

## **REFERENCE RELATING TO THE PROPOSED ACQUISITION BY CROWDCUBE LIMITED OF SEEDRS LIMITED**

### **Notice of provisional findings made under Rule 11.3 of the Competition and Markets Authority Rules of Procedure<sup>1</sup>**

1. On 12 November 2020, in exercise of its duty under section 33(1) of the Enterprise Act 2002 (the Act), the Competition and Markets Authority (CMA), made a reference to its chair for the constitution of a group of CMA panel members (the Inquiry Group<sup>2</sup>), regarding the proposed acquisition by Crowdcube of Seedrs and requiring it to report within a period ending by 28 April 2021.

#### **Provisional findings**

2. The Inquiry Group appointed to consider this reference has made the following provisional findings on the statutory questions it has to decide pursuant to section 36(1) of the Act:
  - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
  - (b) the creation of that situation may be expected to result in a substantial lessening of competition within the market for the supply of equity crowdfunding platforms to SMEs and investors in the United Kingdom.
3. The Inquiry Group's reasons are set out in full in the provisional findings report, which is attached to this Notice, and are summarised in the summary of the provisional findings report (see note below).

#### **The next steps**

4. Anyone wishing to comment on the provisional findings is now invited to provide the Inquiry Group with their reasons in writing as to why these provisional findings should not become final (or, as the case may be, should be varied).

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<sup>1</sup> See [Rules of procedure for merger, market and special reference groups: CMA17](#).

<sup>2</sup> Under [Schedule 4](#) to the Enterprise and Regulatory Reform Act 2013.

5. These reasons should be received by the Project Manager on behalf of the Inquiry Group no later than **17:00 on 14 April 2021**.
6. The Inquiry Group will have regard to any such reasons in making its final decisions on the statutory questions and any consequential actions. However, the Inquiry Group shall not be obliged to take into account reasons which are provided after the deadline specified in paragraph 5 above.
7. The Inquiry Group is also publishing separately a notice of possible remedies which will set out the actions which it considers might be taken by the CMA to remedy the substantial lessening of competition and resultant adverse effects provisionally identified.

Kirstin Baker  
*Inquiry Group Chair*  
**24 March 2021**

Note: A copy of this notice, the summary of the provisional findings report and the notice of possible remedies will be placed on the CMA [website](#) on **24 March 2021**. The CMA proposes to publish the provisional findings report on its website on the same day or shortly thereafter. The published version of the provisional findings report will not contain any information which the Inquiry Group considers should be excluded from the report, having regard to the three considerations set out in section 244 of the Act. These omissions are indicated by [⌘].

Comments should be made by email to [Crowdcube.Seedrs@cma.gov.uk](mailto:Crowdcube.Seedrs@cma.gov.uk).