

ACQUISITION BY FUTURE PLC OF MIURA (HOLDINGS) LIMITED

Initial Enforcement Order made by the Competition and Markets Authority pursuant to section 72(2) of the Enterprise Act 2002 (the Act)

Whereas:

- (a) the Competition and Markets Authority (**CMA**) has reasonable grounds for suspecting that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in Future plc (**Future**) and Miura (Holdings) Limited (**Miura**) ceasing to be distinct (the **transaction**);
- (b) the CMA is considering whether to make a reference under section 22 or 33 of the Enterprise Act 2002 (the **Act**);
- (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under section 22 or section 33 of the Act, as the case may be, which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference; and
- (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.

Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to each of Future and Miura (**Order**).

Commencement, application and scope

1. This Order commences on the commencement date: 7 October 2016.
2. This Order applies to Future and Miura.
3. Notwithstanding any other provision of this Order, no act or omission shall constitute a breach of this Order, and nothing in this Order shall oblige Future

or Miura to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.

4. This Order does not prohibit the completion of the transaction provided that Future and Miura observe the restrictions set out below.

Management of the Future and Miura businesses until determination of proceedings

5. Except with the prior written consent of the CMA, Future and Miura shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 or section 33 of the Act, as the case may be, or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might:
 - (a) lead to the integration of the Miura business with the Future business;
 - (b) transfer the ownership or control of the Future business or the Miura business or any of their subsidiaries; or
 - (c) otherwise impair the ability of the Miura business or the Future business to compete independently in any of the markets affected by the transaction.
6. Further and without prejudice to the generality of paragraph 5 and subject to paragraph 3 and 4, Future and Miura shall at all times during the specified period procure that, except with the prior written consent of the CMA:
 - (a) the Miura business is carried on separately from the Future business and the Miura business's separate sales or brand identity is maintained;
 - (b) the Miura business and the Future business are maintained as a going concern and sufficient resources are made available for the development of the Miura business and the Future business, on the basis of their respective pre-merger business plans;
 - (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Miura business or the Future business;
 - (d) the nature, description, range and quality of goods and/or services supplied in the United Kingdom by each of the two businesses are maintained and preserved;

- (e) except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Miura business and the Future business are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the Miura business or the Future business are disposed of; and
 - (iii) no interest in the assets of the Miura business or the Future business is created or disposed of;
- (f) there is no integration of the information technology of the Miura or Future businesses, and the software and hardware platforms of the Miura business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the two businesses shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Miura business will be carried out by the Miura business alone and for the avoidance of doubt the Future business will not negotiate on behalf of the Miura business (and vice versa) or enter into any joint agreements with the Miura business (and vice versa);
- (h) all existing contracts of the Miura business and the Future business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to key staff of the Miura business or Future business;
- (j) no key staff are transferred between the Miura business and the Future business;
- (k) all reasonable steps are taken to encourage all key staff to remain with the Miura business and the Future business; and
- (l) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses shall pass, directly or indirectly, from the Miura business (or any of its employees, directors, agents or affiliates) to the Future business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting

obligations) and on the basis that, should the transaction be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

Compliance

7. Each of Future and Miura shall procure that each of their subsidiaries complies with this Order as if the Order had been issued to each of them.
8. Each of Future and Miura shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by Future and Miura and their subsidiaries with this Order. In particular, on 21 October 2016 and subsequently every two weeks (or, where this does not fall on a working day, the first working day thereafter) the relevant Chief Executive Officer of each of Future and Miura or other persons of each company as agreed with the CMA shall, on behalf of Future and Miura respectively, provide a statement to the CMA in the form set out in the Annex A to this to this Order for Future and Annex B to this Order for Miura, in each case confirming compliance with this Order.
9. At all times, Future and Miura shall actively keep the CMA informed of any material developments relating to the Miura business or the Future business, which includes but is not limited to:
 - (a) details of key staff who leave or join the Miura business or the Future business;
 - (b) any interruption of the Miura or Future business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
 - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Miura or Future business including any substantial changes in customers' demand; and
 - (d) substantial changes in the Miura or Future business's contractual arrangements or relationships with key suppliers.
10. If Future or Miura has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee that Future or Miura may be directed to appoint under paragraph 111.

11. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Order, or do or refrain from doing any specified action in order to ensure compliance with the Order. The CMA may vary or revoke any directions so given.
12. Each of Future and Miura shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Order.

Interpretation

13. The Interpretation Act 1978 shall apply to this Order as it does to Acts of Parliament.
14. For the purposes of this Order:

'the Act' means the Enterprise Act 2002;

'an affiliate' of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

'business' has the meaning given by section 129(1) and (3) of the Act;

'commencement date' means 7 October 2016;

'control' includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

'the decisions' means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 of the Act;

'Future' means Future plc (company number 03757874);

'the Future business' means the business of Future and its subsidiaries carried on as at the commencement date;

'key staff' means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business;

'Miura' means Miura (Holdings) Limited (company number 08464815);

'the Miura business' means the business of Miura and its subsidiaries carried on as at the commencement date;

'the ordinary course of business' means matters connected to the day-to-day supply of goods and/or services by Miura or Future and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Miura and Future;

'specified period' means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

'subsidiary', unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

'the transaction' means the transaction by which Future and Miura will cease, or have ceased, to be distinct within the meaning of section 23 of the Act;

'the two businesses' means the Future business and the Miura business;

unless the context requires otherwise, the singular shall include the plural and vice versa.

Maria Duarte
Assistant Director, Mergers

Compliance statement for Future plc

I [insert name] confirm on behalf of Future that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) Future has complied with the Order made by the CMA in relation to the transaction on 7 October 2016 (the **Order**).
 - (b) Future's subsidiaries have also complied with this Order.
2. Subject to paragraphs 3 and 4 of the Order, except as regards the Miura business for the period prior to completion of the transaction, and except with the prior written consent of the CMA:
 - (a) No action has been taken by Future that might prejudice a reference of the transaction under section 22 or section 33 of the Act, as the case may be, or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Miura business with the Future business;
 - (ii) transfer the ownership or control of the Future business or the Miura business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Miura business or the Future business to compete independently in any of the markets affected by the transaction.
 - (b) The Miura business has been carried on separately from the Future business and the Miura business's separate sales or brand identity has been maintained.
 - (c) The Miura business and the Future business have been maintained as a going concern and sufficient resources have been made available for the development of the Miura business and the Future business, on the basis of their respective pre-merger business plans.
 - (d) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the Miura business or the Future business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods and/or services supplied in the UK by the Miura business and the Future business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Miura business and the Future business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Miura business or the Future business have been disposed of; and
 - (iii) no interest in the assets of the Miura business or the Future business has been created or disposed of.
- (g) There has been no integration of the information technology of the Miura or Future businesses, and the software and hardware platforms of the Miura business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Miura business have been carried out by the Miura business alone and, for the avoidance of doubt, the Future business has not negotiated on behalf of the Miura business (and vice versa) or entered into any joint agreements with the Miura business (and vice versa).
- (i) All existing contracts of the Miura business and the Future business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Miura business or the Future business.
- (k) No key staff have been transferred between the Miura business and the Future business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Miura business and the Future business.

(m) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the Miura business (or any of its employees, directors, agents or affiliates) to the Future business (or any of its employees, directors, agents or affiliates), or vice versa.

(n) Except as listed in paragraph (o) below, there have been no:

(i) key staff that have left or joined the Miura business or the Future business;

(ii) interruptions of the Miura business or the Future business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;

(iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Miura business or the Future business;
or

(iv) substantial changes in the Miura or Future business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. Future and its subsidiaries remain in full compliance with the Order and will, or will procure that Miura, continue actively to keep the CMA informed of any material developments relating to the Miura or the Future business in accordance with paragraph 9 of the Order.

Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

FOR AND ON BEHALF OF FUTURE PLC

Signature

Name

Title

Date

Compliance statement for Miura (Holdings) Limited

I [insert name] confirm on behalf of Miura that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) Miura has complied with the Order made by the CMA in relation to the transaction on 7 October 2016 (the **Order**).
 - (b) Miura's subsidiaries have also complied with this Order.
2. Subject to paragraphs 3 and 4 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by Miura that might prejudice a reference of the transaction under section 22 or section 33 of the Act, as the case may be, or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Miura business with the Future business;
 - (ii) transfer the ownership or control of the Future business or the Miura business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Miura business or the Future business to compete independently in any of the markets affected by the transaction.
 - (b) The Miura business has been carried on separately from the Future business and the Miura business's separate sales or brand identity has been maintained.
 - (c) The Miura business and the Future business have been maintained as a going concern and sufficient resources have been made available for the development of the Miura business on the basis of their respective pre-merger business plans.
 - (d) No substantive changes have been made to the organisational structure of, or the management responsibilities within, the Miura business except in the ordinary course of business.

- (e) The nature, description, range and quality of goods and/or services supplied in the UK by the Miura business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Miura business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Miura business have been disposed of; and
 - (iii) no interest in the assets of the Miura business has been created or disposed of.
- (g) There has been no integration of the information technology of the Miura or Future businesses, and the software and hardware platforms of the Miura business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Miura business have been carried out by the Miura business alone and, for the avoidance of doubt, the Future business has not negotiated on behalf of the Miura business (and vice versa) or entered into any joint agreements with the Miura business (and vice versa).
- (i) All existing contracts of the Miura business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Miura business.
- (k) No key staff have been transferred between the Miura business and the Future business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Miura business.
- (m) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the Miura

business (or any of its employees, directors, agents or affiliates) to the Future business (or any of its employees, directors, agents or affiliates), or vice versa.

(n) Except as listed in paragraph (o) below, there have been no:

(i) key staff that have left or joined the Miura business;

(ii) interruptions of the Miura business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;

(iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Miura business; or

(iv) substantial changes in the Miura business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. Miura and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Miura or the Future business in accordance with paragraph 9 of the Order.

Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

FOR AND ON BEHALF OF MIURA (HOLDINGS) LIMITED

Signature

Name

Title

Date