

THE TAKEOVER PANEL

CODE COMMITTEE

Instrument 2024/3

Companies to which the Takeover Code applies

Pursuant to sections 942, 943 and 944 of the Companies Act 2006, Articles 2, 3 and 4 of the Companies (Takeovers and Mergers Panel) (Jersey) Law 2009, and sections 340A, 340B and 340C of the Companies (Guernsey) Law, 2008, and in exercise of the functions conferred on it by the Panel in paragraph 2 of its Terms of Reference, the Code Committee hereby makes this instrument containing rules.

The Takeover Code is amended, with effect from 3 February 2025, in accordance with the Appendix to this instrument.

In the Appendix, underlining indicates new text and strike-through indicates deleted text.

Chris Saul

Chair of the Code Committee

for and on behalf of the Code Committee

6 November 2024

APPENDIX

INTRODUCTION

3 COMPANIES, TRANSACTIONS AND PERSONS SUBJECT TO THE CODE

This section (except for sections 3(d) and (e)) sets out the rules as to the companies, transactions and persons to which the Code applies.

(a) Companies

(i) ~~UK, Channel Islands and Isle of Man registered and traded quoted companies~~

The Code applies to ~~all offers for companies (including, where appropriate, statutory and chartered companies and UK Societas) any company~~ which ~~has its~~ registered office* in the United Kingdom, the Channel Islands or the Isle of Man if any of ~~their~~ its securities are admitted to trading on a UK regulated market, ~~or a UK multilateral trading facility MTF#₁, or on any a~~ stock exchange in the Channel Islands or the Isle of Man.

(ii) ~~Other Recently quoted companies~~

The Code also applies to ~~all offers any company~~ (not falling within paragraph (i) above or paragraphs (iii) or (iv) below) ~~for public and private companies (and, where appropriate, statutory and chartered companies and UK Societas) which have their~~ has its registered office* in the United Kingdom, the Channel Islands or the Isle of Man and which are considered by the Panel to have their place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man, but in relation to private companies only when:

- (A) ~~if any of their~~ its securities ~~have been~~ were admitted to trading on a UK regulated market, ~~or a UK multilateral trading facility MTF#₁, or on any a~~ stock exchange in the Channel Islands or the Isle of Man at any time during the ~~40~~ two years prior to the relevant date; ~~or~~
- (B) ~~dealings and/or prices at which persons were willing to deal in any of their securities have been published on a regular basis for a continuous period of at least six months in the 10 years prior to the relevant date, whether via a newspaper, electronic price quotation system or otherwise; or~~
- (C) ~~any of their securities have been subject to a marketing arrangement as described in section 693(3)(b) of the Act at any time during the 10 years prior to the relevant date; or~~
- (D) ~~they have filed a prospectus for the offer, admission to trading or issue of securities with the registrar of companies or any other relevant authority in the United Kingdom, the Channel Islands or the Isle of Man (but in the case of any other such authority only if the filing is on a public record) at any time during the 10 years prior to the relevant date.~~

~~In each case, †~~The “relevant date” is the date on which an announcement is made of a ~~proposed an offer~~ or possible offer for the company or ~~the date~~ on which some other event occurs in relation to the company which has significance under the Code.

The Panel appreciates that the provisions of the Code may not be appropriate to all statutory and chartered companies referred to in paragraphs (i) and (ii) above or to all private companies falling within the categories listed in paragraph (ii) above and may accordingly apply the Code with a degree of flexibility in suitable cases.

(iii) Transition companies

During the transition period only, the Code applies to a transition company if, on the relevant date, the Code would apply to an offer for the company under paragraph (ii) of former section 3(a) of the Introduction (as if paragraph (ii) of former section 3(a) of the Introduction had remained in force on the relevant date).

See the Transitional Appendix for the definitions of “former section 3(a) of the Introduction”, “relevant date”, “transition company” and “transition period”.

(iiiv) ~~Open-ended investment companies~~ Companies to which the Code does not apply

The Code does not apply to ~~offers for an open-ended investment companies company~~ or to a company with a sole beneficial owner.

If a company which falls within paragraph (i) or paragraph (ii) above becomes a company with a sole beneficial owner, the Code will cease to apply to it and the Code will thereafter apply to the company only if it subsequently falls within paragraph (i) above.

(v) Waivers

Where appropriate, the Panel may grant a waiver from the application of some or all of the provisions of the Code in respect of a company referred to in paragraph (ii) or paragraph (iii) above.

**In the case of a UK unregistered company, the reference to “registered office” shall be read as a reference to the company’s principal office in the UK.*

#In the case of a company whose securities are or ~~have been were~~ admitted to trading on a UK multilateral trading facility MTF, ~~paragraph (i) the Code will apply, and criterion (A) of paragraph (ii) will be satisfied,~~ only if the company ~~has~~ approved trading, or requested admission to trading, of its securities on the relevant UK multilateral trading facility MTF.

‡With respect to either a company having its registered office in the Isle of Man and which is incorporated there under the Companies Act 2006 (an Act of Tynwald), or a company having its registered office in Guernsey, the company will be treated as being subject to the Code only when any of the criteria in (A) to (D) of paragraph (ii) apply.

(b) Transactions

The Code is concerned with regulating takeover bids and merger transactions of the ~~relevant companies referred to in section 3(a) above~~, however effected, including by means of statutory merger or scheme of arrangement (as defined in the Definitions Section). The Code is also concerned with regulating other transactions (including offers by a parent company for shares in its subsidiary, dual holding company transactions, new share issues, share capital reorganisations and offers to minority shareholders) which have as their objective or potential effect (directly or indirectly) obtaining or consolidating control of the relevant companies, as well as partial offers (including tender offers pursuant to Appendix 5) to shareholders for securities in the relevant companies. The Code also applies to unitisation proposals which are in competition with another transaction to which the Code applies.

...

~~(e) — Re-registration of a public company as a private company~~

~~A public company incorporated in the United Kingdom, the Channel Islands or the Isle of Man may decide to re-register as a private company as a result of which, pursuant to section 3(a) above, the Code may no longer apply to it. If the Code would no longer apply in such circumstances and the relevant company has more than one shareholder, early consultation with the Panel is advised before it re-registers as a private company so that guidance can be given by the Panel on the appropriate disclosure to be made to its shareholders about the implications of the loss of Code protection.~~

(e) Cancellation of admission to trading

A company referred to in paragraph (i) of section 3(a) above may decide that it wishes to cancel the admission of its securities to trading on a UK regulated market, a UK MTF, or a stock exchange in the Channel Islands or the Isle of Man. In such circumstances, early consultation with the Panel is advised so that guidance can be given on the appropriate disclosure to be made to shareholders about the fact that, as a result of the cancellation of the admission of its securities to trading, the company will fall within paragraph (ii) of section 3(a) above for a period of two years, following which the Code will cease to apply.

(f) Code responsibilities and obligations

In addition to the companies referred to in section 3(a) above, tThe Code applies to a range of persons who participate in, or are connected with, or who in any way seek to influence, intervene in, or benefit from, takeovers or other matters to which the Code applies.

DEFINITIONS**Reverse takeover**

...

NOTE ON REVERSE TAKEOVER

The definition is of relevance only in circumstances where the offeror is a company that falls within section 3(a)(i) ~~or (ii)~~ of the Introduction.

...

Shares or securities

...

(2) ~~In paragraphs section 3(a)(i) and (ii) of the Introduction, and in the first paragraph of section 3(b) of the Introduction and in former section 3(a) of the Introduction (as defined in the Transitional Appendix), the shares/securities referred to are only those shares/securities comprised in the company's equity share capital (whether voting or non-voting) and other transferable securities carrying voting rights.~~

...

UK multilateral trading facility or UK MTF

UK multilateral trading facility or UK MTF has the meaning given in paragraph (14A) of Article 2(1) of the UK version of Regulation (EU) No 600/2014 on markets in financial instruments (as amended by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018).

UK regulated market

UK regulated market has the meaning given in paragraph (13A) of Article 2(1) of the UK version of Regulation (EU) No 600/2014 on markets in financial instruments (as amended by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018).

TRANSITIONAL APPENDIX**TRANSITIONAL APPENDIX****DEFINITIONS****Former section 3(a) of the Introduction**

Section 3(a) of the Introduction to the Code as in force on 2 February 2025, as set out in Section 2 below.

Relevant date

The relevant date is the date on which an announcement is made of an offer or possible offer for the company or on which some other event occurs in relation to the company which has significance under the Code.

Transition company

Any company to which either:

(a) paragraph (ii) of former section 3(a) of the Introduction applied on 2 February 2025; or

(b) paragraph (ii) of former section 3(a) of the Introduction would have applied on 2 February 2025 but for the fact that its place of central management and control was not in the United Kingdom, the Channel Islands or the Isle of Man at that time,

other than a company falling within paragraphs (i) or (ii) of section 3(a) of the Introduction or a company to which the Code does not apply by virtue of paragraph (iv) of section 3(a) of the Introduction.

Transition period

The period starting on 3 February 2025 and ending at 11.59 pm on 2 February 2027.

1 APPLICATION OF THE CODE TO TRANSITION COMPANIES

Under paragraph (iii) of section 3(a) of the Introduction, during the transition period only, the Code applies to a transition company if, on the relevant date, the Code would apply to an offer for the company under paragraph (ii) of former

section 3(a) of the Introduction (as if paragraph (ii) of former section 3(a) of the Introduction had remained in force on the relevant date).

2 FORMER SECTION 3(a) OF THE INTRODUCTION

On 2 February 2025, former section 3(a) of the Introduction provided as follows:

“3 COMPANIES, TRANSACTIONS AND PERSONS SUBJECT TO THE CODE

...

(a) Companies

(i) UK, Channel Islands and Isle of Man registered and traded companies

The Code applies to all offers for companies (including, where appropriate, statutory and chartered companies and UK Societas) which have their registered offices* in the United Kingdom, the Channel Islands or the Isle of Man if any of their securities are admitted to trading on a UK regulated market or a UK multilateral trading facility# or on any stock exchange in the Channel Islands or the Isle of Man.

(ii) Other companies

The Code also applies to all offers (not falling within paragraph (i) above) for public and private companies† (and, where appropriate, statutory and chartered companies and UK Societas) which have their registered offices* in the United Kingdom, the Channel Islands or the Isle of Man and which are considered by the Panel to have their place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man, but in relation to private companies only when:

- (A) any of their securities have been admitted to trading on a UK regulated market or a UK multilateral trading facility# or on any stock exchange in the Channel Islands or the Isle of Man at any time during the 10 years prior to the relevant date; or
- (B) dealings and/or prices at which persons were willing to deal in any of their securities have been published on a regular basis for a continuous period of at least six months in the 10 years prior to the relevant date, whether via a newspaper, electronic price quotation system or otherwise; or
- (C) any of their securities have been subject to a marketing arrangement as described in section 693(3)(b) of the Act at any time during the 10 years prior to the relevant date; or
- (D) they have filed a prospectus for the offer, admission to trading or issue of securities with the registrar of companies or any other relevant authority in the United Kingdom, the Channel Islands or the Isle of Man (but in the case of any other such authority only if the filing is on a public record) at any time during the 10 years prior to the relevant date.

In each case, the relevant date is the date on which an announcement is made of a proposed or possible offer for the company or the date on which some other event occurs in relation to the company which has significance under the Code.

The Panel appreciates that the provisions of the Code may not be appropriate to all statutory and chartered companies referred to in paragraphs (i) and (ii) above or to all private companies falling within the categories listed in paragraph (ii)

above and may accordingly apply the Code with a degree of flexibility in suitable cases.

(iii) Open-ended investment companies

The Code does not apply to offers for open-ended investment companies.

*In the case of a UK unregistered company, the reference to “registered office” shall be read as a reference to the company’s principal office in the UK.

#In the case of a company whose securities are or have been admitted to trading on a UK multilateral trading facility, paragraph (i) will apply, and criterion (A) of paragraph (ii) will be satisfied, only if the company has approved trading, or requested admission to trading, of its securities on the relevant UK multilateral trading facility.

†With respect to either a company having its registered office in the Isle of Man and which is incorporated there under the Companies Act 2006 (an Act of Tynwald), or a company having its registered office in Guernsey, the company will be treated as being subject to the Code only when any of the criteria in (A) to (D) of paragraph (ii) apply.”

3 RE-REGISTRATION OF A PUBLIC COMPANY AS A PRIVATE COMPANY

If a transition company which is a public company decides to re-register as a private company during the transition period and, as a result of the re-registration, the Code would no longer apply to the company, early consultation with the Panel is advised so that guidance can be given on the appropriate disclosure to be made to the company’s shareholders.