

**Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 1 March 2019**

**Completed acquisition by Bauer Radio of certain assets of the Lincs business**

We refer to your email dated 21 March 2019 and your previous note of 7 March 2019 requesting that the CMA consents to derogations to the Initial Enforcement Order of 1 March 2019 (the 'Initial Order'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Bauer Radio and HBV are required to hold separate the HBV business from the Lincs business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference. After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, HBV and Bauer Radio may carry out the following actions, in respect of the specific paragraph:

**1. Paragraph 5(l) of the Initial Order**

Bauer Radio submits that there is a potential need for Bauer Radio to provide additional cash funding to the Lincs business during the period of the Initial Order to maintain the Lincs business a going concern and to ensure the Lincs business is able to execute its pre-merger business plans.

To provide any additional cash funding, Bauer Radio submits that it will be necessary for Lincs to provide phased monthly cash-flow forecasts to Bauer Radio. These financial forecasts will be provided solely to Mr Giles Cooper, Bauer Corporate Services (**BCS**) Finance Director, in an aggregated format agreed upon with the CMA. BCS is part of Bauer Radio. This information will provide Mr Cooper with a basis to make recommendations concerning future funding requirements to Sarah Vickery, Bauer Radio's UK Chief Financial Officer.

The CMA consents to a derogation from paragraph 5(l) to permit relevant Lincs employees to provide financial forecasts, in a format agreed upon by the CMA, and

related information to Bauer Radio so that it can provide appropriate funding support to Lincs. The CMA consents to this derogation on the condition that:

- Lincs provides the financial forecasts to Mr Cooper only.
- Mr Cooper will sign a non-disclosure agreement obliging him not to share any commercially sensitive information relating to the Lincs business with any employee of Bauer Radio or HBV, in a form agreed in advance with the CMA.

This derogation should not prevent any remedial action that the CMA may need to take regarding this merger.