaceuticals is largely a matter of preference with both options having been found acceptable (it being noted that Cardtronics is more consistent with the legislation). Overall, this demonstrates that the court is generally willing to adopt a pragmatic approach in finding a solution such that the headcount test does not obstruct an otherwise acceptable scheme.

## The Panel's 2022 Annual Report and Accounts

The Panel published its latest Annual Report and Accounts, for the year ended 31 March 2022, on 19 July 2022. Key points from the latest Annual Report and Accounts include the following:

- Activity levels were high in the first half of the 2021/2022 financial year – there were 33 announced firm offers which totalled £45 billion.
- Activity levels, affected by economic conditions including the war in Ukraine, came down in the second half of financial year – there were 27 announced firm offers which totalled £11 billion.
- The effect of Takeover Code changes that were implemented in July 2021 relating to offer timetables and offer conditions has not been fully felt as most takeover bids are structured as schemes of arrangement and not contractual offers.
- There were numerous bids involving competing bidders. Two such situations were resolved by way of auctions overseen by the Panel Executive, namely the acquisition of Wm Morrison Supermarkets plc by Clayton, Dubilier & Rice, LLC (on which Ashurst advised Morrisons) and the acquisition of Augean plc by a consortium of investment funds (on which Ashurst advised Augean).
- The Panel Executive issued four educational/warning letters and one letter of private censure in the past financial year.

Key statistics are as follows:

- Out of 60 firm offers, at the time of the firm offer announcement, 48 were structured as a scheme of arrangement and 12 were structured as a contractual offer (compared to 34 and 12 respectively, in the previous year).
- Four offers were mandatory offers at the time of the firm offer announcement (compared to 2 in the previous year).
- The Panel Executive granted 30 whitewash dispensations and 7 Code waivers (compared to 39 and 5 respectively, in the previous year).

### Panel Bulletin No.5 on possible offer announcements

Panel Bulletin No. 5, which was published on 20 July 2022, reminds financial advisers of guidance set out in Practice Statement No. 20. That Practice Statement sets out in detail how the Panel Executive normally interprets and applies provisions of Rule 2 of the Takeover Code, including steps expected of parties to a possible offer and their advisers. In particular, the Panel Executive expects that possible offer announcements are made within a matter of minutes once the Rule 2.2 requirement for an offeror or offeree company to make that announcement has been triggered. To that end, the Panel Executive expects financial advisers to prepare a draft announcement in advance which is complete, fulfils the Code requirements and has been approved by its client.

# Practice and Panel Statements

## Practice Statements

The following Practice Statement was issued by the Panel during 2022:

33	13/06/2022	Purchases of shares in the offeree company by an offeror during the offer period.
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## Panel Statements

The following Panel Statements were issued by the Panel during 2022 – in reverse chronological order:

Number	Date	Subject	Summary
<a href="#">2022/22</a>	28/12/22	Jigsaw Insurance Services plc	Offer timetable suspended
<a href="#">2022/21</a>	14/12/22	Presumptions of the definition of “acting in concert”: Publication of Response Statement and Instrument	Publication of RS 2022/2 (Presumptions of the definition of “acting in concert” and related matters) and amendments to the Code
<a href="#">2022/20</a>	17/11/22	Amicrest Holdings plc	Ruling of the Chair of the Hearings Committee
<a href="#">2022/19</a>	19/10/22	Publication of PCP 2022/3 and PCP 2022/4	Public Consultation Papers: The offer timetable in a competitive situation; Miscellaneous Code amendments
<a href="#">2022/18</a>	9/09/22	HM Queen Elizabeth II	Deepest condolences
<a href="#">2022/17</a>	25/07/22	M&C Saatchi plc	Revised offer timetable for M&C Saatchi plc

Number	Date	Subject	Summary
<a href="#">2022/16</a>	20/07/22	Panel Bulletin 5	Publication of Panel Bulletin 5 (Possible offer announcements)
<a href="#">2022/15</a>	19/07/22	2022 Annual Report	Publication of the Panel's Annual Report
<a href="#">2022/14</a>	14/07/22	Association for Financial Markets in Europe	Securities Trading Committee
<a href="#">2022/13</a>	11 July 2022	The Go-Ahead Group plc	Kelsian Group Limited – deadline for clarification under section 4 of Appendix 7 of the Code
<a href="#">2022/12</a>	13/06/22	Revised Takeover Code, Practice Statement No 33 and Panel Bulletin 4	Publication of revised version of the Takeover Code, new Practice Statement No 33 and Panel Bulletin 4
<a href="#">2022/11</a>	26/05/22	Public Consultation Paper: Presumptions of the definition of “acting in concert” and related matters	Publication of Public Consultation Paper 2022/2
<a href="#">2022/10</a>	10/05/22	Shaftesbury plc	Possible offer by Capital & Counties Properties plc
<a href="#">2022/9</a>	5/05/22	Amendments to the Takeover Code	Publication of RS 2021/1 (Miscellaneous Code amendments) and RS 2022/1 (Removal of restriction on anonymous order book dealings) and Instrument 2022/3 (Document charges)
<a href="#">2022/8</a>	28/04/22	Tungsten Corporation plc	Pagero and Unidentified Potential Competing Offeror – deadline for clarification under section 4 of Appendix 7 of the Code
<a href="#">2022/7</a>	29/03/22	McKay Securities plc	Slate Asset Management – deadline for clarification under section 4 of Appendix 7 of the Code

Number	Date	Subject	Summary
<a href="#">2022/6</a>	9/02/22	Practice Statement No 20	Amendments to Practice Statement No 20
<a href="#">2022/5</a>	7/02/22	Public Consultation Paper: Removal of restriction on anonymous order book dealings	Publication of Public Consultation Paper 2022/1
<a href="#">2022/4</a>	27/01/22	Panel appointment	Appointment of Deputy Chair
<a href="#">2022/3</a>	27/01/22	Publication of Instrument 2022/1	Limitation on length of service of Panel members
<a href="#">2022/2</a>	20/01/22	Marshall Motor Holdings plc	Offer timetable suspended
<a href="#">2022/1</a>	5/01/22	Playtech plc	JKO Play Limited – extended deadline for clarification under section 4 of Appendix 7 of the Code

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“Market-leading practice, containing real experts. Proven track record, well positioned to advise on cross-border projects. Strong presence in a number of countries. Provides very timely and excellent advice and are willing to go the extra mile.” [LEGAL 500 UK 2023](#)

**CORPORATE TEAM  
OF THE YEAR**  
LEGAL BUSINESS AWARDS  
2022

# Announced\* UK takeover bids

(1 October 2022 to 31 December 2022)

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Target (Market)	Bidder(s)	Bid value	Bid premium**	Recommended	Hostile/No Recommendation	Rule 9 offer	Cash	Shares (L/U/A)	Other consideration	Mix and match	Offer***	Partial Offer	Scheme	Offer-related arrangements	Formal sale process	Non-solicit undertaking of bid in shareholder	Matching/Topping rights****	Shareholder vote	Profit forecast/Q:FB
K3 Capital Group plc (AIM)	Sun European Partners, LLP	£271.7m	16.7%	•			•						•	C		• 1	• 2	• 3	
Crestchic plc (AIM)	Aggreko Limited	£122m	13%	•			•						•	C					
Wentworth Resources plc (AIM)	Etablissements Maurel & Prom S.A	£61.7m	30%	•			•						•	•C			• 4		
Devro plc (Main Market)	SARIA SE & CO.Kg	£540m	65%	•			•						•	•C, R, 5					
Jigsaw Insurance Services plc (Unquoted)	PIB Group Limited	£22.6m - £24.12m	N/A	•			•		• 6		•		•	• 7					
Appreciate Group plc (AIM)	PayPoint plc	£83m	68.9%	•			•	• A					•	•C			• 8		
TP Group plc (AIM)	Science Group plc	£17.53m	190%	•			•						•						

## Key

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- \*\* Premium of the offer price over the target's share price immediately prior to the commencement of the relevant offer period
- \*\*\* Standard 90% (waivable) acceptance condition, unless otherwise stated
- \*\*\*\* In shareholders' irrevocables (unless indicated otherwise)
  - Permitted agreements under Rule 21.2 of the Code
  - A AIM traded shares
  - C Co-operation agreement/bid conduct agreement
  - F Break fee given under formal sale process or white knight dispensation
  - L Listed/traded shares
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  - R Reverse break fee
  - S Standstill agreement
  - U Untraded shares
  - B Bidder shareholder approval
  - T Target shareholder approval

1. Each of the shareholders has undertaken not to solicit, directly or indirectly, any other offer in competition with the acquisition, whether conditionally or unconditionally (by whatever means the same is to be implemented) nor enter into any negotiation to such effect.
2. In the event of a higher competing offer being announced of at least 385 pence for each K3 share and which is not subject to pre-conditions, the irrevocable undertaking given by AXA will not lapse unless Bidco fails to announce, within ten business days of such higher competing offer being announced, a revised offer for K3 which is at least as favourable as the value of the competing offer and not subject to any pre-conditions.
3. For the purposes of Rule 16 of the Takeover Code, certain arrangements relating to the rollover arrangements require approval of the independent K3 shareholders.
4. In the event of a higher competing offer being announced which represents an improvement of 10% or more on the value of M&P's offer, the irrevocable undertakings given by Vitol Energy (Bermuda) Ltd, Robert McBean, and OVMK will not lapse unless M&P fails to announce, within five business days of such higher competing offer being announced, a revised offer for Wentworth which is at least as favourable as the value of the competing offer.
5. Bidco has agreed, under the co-operation agreement to pay Devro a break fee of £10.8 million if: (1) on or prior to the Long Stop Date, Bidco invokes (and is permitted by the Panel to invoke) any condition set out in paragraph 3 of part A of Appendix 1 of the Rule 2.7 announcement so as to cause the acquisition not to proceed, lapse or be withdrawn; and (2) On the Long Stop Date, any condition set out in paragraph 3 of part A of Appendix 1 of the Rule 2.7 announcement has not been satisfied or waived by Bidco.
6. Additional consideration – contingent entitlement of up to a further 14 pence in cash per Jigsaw share which will be calculated by reference to a completion accounts mechanism.
7. Warranty deed in place under Rule 21.2 between PIB and the covenantors under which the covenantors have given certain warranties to PIB in respect of the business and affairs of the Jigsaw group.
8. In the event of a higher competing offer being announced which represents an improvement of 10% or more on the value of PayPoint's offer, the irrevocable undertaking given by North Atlantic Smaller Companies Investment Trust plc will not lapse unless PayPoint fails to announce, within 5 days of such higher competing offer being announced, a revised offer for Appreciate which is at least as favourable as the value of the competing offer.



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Target (Market)	Bidder(s)	Bid value	Bid premium**	Recommended	Hostile/No recommendation	Rule 9 offer	Cash	Shares (L/U/A)	Other consideration	Mix and match	Offer***	Partial offer	Scheme	Offer-related arrangements	Formal sale process	Non-solicit undertaking of bid in shareholder	Matching/Topping rights****	Shareholder vote	Profit forecast Q/FBS
Attraqt Group plc (AIM)	Crownpeak Holdings, LLC	£63.2m	71.43%	•			•						•						
Biffa plc (Main Market)	ECPV, LLC	£1.3bn	28%	•			•						•						
RPS Group plc (Main Market)	Tetra Tech, Inc.	£636m	89.7%	•			•						•	•C1					
RPS Group plc (Main Market) (Lapsed)	WSP Global Inc.	£591.1m	76%		•2		•						•	•C					
AVEVA Group plc (Main Market)	Schneider Electric SE	£9.48bn	41%	•			•						•	•C					
Countryside Partnerships PLC (Main Market)	Vistry Group PLC	£1.25bn	9.1%	•			•	•L		•3			•	•C				•4, 5	•6, 7
Diurnal Group plc (AIM)	Neurocrine Biosciences, Inc.	£48.3m	53.8%	•			•						•	•				•8	
Micro Focus International plc (Main Market)	Open Text Corporation	£1.8bn	98.3%	•			•						•	•C				•9	
MySale Group plc (AIM)	Frasers Group plc	£18.99m	25.7%		•		•				•								
Ted Baker plc (Main Market)	Authentic Brands Group, LLC	£211m	11.4%	•			•						•	•C	•	•10			
Mediclinic International plc (Main Market)	Rengro Limited MSC Mediterranean Shipping Company SA	£3.7bn	19%	•			•						•	•C					•11
Lamprell plc (Main Market)	Blofeld Investment Management Limited AlGihaz Holding Closed Joint-Stock Company	£38.8m	NP	•			•				•		•	•C					
Euromoney Institutional Investor PLC (Main Market)	Astorg Asset Management S.à r.l. Epiris GP Limited Epiris GP III Limited	£1.61bn	33.5%	•			•						•	•C					•12

## Key

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1. Tetra Tech, Inc., and RPS have implemented a regulatory clean team protocol which sets out how competitively sensitive confidential information can be disclosed and shared between both sides' legal counsel for the purposes of obtaining the consent of competition authorities and/or regulatory clearances in connection with the acquisition.
2. Initially recommended, but recommendation withdrawn in light of superior proposal from Tetra Tech.
3. Countryside shareholders will be entitled, subject to availability, to elect to vary the proportion in which they will receive cash and new Vistry shares. The total number of new Vistry shares to be issued and the maximum aggregate amount of cash to be paid under the terms of the combination will not be varied as a result of elections under the mix and match facility. Accordingly, satisfaction of elections made by Countryside shareholders under the mix and match facility will depend on the extent to which other Countryside shareholders make offsetting elections. To the extent that elections cannot be satisfied in full, they will be scaled down on a pro rata basis. As a consequence, Countryside shareholders who make an election under the mix and match facility will not necessarily know the exact number of new Vistry shares or the amount of cash they will receive until settlement of the consideration due to them under the terms of the combination. Elections under the mix and match facility will not affect the entitlements of those Countryside shareholders who do not make such elections.
4. Class 1 transaction under the Listing Rules requiring bidder shareholder approval.
5. For the purposes of Rule 16 of the Takeover Code, certain arrangements relating to a legacy bonus scheme implemented by Countryside for nine senior managers will require the approval of the independent shareholders.
6. The Rule 2.7 Announcement includes statements by Countryside, which for the purposes of Rule 28 of the Takeover Code constitute profit forecasts. This includes the following statement taken from the Countryside group's half year results for the period ended 31 March 2022: "As announced on 7 April 2022, the Board expects adjusted operating profit for the full year of approximately £150m (2021: £167.3m) including a significant profit growth in the second half." This forecast was repeated in the trading update published by the Countryside group on 21 July 2022 in respect of the period from 1 April 2022 to 30 June 2022, as follows: "FY 2022 guidance is unchanged at approximately £150m adjusted operating profit [...] While we are mindful of the challenging macro-economic backdrop, we reiterate our FY 22 guidance of approximately £150m adjusted operating profit."
7. The Rule 2.7 Announcement includes statements by Vistry, which for the purposes of Rule 28 of the Takeover Code constitute profit forecasts. Vistry has made the following statement in relation to the Vistry group's 2022 financial year guidance in the investor and analyst presentation published by Countryside and Vistry in connection with the combination: "While mindful of the wider economic uncertainties, Vistry remains positive on its outlook and continues to expect adjusted profit before tax for the 2022 financial year to be approximately £417m." These statements substantially repeat the same statement originally made in the Vistry group's trading update published on 18 May 2022 in respect of the period from 1 January 2022 to 18 May 2022, as follows: "Whilst we are mindful of the wider market uncertainties, we remain positive on our outlook. Our expectation for profit in the first half has moved forward, and for 2022 we expect adjusted profit before tax to be at the top end of market forecasts (17/05/2022 - Adjusted profit before tax: High - £415.0m, Mean - £396.3m) (07/07/2022 - Adjusted profit before tax: High - £417.0m, Mean - £397.7m)."
8. In the event of a higher competing offer being announced which represents an improvement of 15% or more on the value of Neurocrine's offer, i) the irrevocable undertaking given by shareholder IP Group will not lapse unless Neurocrine fails to announce, within five business days of such higher competing offer being announced, a revised offer for Diurnal which exceeds the value of the competing offer, and ii) the irrevocable undertakings given by shareholders Polar Capital Holdings plc and Development Bank of Wales will not lapse unless Neurocrine fails to announce, within 14 days of such higher competing offer being announced, a revised offer for Diurnal which is at least as favourable as the value of the competing offer.
9. In the event of a higher competing offer being announced which represents an improvement of 10% or more on the value of Open Text UK Holding Limited's ("Bidco") offer, the irrevocable undertaking given by shareholder Dodge & Cox will not lapse unless Bidco fails to announce, within ten business days of such higher competing offer being announced, a revised offer for Micro Focus which is at least as favourable as the value of the competing offer.
10. Each of the non-director shareholders has undertaken that it will not, directly or indirectly, solicit or encourage any person other than the bidder to make any offer for any shares or other securities of Ted Baker or take any action which is or may be prejudicial to the successful outcome of the acquisition or which would or might have the effect of preventing any of the conditions of the acquisition from being fulfilled.
11. The Rule 2.7 Announcement includes statements by Mediclinic, which for the purposes of Rule 28 of the Takeover Code constitute profit forecasts. These statements are based on Mediclinic's current internal forecast for the remainder of the year ending 31 March 2023. Mediclinic expects the positive momentum in revenue growth, margin improvement and earnings of FY22 to continue in FY23, driven by increased client activity supported by expected underlying economic growth in all three regions. Seasonal trends in patient activity levels, most notably in Switzerland and the Middle East, are expected to return, in the absence of any material new waves of COVID-19. Improving profitability and strong cash generation are expected to support continued deleveraging. Switzerland expects to deliver modest FY23 revenue growth and EBITDA margin improvement to around 16%. Southern Africa expects to deliver FY23 revenue growth in the mid-single digit percentage range and an EBITDA margin improvement, approaching 20%. The Middle East expects to deliver FY23 revenue growth in the high-single digit percentage range and an EBITDA margin improvement approaching the mid-15% range.
12. The scheme document includes statements by Euromoney, which for the purposes of Rule 28 of the Takeover Code constitute a profit forecast. On 19 May 2022, Euromoney released its interim results for the six months ended 31 March 2022 which included guidance for FY 2022 comprising "double-digit underlying revenue growth" and "an increase in adjusted operating profit margin" in each case versus FY 2021. On 18 July 2022, Euromoney released a trading update for the nine months ended 30 June 2022, which included the statement, "We delivered a stronger-than-expected Q3 performance; continued growth in subscriptions was accompanied by high demand for a number of our largest events of the year. Taking into account the Q3 performance, we now expect the results for FY 2022 to be ahead of the Board's previous expectations."

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Target (Market)	Bidder(s)	Bid value	Bid premium**	Recommended	Recommendation	Rule 9 offer	Cash	Shares (L/U/A)	Other consideration	Mix and match	Offer***	Partial offer	Scheme	Offer-related arrangements:□	Formal sale process	Non-solicit undertaking of bid in shareholder	Matching/Topping rights****	Shareholder vote	Profit forecast/Q/FBS
CareTech Holdings PLC (AIM)	Sheikh Holdings Group (Investments) Limited Belgravia Investments Limited Kensington Capital Limited Funds managed by THCS IV GP S.à r.l. and TH Management IV S.à r.l. as advised by THCP Advisory Limited	£870.3m	28%	•					•1				•	•C					
Firestone Diamonds plc (Unquoted)	Pacific Road Capital	£78,948	NP		•		•				•2			•					
EMIS Group plc (AIM)	UnitedHealth Group Incorporated	£1.24bn	49%	•			•						•	•C					
Shaftesbury PLC (Main Market)	Capital & Counties Properties PLC	£1.96bn	NP	•				•L					•	•C			•	•B3	
Altus Strategies Plc (AIM)	Elemental Royalties Corp	CAD\$94.08 m (Approx. £60.6m)	NP					•L					•	•C R5					
The Go-Ahead Group plc (Main Market)	Kinetic TCo Pty Ltd and Globalvia Inversiones S.A.U.	£647.7m	24%				•						•	•C					
Pires Investments plc (AIM)	Tern plc	£14.9m	53.8%					•A					•	•C		•7	•8	•B9	•
Capricorn Energy PLC (Main Market) (Lapsed)	Tullow Oil plc	£657m	NP					•L					•	•C				•B 10	• 11
SDX Energy plc (AIM)	Tenaz Energy Corp.	£21.4 m	24%	•				•L					•	•C			•	•B 12	

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HomeServe plc (Main Market)	Brookfield Infrastructure Partners L.P.	£4.077bn	71%				•						•	• C					
M&C Saatchi plc (AIM) (Lapsed)	Next Fifteen Communications Group plc	£310.1m	49.8%		• 13		•	• A					•	• C				• B 14	• 15
M&C Saatchi plc (AIM) (Lapsed)	AdvancedAdvT Limited	£253.6m	27%		• 16		•	• L		•	•						• 17		• 18
ContourGlobal plc (Main Market)	Kohlberg Kravis Roberts & Co. L.P.	£1.75bn	36%	•			•						•	• C					• 19
Secure Income REIT plc (AIM)	LXi REIT plc	£1.5bn	15%	•					• 20				•				• B 21	• 22 23	• 24
Ideagen plc (AIM)	Hg Pooled Management Limited	£1.06bn	52%	•			•						•	• C					• 25
Tungsten Corporation plc (AIM) (Lapsed)	Pagero Group AB (publ)	£61.49m	65.52%		• 26		•				•						• 27		• 28

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1. Cash and unlisted securities alternative: As an alternative to the cash consideration, Care Tech shareholders may elect to receive rollover non-voting ordinary shares in the capital of the indirect parent of Bidco (Topco) having the rights of rollover securities set out in the articles of association of Topco (the Rollover Securities) in exchange for their holding of Care Tech shares (as a ratio to be specified in the scheme document (Partial Alternative Offer)). Eligible Care Tech shareholders will be able to elect for the Partial Alternative Offer in relation to all or part of their holding of Care Tech shares. There will be scale back on a pro-rata basis if applications representing in excess of 26.4% of the issued ordinary share capital of Topco are received and, in such circumstances, eligible Care Tech shareholders whose applications are scaled back will receive the cash consideration in respect of their Care Tech shares which are not exchanged for Rollover Securities.
  2. The Offer is subject to valid acceptances of the Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. (London time) on the Unconditional Date (or such later time(s) and/or date(s) as PRRF II may, in accordance with the Takeover Code or with the consent of the Panel, decide) in respect of such number of Firestone Shares which, when aggregated with the Firestone Shares held, acquired or agreed to be acquired by PRRF II, whether pursuant to the Offer or otherwise, before such time, will result in PRRF II holding Firestone Shares carrying in aggregate more than 50% of the voting rights then normally exercisable at a general meeting of Firestone, including for this purpose any such voting rights attaching to Firestone Shares that are unconditionally allotted or issued before the Offer becomes or is declared unconditional whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise.
  3. Class 1 and related party transaction under the Listing Rules – shareholder approval required: the Capco directors and Norges Bank (in relation to the resolutions on which it is entitled to vote) have given irrevocable undertakings, and Madison International Realty has given a letter of intent, to vote in favour of the resolutions, representing approximately 19.21% of the issued share capital of Capco.
  4. The Rule 2.7 announcement contains statements of estimated synergies arising from the merger (a quantified financial benefits statement (QFBS)) which includes the belief that the combination will result in annual pre-tax cost synergies of £12 million on an annual run-rate basis by the second anniversary of the completion. It is expected that the realisation of these identified synergies will require one-off costs of approximately £11.4 million, with around 49% incurred in the first full year following completion and the remainder by the end of the second full year following completion. The QFBS has been reported on by KPMG and Rothschild & Co as required by Rule 28.1(a) of the Takeover Code. The QFBS is set out in Appendix 4 of the Rule 2.7 announcement.
  5. Elemental has agreed, under the co-operation agreement, to pay to Altus a break fee payment in the amount of US\$2 million (exclusive of VAT (if any)) if, following the Rule 2.7 announcement, any of certain specified events occur. These include: (1) the termination of the co-operation agreement as a result of an Elemental board adverse recommendation change or because Elemental has breached its obligations relating to competing proposals for Elemental in any material respect, subject to certain exceptions; or (2) (i) a competing proposal or publicly announced intention to make a competing proposal is made for Elemental prior to the termination of the co-operation agreement; (ii) the co-operation agreement is terminated as a result of failure to obtain necessary shareholder approval, failure to publish the Elemental information circular in accordance with Elemental's obligations under the co-operation agreement, or failure to hold the Elemental special meeting within the relevant timeframe; (iii) no Altus board adverse recommendation change has occurred prior to the termination of the co-operation agreement; and (iv) Elemental enters into a definitive agreement in respect of a competing proposal or the board of Elemental adopts any such competing proposal within 6 months of the termination of the co-operation agreement.
  6. Issue of new Elemental shares – shareholder approval required: Certain Elemental directors, employees and other Elemental shareholders have entered into voting and support agreements to vote in favour of the resolution, representing, in aggregate, approximately 40.28% of the issued share capital of Elemental; Two shareholders have given non-binding letters of intent to vote in favour of the resolution, representing 10.43% of the issued share capital of Elemental.
  7. RiverFort Global Opportunities plc has agreed not, directly or indirectly, to encourage any person other than Tern to make any offer for any shares or other securities of Pires.
  8. In the event of a higher competing offer being announced which represents an improvement of 10% or more on the value of Tern's offer, the irrevocable undertaking given by RiverFort Global Opportunities plc will not lapse unless Tern fails to announce, within 14 days of such higher competing offer being announced, a revised offer for Pires which exceeds the value of the competing offer.
  9. Allotment of new Tern shares – shareholder approval required. The Tern directors have given irrevocable undertakings to vote in favour of the resolutions, representing approximately 5.99% of the issued share capital of Tern.
  10. The combination is subject to approval by Tullow shareholders as it constitutes a Class 1 transaction under the Listing Rules. The Tullow directors have given irrevocable undertakings to vote in favour of the resolutions, representing approximately 0.1% of the issued share capital of Tullow.
  11. The Rule 2.7 announcement contains statements of estimated synergies arising from the combination (a quantified financial benefits statement (QFBS)) which includes the belief that the combination will result in annual pre-tax cost synergies of US\$50 million on an annual run-rate basis by the second anniversary of the completion of the combination. It is expected that the realisation of these identified synergies will require one-off costs of approximately US\$45 million incurred in the two years post-completion of the combination. The QFBS has been reported on by KPMG and PJT Partners as required by Rule 28.1(a) of the Takeover Code. The QFBS is set out in Appendix 4 of the Rule 2.7 announcement.
  12. Issue of new Tenaz shares – shareholder approval required: The Tenaz directors have given irrevocable undertakings to vote in favour of the resolutions, representing approximately 8.25% of the issued share capital of Tenaz. CHP (+\$11 million), Austria Wind (+\$8 million) and a negative FX variance of \$8 million and (2) Strong cash flow generation with Funds from Operations ("FFO") reaching \$112 million in Q1 2022, a 9% increase over Q1 2021, mainly explained by growth in Adjusted EBITDA (+\$28 million) partially offset by higher distributions to non-controlling shareholders (-\$20 million) and lower interest paid (+\$12 million).
  13. Recommendation withdrawn: On 17 June 2022, the board of M&CSaatchi announced that it had published the scheme document and that it had withdrawn its recommendation to M&CSaatchi shareholders to vote in favour of the scheme, and unanimously recommended that shareholders do not vote in favour of the scheme. The board of M&CSaatchi noted that, based on the closing price per Next Fifteen share on the last practicable date prior to the announcement of the Next Fifteen offer of 1,266 pence, the Next Fifteen offer valued each ordinary share in the capital of M&CSaatchi at 247.2 pence. Since the date of the Rule 2.7 announcement, the Next Fifteen share price has materially deteriorated (with the closing price of a Next Fifteen share having fallen by 28.1% since the last business day prior to the Rule 2.7 announcement). Accordingly, the M&CSaatchi directors no longer consider the terms of the Next Fifteen offer to be fair and reasonable solely on the basis of the deterioration in value of Next Fifteen shares. The M&CSaatchi directors stated that, based solely on financial terms, they consider each of the AdvancedAdvToffer and the Next Fifteen offer to be inferior to M&CSaatchi's standalone prospects. However, if those standalone prospects were incapable of being delivered as envisaged, then the M&CSaatchi directors consider the Next Fifteen offer to be superior to the AdvancedAdvToffer and Next Fifteen to be the preferred future owner of the M&CSaatchi business for the reasons set out in the announcement of 17 June 2022, including the strategic, commercial, employee and cultural advantages which the M&CSaatchi directors consider Next Fifteen to offer the M&CSaatchi business. The M&CSaatchi directors stated that, notwithstanding that, as at the date of the scheme document, they are not recommending the Next Fifteen offer to M&CSaatchi shareholders, based on feedback from certain M&CSaatchi shareholders, the M&CSaatchi directors agreed to continue to facilitate the Next Fifteen offer to enable it to be put to M&CSaatchi shareholders for consideration alongside the AdvancedAdvToffer.
  14. Authorise the allotment of new Next Fifteen shares – shareholder approval required. The Next Fifteen directors have given irrevocable undertakings to vote in favour of the resolutions, representing approximately 5.6% of the issued share capital of Next Fifteen.

## Key

<p>* This table includes details of takeovers, set out in chronological order, in respect of which a firm intention to make an offer has been announced under Rule 2.7 of the Code during the period under review (including any offers which subsequently lapsed or were withdrawn).</p> <p>** Premium of the offer price over the target's share price immediately prior to the commencement of the relevant offer period</p> <p>*** Standard 90% (waivable) acceptance condition, unless otherwise stated</p> <p>**** In shareholders' irrevocables (unless indicated otherwise)</p> <p>□ Permitted agreements under Rule 21.2 of the Code</p> <p>A AIM traded shares</p> <p>C Co-operation agreement/bid conduct agreement</p> <p>F Break fee given under formal sale process or white knight dispensation</p> <p>L Listed/traded shares</p> <p>NP No premium given in offer documentation or nil premium</p> <p>R Reverse break fee</p> <p>S Standstill agreement</p> <p>U Untraded shares</p> <p>B Bidder shareholder approval</p> <p>T Target shareholder approval</p>	<p>15. The Rule 2.7 Announcement includes a profit forecast by M&amp;CSaatchi for the years ending 31 December 2022 and 2023. BDO LLP ("BDO"), as reporting accountant to M&amp;CSaatchi, and Numis and Liberum, as financial advisers to M&amp;CSaatchi, each provided a report in respect of the FY22 Profit Forecast as required under Rule 28.1(a) of the Takeover Code. M&amp;CSaatchi is forecasting headline profit before tax in the of £31 million in FY22 and £41 million in FY23.</p> <p>16. Hostile.</p> <p>17. In the event of a higher competing offer being announced which represents an improvement of 10% or more on the value of AdvancedAdvT offer, the irrevocable undertakings given by Paradise Investment Management LLC, Stuart Roden and Richard Saunders will not lapse unless AdvancedAdvTails to announce, within three days of such higher competing offer being announced, a revised offer for M&amp;CSaatchi which is at least as favourable as the value of the competing offer.</p> <p>18. The Profit Forecast dated 29 April 2022 contains a statement regarding M&amp;CSaatchi's projections for the years ending 31 December 2022 and 2023. BDO LLP ("BDO"), as reporting accountant to M&amp;CSaatchi, and Numis and Liberum, as financial advisers to M&amp;CSaatchi, each provided a report in respect of the FY22 Profit Forecast as required under Rule 28.1(a) of the Takeover Code. M&amp;CSaatchi is forecasting headline profit before tax in the of £31 million in FY22 and £41 million in FY23.</p> <p>19. The scheme document includes statements by ContourGlobal, which for the purposes of Rule 28 of the Takeover Code constitute ordinary course profit estimates for the period 1 January 2022 to 31 March 2022. Contour Global confirmed (1) Adjusted EBITDA was up 15.3% from \$180.6 million to \$208.3 million, mainly driven by the Western Group acquisition (+\$11 million), Mexico CHP (+\$11 million), Austria Wind (+\$8 million) and a negative FX variance of \$8 million and (2) Strong cash flow generation with Funds from Operations ("FFO") reaching \$112 million in Q1 2022, a 9% increase over Q1 2021, mainly explained by growth in Adjusted EBITDA (+\$28 million) partially offset by higher distributions to non-controlling shareholders (-\$20 million) and lower interest paid (+\$12 million).</p> <p>20. Share and partial cash alternative: A partial cash alternative will be made available under which SIR shareholders can elect to receive cash instead of some, or potentially all, of the new LXI shares to which they would otherwise be entitled under the merger and a matching reduction in the proportion of new LXI shares receivable. The maximum aggregate amount of the partial cash alternative will not exceed 25% of the total value of the consideration offered to SIR shareholders (equating to a maximum aggregate cash consideration of £385 million) under the terms of the merger (Partial Cash Alternative). SIR shareholders who validly elect to receive the Partial Cash Alternative for up to or including a basic entitlement of 118,880 pence in cash per SIR share, sold under the merger, will receive the full amount of cash for which they have elected. SIR shareholders may elect to receive cash consideration less than, or in excess of, their basic entitlement. Elections to receive cash in excess of this basic entitlement may be scaled back pro rata, depending upon the overall level of take-up of the Partial Cash Alternative. The Partial Cash Alternative will be funded from the acquisition facility. SIR shareholders who elect to receive the basic entitlement of 118,880 pence in cash per SIR share will also receive 2,488 New LXI shares for each SIR share. The Partial Cash Alternative will not affect the entitlements of those SIR shareholders who do not elect for it, each of whom will receive 3.32 new LXI shares for each SIR share in accordance with the terms of the scheme.</p> <p>21. In the event of a higher competing offer being announced which represents an improvement of 15% or more on the value of LXI's offer, the irrevocable undertakings will not lapse unless LXI fails to announce, within ten business days of such higher competing offer being announced, a revised offer for SIR which is at least as favourable as the value of the competing offer.</p> <p>22. Reverse takeover under the Listing Rules – shareholder approval required.</p> <p>23. Details of special deals/management incentivization arrangements requiring shareholder approval: for the purposes of Rule 16 of the Takeover Code, Rothschild &amp; Co has confirmed that, in its opinion, the terms of the Prestbury acquisition are fair and reasonable so far as independent SIR shareholders are concerned. The Prestbury acquisition is subject to the approval of a simple majority of independent SIR shareholders at the SIR general meeting in accordance with Rule 16 of the Code. If the merger does not become effective and the approval of the independent SIR shareholders is not obtained, the Prestbury acquisition will not complete.</p> <p>24. The scheme document includes a statement by LXI which for the purposes of Rule 28 of the Takeover Code constitutes a profit forecast. On 10 January 2022, LXI announced a 5% increase to its annual dividend target to 6.3 pence per LXI Share for the 12 months starting 1 April 2022.</p> <p>25. The scheme document includes a statement by Ideagen which for the purposes of Rule 28 of the Takeover Code constitutes a profit estimate. For the year ended 30 April 2022, the Group expects to report total revenue up 41% at approximately £92.2m (FY 2021: £65.6m) and adjusted EBITDA up 33% to approximately £30.5m (FY 2021: £22.9m).</p> <p>26. Hostile (initially recommended)</p> <p>27. In the event of a higher competing offer being announced of at least 52.8 pence per Tungsten share, the irrevocable undertaking given by OAM will not lapse unless Bidco fails to announce, within ten days of such higher competing offer being announced, a revised offer for Tungsten which is at least as favourable as the value of the competing offer.</p> <p>28. Guidance provided in Photo-Me's trading update issued on 2 August 2021 and refined by Photo-Me in a trading update issued on 10 October 2021 relating to the financial year ended 31 October 2021 and repeated in the offer document constitutes a profit estimate. On the basis that the guidance was originally published before Mr. Serge Crasnianski requested formal clearance pursuant to Photo-Me's dealing code, to acquire 29,111,186 Photo-Me shares, the requirements of Rule 28.1(c)(i) of the Takeover Code apply in relation to the FY21 profit estimate.</p>
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# Announced\* UK takeover bids

(1 January 2022 to 31 March 2022)

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Target (Market)	Bidder(s)	Bid value	Bid premium**	Recommended	Recommendation	Rule 9 offer	Cash	Shares (L/U/A)	Other consideration	Mix and match	Offer***	Partial offer	Scheme	Offer-related arrangements:□	Formal sale process	Non-solicit undertaking of bid in shareholder	Matching/Topping rights****	Shareholder vote	Profit forecast/Q/FBS
InnovaDerma plc (Main Market)	Brand Achitekts Group plc	£13.6m	70.4	•				•L					•				•		
Brewin Dolphin Holdings PLC (Main Market)	Royal Bank of Canada	£1.6bn	62%	•			•						•	•C					
John Menzies plc (Main Market)	Agility Public Warehouseing Company K.S.C.P	£571m	81%	•			•						•	•C			•		
Tungsten Corporation plc (AIM)	Kofax Parent Limited	£53.7m	44.8%	•			•						•				•		
Stagecoach Group plc (Main Market)	DWS Group GmBH & Co. KGaA	£594.9m	54.3%	•			•						•	•C					
Workspace Group PLC (Main Market)	McKay Securities Plc	£272m	36.2%	•			•	•L					•	•C			•		
Clipper Logistics plc (Main Market)	GXO Logistics, Inc.	£965m	49.1%	•			•	•L		•			•	•C					•
Filta Group Holdings plc (AIM)	Franchise Brands plc	£49.8m	NP	•				•A			•							•B	
Air Partner plc (Main Market)	Wheels Up Experience Inc.	£84.8m	54.3%	•			•						•	•C			•		•
River and Mercantile Group PLC (Main Market)	AssetCo plc	£95.3m	NP	•				•L			•		•	•C			•	•B	•
Photo-Me International plc (Main Market) (Lapsed)	Mr. Serge Crasnianski	£284.5m	NP			•	•				•								•
CIP Merchant Capital Limited (AIM)	Corporation Financiere Europeenne S.A.	£30.3m	7.8%			•A	•				•								

## Key

- \* This table includes details of takeovers, set out in chronological order, in respect of which a firm intention to make an offer has been announced under Rule 2.7 of the Code during the period under review (including any offers which subsequently lapsed or were withdrawn). It excludes offers by existing majority shareholders for minority positions.
- \*\* Premium of the offer price over the target's share price immediately prior to the commencement of the relevant offer period
- \*\*\* Standard 90% (waivable) acceptance condition, unless otherwise stated
- \*\*\*\* In shareholders' irrevocables (unless indicated otherwise)
- Permitted agreements under Rule 21.2 of the Code
- A AIM traded shares
- C Co-operation agreement/bid conduct agreement
- F Break fee given under formal sale process or white knight dispensation
- L Listed/traded shares
- NP No premium given in offer documentation or nil premium
- R Reverse break fee
- S Standstill agreement
- U Untraded shares
- B Bidder shareholder approval
- T Target shareholder approval

1. The irrevocable undertakings will remain binding in the event of a higher competing offer and will cease to be binding: (i) if Brand Architektks announces, with the consent of the Panel, that it does not intend to proceed with the merger; (ii) if any competing offer for InnovaDerma becomes or is declared unconditional in all respects or otherwise becoming effective; (iii) on and from the earlier of (a) the Long Stop Date or (b) the time and date on which the merger is withdrawn, lapses or otherwise terminates in accordance with its terms (provided that the reason is not because Brand Architektks has elected to proceed by way of a takeover offer rather than by way of a scheme or vice versa).
2. The irrevocable undertakings will cease to be binding if: (i) Bidco announces, with the consent of the Takeover Panel and before the scheme document or offer document (as applicable) is published, that it does not intend to proceed with the acquisition and no new, revised or replacement scheme or takeover offer to implement the acquisition is announced in accordance with Rule 2.7 of the Code within 10 business days of such announcement; (ii) the scheme (or takeover offer, as applicable) lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme or takeover offer to implement the acquisition has been announced in accordance with Rule 2.7 of the Code within 10 business days of such lapse or withdrawal; (iii) a third party announces a firm intention to make an offer to acquire the entire issued and to be issued ordinary share capital of Menzies in accordance with Rule 2.7 of the Code on terms which represent an improvement of no less than 15% of the value of the consideration offered under the acquisition (competing offer) and Bidco does not increase the consideration offered under the acquisition to an amount which is greater than the value of consideration offered pursuant to the competing offer within ten business days of the date of the announcement of such competing offer.
3. The irrevocable undertakings will cease to be binding if (i) an announcement (including a press announcement) is not made in respect of the acquisition at 40 pence per share by the later of 11 January 2022, such later date as the Panel may agree as being the last date for Kofax to make a formal offer for Tungsten under Rule 2.6 of the Takeover Code or such later time as may be agreed between Kofax and Tungsten; (ii) Bidco announces publicly, with the consent of the Panel, that it does not intend to make or proceed with the acquisition and no new, revised or replacement offer or scheme is announced at the same time; (iii) Bidco informs Truell Associates in writing that it does not intend to make or proceed with the acquisition or to implement the acquisition by way of takeover offer or otherwise; (iv) the scheme lapses or is withdrawn in accordance with its terms and Bidco has publicly confirmed that it does not intend to proceed with the acquisition or to implement the acquisition by way of an offer or otherwise; (v) the scheme has not become effective by 30 August 2022, or if later, the Long Stop Date (or such other time and date as agreed between Bidco and Tungsten, with the approval of the court and/or the Panel, if required (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an offer and announced the same in accordance with the requirements of paragraph 8 of Appendix 7 to the Takeover Code, and such offer has not lapsed or been withdrawn)); (vi) any third party announces, in accordance with the Takeover Code, a firm intention to make a general offer (whether made by way of an offer or a scheme of arrangement) for the entire issued share capital of Tungsten not already owned by such third party at an offer price that is above 49.9 pence per Tungsten share and Bidco has not announced a further offer at an offer price at least equal to the offer price of the competing offer within 28 days of the announcement of the competing offer; (vii) the date on which any competing offer for the entire issued and to be issued share capital of Tungsten is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.
4. In the event of a higher competing offer being announced which represents not less than 327 pence per McKay share, the irrevocable undertakings given by the McKay shareholders other than TR Property Investment Trust will not lapse unless Workspace fails to announce, within 15 business days of such higher competing offer being announced, a revised offer for McKay which is at least as favourable as the value of the competing offer.
5. Statements from Clipper set an expectation for EBIT for FY22 of £37.0 million and £46.2 million on an IAS 17 and IFRS 16 basis respectively (FY22 Clipper Profit Forecast) and EBIT for FY23 of £39.3 million and £47.6 million on an IAS 17 and IFRS 16 basis respectively (FY23 Clipper Profit Forecast), each of which constitutes a profit forecast for the purposes of Rule 28 of the Code. The Rule 2.7 announcement includes the Clipper directors' confirmations as set out in Rule 28.1(c) of the Code that the FY22 Clipper Profit Forecast remains valid but that the FY23 Clipper Profit Forecast is no longer valid. It was noted that, at the time the FY23 Clipper Profit Forecast was made on 7 June 2021, it was 22 months away from the period ending 30 April 2023 to which the profit forecast related. Since then, the market and the circumstances in which Clipper operates in, including the COVID 19 pandemic, have changed.
6. In the event of a higher competing offer being announced of at least 140 pence per Air Partner share, the irrevocable undertaking will not lapse unless Bidco fails to announce, within three business days of such competing offer being announced, a revised offer for Air Partner which is at least as favourable as the value of the competing offer (a matching offer). Following the announcement of a matching offer, in the event that a competing offer is announced that is higher than the matching offer, the irrevocable undertaking will not lapse unless Bidco fails to announce, within three business days of the announcement of such higher competing offer, an increase to the consideration offered under the terms of the matching offer which exceeds the value of such higher competing offer.
7. The scheme document includes a profit estimate by Air Partner for the year ended 31 January 2022. This was reported on by PricewaterhouseCoopers LLP and Canaccord Genuity Limited in accordance with Rule 28.1(a) of the Takeover Code.
8. Semi-hard irrevocable undertakings given by non-director shareholders, save James Barham, will cease to be binding if in various circumstances, for example: (i) the acquisition has not become effective by 6.00 p.m. (London time) on the Long Stop Date (or such later time and/or date as agreed between AssetCo and RMG, with the approval of the court and/or the Panel if required); (ii) AssetCo announces, with the consent of the Panel, that it does not intend to proceed with the acquisition and no new, revised or replacement offer or scheme (to which this undertaking applies) is announced in accordance with Rule 2.7 of the Code at the same time; (iii) the takeover offer or scheme lapses or is withdrawn and no new, revised or replacement acquisition (to which the undertakings apply) is announced in accordance with Rule 2.7 of the Code at the same time; or (iv) save in respect of the irrevocable undertakings given by Punter Southall and Mike Faulkner, where a competing offeror has released a firm offer announcement under Rule 2.7 of Code announcing a firm offer for the entire issued, and to be issued, ordinary share capital of RMG at a price which values each RMG Share at 126.06 pence or more as at the latest practicable date prior to such announcement.
9. Certain AssetCo directors have given irrevocable undertakings to vote in favour of the resolutions, representing approximately 15.86% of the issued share capital of AssetCo. AssetCo shareholders, being Harwood Capital LLP, Toscafund Asset Management LLP and Gordon Neilly, have given irrevocable undertakings to vote in favour of the resolutions, representing approximately 36.14% of the issued share capital of AssetCo.
10. A statement contained in the announcement by RMG on 26 October 2021 of the signing of the Solutions SPA included regarding the financial effects of the Solutions Sale on RMG constitutes a profit forecast for the purposes of Rule 28 of the Code. The profit forecast was first published before RMG received an approach with regard to a possible offer and therefore falls within Rule 28.1(c) of the Code.
11. Guidance provided in Photo-Me's trading update issued on 2 August 2021 and refined by Photo-Me in a trading update issued on 10 October 2021 relating to the financial year ended 31 October 2021 and repeated in the offer document constitutes a profit estimate. On the basis that the guidance was originally published before Mr. Serge Crasnianski requested formal clearance pursuant to Photo-Me's dealing code, to acquire 29,111,186 Photo-Me shares, the requirements of Rule 28.1(c)(i) of the Takeover Code apply in relation to the FY21 profit estimate.