

RULE 24. OFFEROR DOCUMENTS

24.3 FINANCIAL AND OTHER INFORMATION ON THE OFFEROR, THE OFFEREE COMPANY AND THE OFFER

Except with the consent of the Panel:

(a) where the offeror is a company incorporated under the Companies Act 2006 (or its predecessors) and its shares are admitted to trading on a UK regulated market or on AIM or the AQSE Growth Market, the offer document must contain:

- (i) the names of its directors;
- (ii) the nature of its business and its financial and trading prospects;
- (iii) details of the website address where its audited consolidated accounts for the last two financial years have been published and a statement that the accounts have been incorporated into the offer document by reference to that website in accordance with Rule 24.15;
- (iv) details of the website address where any preliminary statement of annual results, half-yearly financial report or interim financial information published since the date of its last published audited accounts have been published and a statement that any such statement, report or information has been incorporated into the offer document by reference to that website in accordance with Rule 24.15;
- (v) in the case of a securities exchange offer, a description of any known significant change in its financial or trading position which has occurred since the end of the last financial period for which audited accounts, a preliminary statement of annual results, a half-yearly financial report or interim financial information has been published, or provide an appropriate negative statement;
- (vi) a statement of the effect of full acceptance of the offer upon its earnings and assets and liabilities; and
- (vii) a summary of the principal contents of each material contract (not being a contract entered into in the ordinary course of business) entered into by the offeror or any of its subsidiaries during the period beginning two years before the commencement of the offer period, including particulars of dates, parties, terms and conditions and any consideration passing to or from the offeror or any of its subsidiaries;

(b) if the offeror is other than a company referred to in (a) above, the offer document must contain:

- (i) in respect of the offeror, the information described in (a) above (so far as appropriate) and such further information as the Panel may require (see Note 2);
 - (ii) in respect of any person who has made (or proposes to make or increase) an investment in the offeror for the purposes of the offer such that the person will have an indirect interest in any of the equity share capital of the offeree company, details of the person's identity and interest in the offeror and such further information as the Panel may require (see Note 2); and
 - (iii) in respect of any person not included in (ii) above whose pre-existing interest in the offeror is such that the person has a potential direct or indirect interest of 5% or more in the equity share capital of the offeree company, details of the person's identity and interest in the offeror and such further information as the Panel may require (see Note 2);
- (c) the offer document must contain summary details of any current ratings and outlooks publicly accorded to the offeror and the offeree company by credit rating agencies, any changes made to previous ratings or outlooks during the offer period, and a summary of the reasons given, if any, for any such changes;
- (d) the offer document (including, where relevant, any revised offer document) must include:
 - (i) a heading stating "If you are in doubt about this offer you should consult an independent financial adviser authorised under the FSMA";
 - (ii) the date when the document is published, the name and address of the offeror (including, where the offeror is a company, the type of company and the address of its registered office);
 - (iii) the identity of any person acting in concert with the offeror and, to the extent that it is known, the offeree company, including, in the case of a company, its type, registered office and relationship with the offeror and, where possible, with the offeree company. (See Note 3);
 - (iv) details of each class of security for which the offer is made, including the maximum and minimum percentages of those securities which the offeror undertakes to acquire;
 - (v) the terms of the offer, including the consideration offered for each class of security, the total consideration offered and particulars of the way in which the consideration is to be paid in accordance with Rule 31.9 or, in the case of a scheme of arrangement, Section 10 of Appendix 7;

- (vi) all conditions to which the offer is subject;
- (vii) language which appropriately reflects that the offeror may only invoke any condition which is subject to Rule 13.5(a) with the consent of the Panel;
- (viii) a statement as to which conditions are not subject to Rule 13.5(a) (see Rule 13.5(c));
- (ix) a statement that any condition that is subject to Rule 13.5(a) may be waived by the offeror (see Rule 13.5(d));
- (x) particulars of all documents required, and procedures to be followed, for acceptance of the offer or, in the case of a scheme of arrangement, for voting;
- (xi) the middle market quotations for the securities to be acquired, and (in the case of a securities exchange offer) securities offered, for the first business day in each of the six months immediately before the date of the offer document, for the last business day before the commencement of the offer period and for the latest available date before the publication of the offer document, together with the source (or, if any of the securities are not admitted to trading, any information available as to the number and price of transactions which have taken place during the preceding six months, together with the source, or an appropriate negative statement);
- (xii) details of any agreements or arrangements to which the offeror is party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition to its offer and the consequences of its doing so, including details of any break fees payable as a result;
- (xiii) details of any irrevocable commitment or letter of intent which the offeror or any person acting in concert with it has procured in relation to relevant securities of the offeree company (or, if appropriate, the offeror) (see Note 3 on Rule 2.10);
- (xiv) in the case of a securities exchange offer, full particulars of the securities being offered, including the rights attaching to them, the first dividend or interest payment in which the securities will participate and how the securities will rank for dividends or interest, capital and redemption; a statement indicating the effect of acceptance on the capital and income position of the offeree company's shareholders; and details of any applications for admission to listing or admission to trading that have been or will be made in any jurisdiction in respect of the securities;

(xv) a summary of the provisions of Rule 8 (see the Panel's website at www.thetakeoverpanel.org.uk);

(xvi) the national law which will govern contracts concluded between the offeror and holders of the offeree company's securities as a result of the offer and the competent courts;

(xvii) the compensation (if any) offered for the rights which might be removed as a result of any opting-in resolution under Chapter 2 of Part 28 of the Act together with particulars of the way in which the compensation is to be paid and the method employed in determining it;

(xviii) any post-offer undertaking made by the offeror (see Rule 19.5);

(xix) a summary of any offer-related arrangement or other agreement, arrangement or commitment permitted under, or excluded from, Rule 21.2;

(xx) a list of the documents which the offeror has published on a website in accordance with Rule 26.2 and Rule 26.3 and the address of the website on which the documents are published; and

(xxi) any profit forecast or quantified financial benefits statement, and any related reports or confirmations, required by Rule 28;

(e) the offer document must contain information on the offeree company on the same basis as set out in (a)(i) to (v) above;

(f) the offer document must contain a description of how the offer is to be financed and the source(s) of the finance. Details must be provided of the debt facilities or other instruments entered into in order to finance the offer and to refinance the existing debt or working capital facilities of the offeree company and, in particular:

(i) the amount of each facility or instrument;

(ii) the repayment terms;

(iii) interest rates, including any "step up" or other variation provided for;

(iv) any security provided;

(v) a summary of the key covenants;

(vi) the names of the principal financing banks; and

(vii) if applicable, details of the time by which the offeror will be required to refinance the acquisition facilities and of the consequences of its not doing so by that time; and

(g) if any document published by the offeror contains a comparison of the value of the offer with previous prices of the offeree company's

shares, a comparison between the current value of the offer and the price of the offeree company's shares on the last business day prior to the commencement of the offer period must be prominently included, no matter what other comparisons are made.

NOTES ON RULE 24.3

1. Where the offeror is a subsidiary company

The Panel will normally look through subsidiaries whose securities are not admitted to trading in interpreting this Rule unless, with the agreement of the Panel, the subsidiary in question is regarded as being of sufficient substance in relation to the group and the offer. Accordingly if the offeror is part of a group, information will normally be required on the ultimate holding company in the form of group accounts.

2. Further information requirements

(a) Whilst the information required to be disclosed under paragraphs (i), (ii) or (iii) of Rule 24.3(b) will depend on the circumstances of the case, it should normally include a general description of the business interests of the offeror and/or other person(s) concerned and details of those assets which may be relevant to the business of the offeree company.

(b) Where a person has a potential indirect interest of 5% or more in the equity share capital of the offeree company solely as a result of being an investor in a limited partnership or other investment fund which is interested in the securities of the offeror, the details specified in paragraph (iii) of Rule 24.3(b) will be required to be disclosed in the offer document only if that person is, or is presumed to be, acting in concert with the offeror.

(c) The Panel must be consulted in any case to which Rule 24.3(b) applies or may apply.

(d) Where information is incorporated into the offer document by reference to another source, the Panel will normally require that information to be available in the English language.

3. Persons acting in concert

For the purposes of Rule 24.3(d)(iii), the identity of a person acting in concert with the offeror or the offeree company must be disclosed if the offeree company shareholders need details of that person in order to reach a properly informed decision on the offer. Disclosure will normally include: a person who is interested in shares in the offeree company and (in the case of a securities exchange offer only) the offeror; any person with whom the offeror or the offeree company and any person acting in concert with either of them has any arrangement of the kind referred to in Note 11 on the definition of acting in concert; any financial adviser which is advising the offeror or the offeree

company in relation to the offer; and any corporate broker to either of them. In cases of doubt, the Panel should be consulted.

4. Offers made under Rule 9

When an offer is made under Rule 9, the information required under Rule 24.3(d)(v) must include the method employed under Rule 9.5 in calculating the consideration offered.