



Department
for Culture,
Media & Sport

By email

Media & International Directorate

1st Floor
100 Parliament Street
London SW1A 2BQ



29 April 2024

Re: Request for the Secretary of State's consent under the Public Interest Merger Reference (Telegraph Media Group Ltd) (Pre-emptive Action) Order 2024 (the "Order")

To whom it may concern

1. I refer to your letter dated 14 April 2024 ("your letter") and to your email dated 24 April 2024 containing a number of requests for consent from the Secretary of State, as required by the Order, for your clients to take certain actions which would otherwise contravene the Order.
2. The Secretary of State has considered your requests in the light of the purpose of the Order, which is to prevent action which might prejudice the possible reference of the anticipated acquisition of the Telegraph Media Group Limited by RB Investco Limited under section 45 of the Enterprise Act 2002 ("EA02") (see Public Interest Intervention Notice of 26th January 2024), or impede the taking of any action by her under Part 3 of the EA02 which may be justified by her decisions on the reference. Terms used in this letter which are defined in Article 2 of the Order have the meaning given in that Order.

Requests 1, 2 and 3: Consent to (i) the conduct of a sales process by the Acquiring Entities and their advisers in respect of the Telegraph and Spectator businesses, (ii) the proposed amendment and restatement of the Call Option Agreement in respect of the Transaction and (iii) the proposed amendment and restatement of the Hive-Down Agreement and the subsequent completion of the intra-group hive-down of the Telegraph business contemplated thereunder.

3. The Secretary of State consents to a derogation from Articles 3 and 4(a) of the Order permitting the Acquiring Entities to take any action or step including those set out in paragraph 4 that is reasonably necessary to prepare for:
 - a. a potential transfer of RB Investco Limited's rights and obligations under the Call Option Agreement dated 2nd December 2023 made among Penultimate Investment Holdings Limited, May Corporation Limited, Telegraph Media Group Limited and RB Investco Limited (the "Call Option Agreement"), and/or

- b. a potential transfer of the legal and/or beneficial interests in shares in RB Investco Limited.
4. The actions or steps which the Acquiring Entities may take under this derogation include the following:
 - a. the amendment and restatement of the Call Option Agreement to make the changes set out in Annex B of your letter; and
 - b. the amendment and restatement of the Hive-Down Agreement relating to the sale and purchase of the TMG Group dated 9 November 2023 to make the changes set out in Annex C of your letter and the subsequent completion of that hive down.
5. The actions or steps which the Acquiring Entities may take under this derogation do not include:
 - a. the entry into, or any agreement to enter into, an agreement to transfer RB Investco Limited's rights and obligations under the Call Option Agreement;
 - b. the entry into, or any agreement to enter into, an agreement to transfer the legal and/or beneficial interests in shares in RB Investco Limited; or
 - c. any action or step which legally commits RB Investco Limited to the actions or steps set out at subparagraphs (a) or (b) above.
6. At the point at which you wish to take any actions or steps referred to in paragraphs 5(a), (b) or (c), you should seek a further derogation from the Order.

[REDACTED]

[REDACTED]

Compliance reporting

8. Article 8 of the Order requires PIHL Group and the Acquiring Entities to provide to the Secretary of State such information or statement of compliance as the Secretary of State may from time to time require for the purposes of monitoring compliance with the Order. Your client currently reports to DCMS fortnightly on compliance with the Order. We require such reporting to continue.
9. As part of your compliance reporting we require you to provide fortnightly updates on the progress of sale preparations, indicating what steps have been completed, what steps remain to be completed and your best estimate of timescales for completion of the sales process. If there are material developments in the sale process between these reports, we also require you to inform us.

Yours sincerely

Signed

[REDACTED]