



Department
for Culture,
Media & Sport

By email

Media & International Directorate

1st Floor
100 Parliament Street
London SW1A 2BQ



03 July 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 21 May 2024 requesting derogations from the Public Interest Merger Reference (Telegraph Media Group Limited) (Pre-emptive Action) Order 2024 ("the Order") on behalf of all members of the PIHL Group; and to your follow-up letter dated 21 June 2024 providing further information relating to your derogation requests.
2. The Secretary of State has considered your request 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 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.

Request 1 - Consent to Telegraph Media Group Holdings Limited (TMGH) acceding to the OpCo Facilities Agreement as an additional obligor and granting the Additional Security;

3. The Secretary of State consents to a derogation from Article 3 of the Order permitting Telegraph Media Group Holdings to accede, as an additional obligor, to the senior term and revolving facilities agreement originally dated 22 June 2004 (as amended and/or amended and restated from time to time) between the Bank of Scotland Plc ("the Bank of Scotland") and PAL, the Chelsea Magazine Company Limited and the Telegraph Media Group ("the OpCo Facilities Agreement") and to grant security over

substantially all of its assets in favour of the Bank of Scotland (“the Additional Security”).

Request 2 - *Consent to:*

- a. *PAL, Telegraph Media Group, CMC and Telegraph Media Group Holdings acceding to the PIHL Facilities Agreement as guarantors and granting the Common Transaction Security in favour of RB Investco Limited and the Bank of Scotland;*
 - b. *if applicable, to PAL granting the PAL Security in favour of RB Investco Limited (only); and*
 - c. *the transfer of the borrowing claims under the OpCo Facilities Agreement to Telegraph Media Group Holdings upon Hive Down completion, together with such other steps under the debt, guarantee, security and intercreditor documentation as may be necessary to effect the Hive Down.*
4. The Secretary of State consents to a derogation from Article 3 of the Order permitting:
- a. PAL, Telegraph Media Group, CMC and Telegraph Media Group Holdings to accede, as guarantors, to the facilities agreement between PIHL and RB Investco entered into on 4 December 2023 (“the PIHL Facilities Agreement”) and to grant security over substantially all of their assets in favour of RB Investco and the Bank of Scotland (“the Common Transaction Security”);
 - b. PAL to grant security over substantially all of its assets (“the PAL Security”) in favour of RB Investco only, if applicable;
 - c. the transfer of PAL’s borrowing claims under the OpCo Facilities Agreement to Telegraph Media Group Holdings upon completion of the Hive Down together with such other steps under the debt guarantee, security and intercreditor documentation as may be necessary to effect the Hive Down.
5. Equivalent actions or steps to those permitted under the consent set out at paragraph 4 above, will also be permitted if the PIHL loan facility is restructured into two separate facilities for Telegraph Media Group Holdings and the Spectator.
6. The actions or steps which may be taken under this derogation do not include the exercise by RB Investco of any security related to the amounts due under the PIHL Facilities Agreement.
7. Should RB Investco Ltd wish to exercise any of its security related to the amounts due under the PIHL Facilities Agreement, RB Investco Ltd must seek a further derogation from the Order.

Yours sincerely

Signed

