

REVIEW

of post doctoral dissertation "Managing of company's shareholder structure when exercising the squeeze out right in the Slovak Republic" written by Alexandra Chapčáková PhD University of Prešov in Prešov. Faculty of Management. Department of Economic Sciences and Economy

1. Formal Evaluation

The reviewed work consists of introduction to the researched problem, four chapters, the conclusion and the annexes.. It should be emphasised during formal evaluation of the reviewed work that:

- **General structure of the work** is proper. It comprises four chapters those contents are related to their titles. It is an results of pragmatic considerations supported by fundamental concepts, theories and methodological investigations. The literature review is compatible with the topic and provides detailed and objective perspective on the researched problems. The work addresses current law state on squeeze out right in EU and Slovakia and demonstrates a significant creative contribution that extends beyond reporting the results of a search of the literature.
- **empirical part of the work** provides valuable researches on effects of squeeze out right introduction based on previously presented methodology giving ready for implementation solutions. Presented survey results using adopted methodology allows for implied hypotheses confirmation.
- **the work is written using proper** scientific and serious style consistent with an academic standards. The work is well written, including proper sentence and paragraph structure; logical flow of information; punctuation, tables and graphics most of which are original. Transparency of the work is also improved through formalization of concepts and categories important for the investigations.

In general, the author Alexandra Chapčáková PhD has demonstrated good knowledge and skills to employ scientific methods and to make use of references.

2. Content-related Evaluation

The problems of squeeze out right exercising are actual ones not only in Slovakia but in all European Union members. The squeeze-out right grants a majority shareholder the right to force the minority to sell their financial instruments to the majority shareholder. Most European Member States had already incorporated a corporate squeeze-out right into their legal systems. However the procedures for squeezing out or selling out vary between Member

States, confronting minority shareholders with different levels of protection and majority shareholders with minorities that can hardly ever, or in some cases never, be frozen out.

Squeeze-outs should allow a controlling shareholder to buy out minority shareholders at a fair compensation. As expected, the term "fair" can have very different meanings depending on who you ask. On the one hand, minority shareholders often argue perceiving the squeeze-out as a legal expropriation and accordingly demand a significant squeeze-out premium. On the other hand, controlling shareholders have the clear and simple intention to pay as little as possible when acquiring the remaining stake in the company.

Finally the efficiency and results of squeeze out right introduction are very different for companies and economies. So based on this the research problems formulated by the author are very important and worth of detailed elaboration.

Arrangement of the work and its content were obviously created as a consequence of the set goals. The author starts her consideration with definition review of the subject of research, which is the economic and legal dimension of the squeeze out institute. The author takes detailed attention on the specificity of terminology focusing on to the explication of the basic terms of the problems under research. Then I highly estimate discussion on selected quantitative theoretical discount models for limited marketability of minority shares in the context of determination of the appropriate consideration per a share with the application of the squeeze out right.

In the chapter 2, Author has formulated the thesis objective and methodology. The proposed methods are suitable to prove formulated thesis and problem solving. The proposed by the Author methodology and statistical methods choice confirm high and comprehensive author's knowledge and skills.

In Chapters 3 the author properly identifies the problem spheres related to determination of the appropriate consideration, i.e. the determination of the stock's general value, with application of the squeeze out right in the Slovak Republic resulting in an excessive valuation of the consideration for minority shareholders and it provides a suggestion for their adaptation. I like presented model example, in which the Author demonstrates the influence of particular factors entering the evaluation on resulting value of the enterprise and its shares (i.e. the appropriate consideration) and results of carried out empirical research on the Slovak capital market.

In the fourth chapter, the Author presents the summary of the results achieved, contributions of the habilitation thesis in a theoretical sphere as well as in the application field in the determination of an appropriate consideration, i.e. the stock's general value, at the application of the squeeze out right in the Slovak Republic.

The work is completed with a summary which contains a synthetic selection of results.

Reading of the reviewed work proves that the author has shown an appropriate level of independent work. She demonstrates that she has detailed knowledge of original sources (147 literature juxtaposition), has a thorough knowledge of the field, and understands the main theoretical and methodological issues. Finally, she provides analyses clearly linked to the aim of the thesis and discusses their results.

3. Problems to Be Discussed

As every interesting scientific elaboration, It rise the reader for the questions, discussion and remarks those do not abate the high evaluation of the scientific work. So let me address some questions:

1. I have found some pitfalls of squeeze out in Slovakia as: no special or adjusted court procedure for this type of process or high financial expenses and time spent in preparation of the squeeze out process (Cernejova&Hrbek Law Firm, Bratislava, April 2012) Can you point on some other pitfalls?
2. Can you give and comment some unsuccessful squeeze out procedures introduced in Slovakia and their reasons ?

4. Conclusions

Considering, the components of the thesis written by Alexandra Chapčáková PhD, "*Managing of company's shareholder structure when exercising the squeeze out right in the Slovak Republic*" I find it demonstrates high content-related level. Moreover, author's achievements both in scientific and pedagogical domains constitutes a basis for the statement that I recommend her thesis for the habilitation procedure and after its successful defence I recommend her to be awarded the title of Associate Professor in the study branch 3.3.15 Management

Dr hab. Sebastian Kot, Prof. RČz.