

# Anticipated merger between National Express Group plc and Stagecoach Group plc

## Decision on relevant merger situation

**ME/6982/21**

The Competition and Markets Authority's decision on reference under section 33(1) of the Enterprise Act 2002 given on 24 May 2022. Full text of the decision published on 24 May 2022.

1. On 14 December 2021, the boards of directors of National Express Group plc (**National Express**) and Stagecoach Group plc (**Stagecoach**) announced that they had reached agreement on the terms of a recommended all-share combination of National Express and Stagecoach, to be effected by means of a court sanctioned scheme of arrangement of Stagecoach under Part 26 of the Companies Act 2006 (the **Proposed Merger**).
2. On 9 March 2022, the board of directors of Stagecoach announced that it had reached agreement on the terms of a recommended all cash offer to be made by Inframobility UK Bidco Limited (**PEIF III Bidco**), a company indirectly wholly owned by Pan-European Infrastructure III, SCSp, an infrastructure fund managed and advised by DWS Infrastructure (the **DWS Offer**). Accordingly, Stagecoach's directors announced they had decided unanimously to withdraw their recommendation of the Proposed Merger.
3. The DWS Offer was conditional upon PEIF III Bidco receiving valid acceptances from Stagecoach's shareholders by no later than 1pm on 21 May 2022 in respect of not less than 75% of Stagecoach's shares (the **Acceptance Condition**). On 5 May 2022, PEIF III Bidco announced that it had decided to lower the threshold required to satisfy the Acceptance Condition from 75% of Stagecoach's shares to more than 50% of Stagecoach's shares.
4. On 20 May 2022, PEIF III Bidco announced that the DWS Offer had received sufficient acceptances to satisfy the Acceptance Condition and confirmed that all remaining conditions to the DWS Offer had been satisfied or, where applicable,

waived, and therefore the DWS Offer had become unconditional. On 20 May 2022, National Express announced and also confirmed to the Competition and Markets Authority (**CMA**) that the Proposed Merger had lapsed following DWS' announcement that the DWS Offer had become unconditional.

5. Accordingly, on the basis of the information available to it, the CMA does not believe that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation. The CMA does not therefore have a duty to refer the Proposed Merger under section 33 of the Enterprise Act 2002.

**Naomi Burgoyne**  
**Director, Mergers**  
**Competition and Markets Authority**  
**24 May 2022**