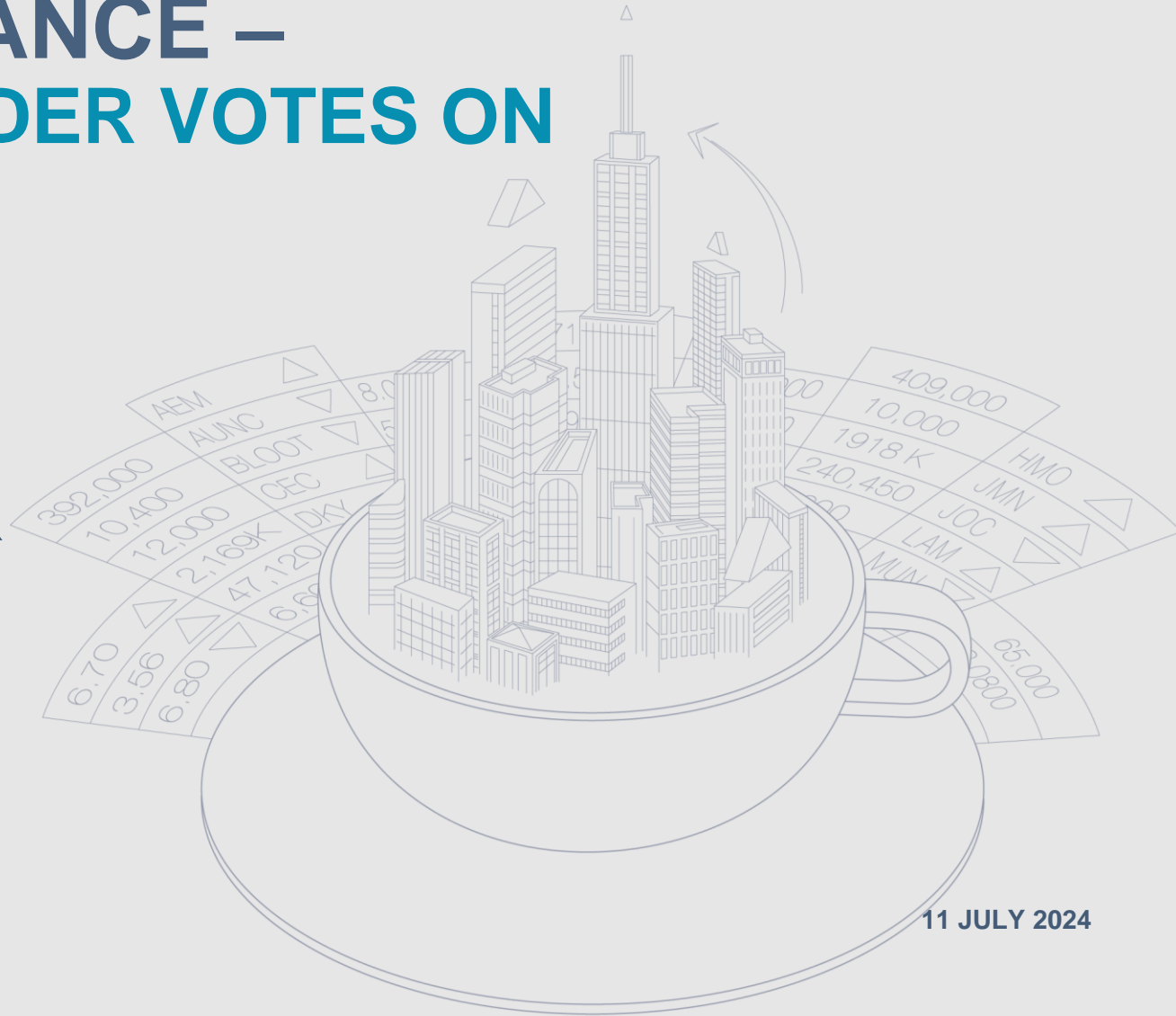


MERGERSPRESSO

CORPORATE FINANCE – CLOSE SHAREHOLDER VOTES ON UK TAKEOVERS

GILES DISTIN, PARTNER



**ADDLESHAW
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11 JULY 2024

CORPORATE FINANCE

TRANSCRIPT

Have you noticed the recent trend of increasingly tight shareholder votes on takeovers? We look at what's driving that trend.

I'm Giles Distin and welcome to Mergerspresso... AG's corporate finance podcast. All you need to know on one topic, in the time it takes to make your coffee.

So... close votes and shareholders saying no.

The last few months have seen two schemes voted down and a several passed by tight margins in the mid to high 70% range, plus several vocal shareholder interjections. Value leads the way and it's clear that the days of shareholders obediently following a board recommendation are over.

Shareholders have found their voices and they're here to stay.

Voting turnouts are increasing. Numbers are slowly going back to pre-pandemic levels, and we see that trend continuing. That said, where retail platforms hold a chunky stake, it's key to have an eye on your register early on

At the same time, institutional outflows continue and some investors have to realise value. And fast.

So as the overseas raid on London's markets continues, tensions will only grow. Some shareholders will cling to the investment propositions still standing, while others will need to pounce on any exit offered.

This is just the start. Expect more polemic and close votes in 2024 - and more schemes failing.

If you'd like to chat more, feel free to get in touch. We're taking a short break for the summer, but we'll catch you on the other side for more insights.



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