



Northgate PLC - NTG Result of General Meeting
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FOR IMMEDIATE RELEASE

15 January 2020

NORTHGATE PLC

RESULT OF GENERAL MEETING

Northgate and Redde merger gains Northgate Shareholder approval

The Northgate Board is pleased to announce that the resolutions proposed at the Northgate General Meeting held on 15 January 2020, seeking approval for the recommended all-share merger of Northgate and Redde (the *Merger*), the change of name of Northgate from completion of the Merger, the adoption of the Northgate Value Creation Plan (the *VCP*) from completion of the Merger and the approval of the amended directors' remuneration policy from completion of the Merger, as described in the circular to Northgate Shareholders dated 12 December 2019 (the *Circular*), were duly passed by shareholders.

The Northgate Board is also pleased that the Merger has been approved by Redde Shareholders at the Redde shareholder meetings earlier today. The Merger remains subject to the satisfaction of certain Conditions, including the requisite approvals of the FCA and the SRA, and is expected to complete by the end of Q1 2020.

Full details of the poll results are set out below:

	Resolution	Votes for	%	Votes against	%	Votes total	Votes cast as % of Issued Share Capital	Votes withheld
1.	To approve the Merger and authorise the directors to allot the New Northgate Shares	97,285,163	86.47	15,225,974	13.53	112,511,137	84.45	124,598

2.	To change the registered name of Northgate to Redde Northgate plc	97,268,037	86.45	15,249,618	13.55	112,517,655	84.45	118,440
3.	To approve and adopt the Northgate Value Creation Plan	67,564,764	60.01	45,015,140	39.99	112,579,904	84.50	56,190
4.	To approve the amended directors' remuneration policy of Northgate	67,615,596	60.21	44,689,721	39.79	112,305,317	84.29	330,776

Following constructive shareholder discussions, the Remuneration Committee has set the VCP base share price at 350p, being the closing price on the day before the Merger Announcement of 29 November 2019. The shareholder preferred rate of return is set at 7%, with the total pool for participants being 5% of the growth in TSR above that preferred return where the CAGR is between 7% and 10%, reducing to 2.75% share once a CAGR of 10% is achieved and to 0.5% share once a CAGR of 30% is reached.

Results of the poll can be viewed on Northgate's website: <http://www.northgateplc.com>

Please note a 'vote withheld' is not a vote under English law and is not counted in the calculation of votes 'for' and 'against' a resolution or the total number of votes cast.

Resolutions 1, 3 and 4 were ordinary resolutions and resolution 2 was a special resolution.

The total number of Northgate Shares in issue as at 6pm on 13 January 2020, being the last practicable business date prior to the Northgate General Meeting, was 133,232,518 Northgate Shares.

In accordance with Listing Rule 9.6.2, a copy of the resolutions passed at the Northgate General Meeting will be submitted to the National Storage Mechanism and will shortly be available for inspection at <https://www.morningstar.co.uk/uk/NSM>

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Terms used but not defined in this announcement have the meaning set out in the Circular.

Important Notices

This announcement is for information purposes only and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities of the solicitation of any vote or approval in any jurisdiction pursuant to Merger. This announcement should not be construed as investment advice and is not intended to form the basis of any investment decision. It does not constitute a prospectus or prospectus equivalent document.

Important notice related to financial advisers

Goldman Sachs International, which is authorised by the PRA and regulated by the FCA and the PRA in the UK, is acting exclusively for Northgate and no one else in connection with the Merger or any other matter referred to in this announcement and will not be responsible to anyone other than Northgate for providing the protections afforded to clients of Goldman Sachs International, or for providing advice in connection with the Merger or any other matter referred to in this announcement.

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Overseas jurisdictions

The release, publication or distribution of this announcement in or into jurisdictions other than the UK or the United States may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK or the United States should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Redde Shares with respect to the Scheme at the Redde Court Meeting, or to appoint another person as proxy to vote at the Redde Court Meeting on their behalf or to hold and vote Northgate Shares, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

Unless otherwise determined by Northgate or required by the City Code, and permitted by applicable law and regulation, the Merger will not be made available directly or indirectly in, into or from a Restricted Jurisdiction where to do so would violate the laws of that jurisdiction. No person may vote in favour of the Merger by any use, means, instrumentality or form, and the Merger will not be capable of acceptance, from or within a Restricted Jurisdiction, if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and any documentation relating to the Merger will not be and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction where to do so would violate the laws of that jurisdiction. Doing so may render invalid any related purported vote in respect of the Merger. If the Merger is implemented by way of Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.

The availability of New Northgate Shares under the Merger to persons who are not resident in the UK or the ability of those persons to hold such shares may be affected by the laws or regulatory requirements of the relevant jurisdictions in which they are resident. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Redde Shareholders who are in any doubt regarding such matters should consult an appropriate independent financial adviser in their relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

The New Northgate Shares may not be offered, sold or delivered, directly or indirectly, in, into or from any Restricted Jurisdiction or to, or for the account or benefit of, any Restricted Persons except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws of those jurisdictions, or otherwise permitted under applicable securities laws of those jurisdictions.

Further details in relation to Overseas Shareholders are contained in the Scheme Document.

Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Merger, and other information published by Northgate and Redde contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of Northgate and Redde about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained such information include statements relating to the expected effects of the Merger on Northgate and Redde, the expected timing and scope of the Merger and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Northgate and Redde believe that the expectations reflected in such forward-looking statements are reasonable, Northgate and Redde can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction of the Conditions, as well as additional factors, such as: local and global political and economic conditions; significant price discounting by competitors; changes in consumer habits and preferences; foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline); changes to the market in which the businesses operate; changes in the employee environment; legal or regulatory developments and changes; the outcome of any litigation; the impact of any acquisitions or similar transactions; competitive product and pricing pressures; success of business and operating initiatives; changes in the level of investment in IT systems; and changes in the level of capital investment. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Northgate nor Redde, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the Listing Rules, the Disclosure and Transparency Rules of the FCA and the AIM Rules), neither Northgate or Redde is under any obligation, and Northgate and Redde expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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