

PRACTICE STATEMENT 2

RULE 21.3 – SITE VISITS AND MEETINGS WITH MANAGEMENT

Under Rule 21.3, the offeree board must, on request, equally and promptly provide an offeror or bona fide potential offeror with all information that it has provided, and that it provides in the seven days following the request, to another offeror or potential offeror. In the absence of such a requirement, a competing, and in the view of the offeree board less welcome, offeror might be dissuaded from bidding and the shareholders of the offeree company might therefore be deprived of the opportunity to consider another, potentially more favourable, offer.

In the view of the Executive, Rule 21.3 extends to site visits and meetings with offeree company management in addition to information disclosed by other means. Accordingly, if one offeror or potential offeror has been afforded a site visit or granted access to management with a view to discussing the offeree company's business, an equivalent site visit or meeting with management must be granted to another offeror or bona fide potential offeror that requests information under Rule 21.3.

The Executive considers that Rule 21.3 requires information to be provided to the requesting offeror or bona fide potential offeror in the same way that it was provided to the other offeror or potential offeror. In other words, information that was provided to the other offeror through a discussion with management (and has not been provided to that offeror in writing) should be provided to the requesting offeror through an equivalent meeting with management.

The Executive recognises that it may not be possible to replicate exactly the same site visit or management access for a subsequent offeror as was given to the first offeror, but considers that the offeree company and its financial adviser are responsible for ensuring, as far as practicable, that the subsequent offeror is afforded equivalent access and equality of treatment. Should there be any dispute as to whether the provisions of Rule 21.3 have been complied with, the relevant financial adviser will be expected to satisfy the Panel that they have been.

The Executive should be consulted in cases of doubt.

Practice Statements are issued by the Panel Executive to provide informal guidance to companies involved in takeovers and practitioners as to how the Executive normally interprets and applies relevant provisions of the Takeover Code in certain circumstances. Practice Statements do not form part of the Code. Accordingly, they are not binding on the Executive or the Panel and are not a substitute for consulting the Executive to establish how the Code applies in a particular case.

12 February 2004

Last amended 11 December 2023