

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002**

Dear [✂]

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 8 September 2025 ('IEO')

Acquisition by SMFL LCI Helicopters Limited ('SMFLH') of Macquarie Rotorcraft Limited ('MRL') (the 'Merger')

We refer to your emails and accompanying submission dated 8 October 2025 and 20 October 2025, requesting that the CMA consents to derogations to the IEO. The terms defined in the IEO have the same meaning in this letter.

Under the IEO, save for written consent by the CMA, Sumitomo Mitsui Financial Group Inc., (**SMFG**), Sumitomo Corporation (**SC**), Sumitomo Mitsui Finance & Leasing Co. Limited (**SMFL**), SMFLH, and MRL (together, the **Parties**) are required to hold separate the MRL business (including the MRL US business) from the SMFLH 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 IEO, based on the information received from you and in the particular circumstances of this case, SMFG, SC, SMFL, SMFLH and MRL may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 4(a), 5(a) and 5(e)(iii) of the IEO – intercompany financing arrangements

The Parties submit that SMFL and MRL will need to enter into [✂] (the **Roll Over Loans**) to replace the equivalent arrangements (the **Intercompany Loans**) which SMFLH and MRL entered into upon completion of the Merger on [✂] and further to a derogation granted by the CMA [✂] (the **15 May Consent Letter**). For the orderly replacement of the Intercompany Loans with the Roll Over Loans, the Parties will also need, in the interim, to extend the term of the Intercompany Loans [✂] (the

Intercompany Loan Extension). The Intercompany Loan Extension will involve no other material changes to the Intercompany Loans.

The Parties submit that, like the Intercompany Loans, the Intercompany Loan Extension and Roll Over Loans are necessary [X]. More specifically, [X], in compliance with paragraphs 5(a), 5(b) and 5(e) of the IEO – which require the MRL business to be carried on separately from the SMFLH business, that MRL be maintained as a going concern with sufficient resources made available for the development of MRL on the basis of its pre-merger business plans, and that all of the assets of MRL are maintained and preserved.

The Parties also submit that the Roll Over Loans will be [X]. [X].

2. Paragraph 5(l) – information sharing on intercompany financing arrangements

Further, the Parties submit that, in order to put in place the Roll Over Loans (but **not** the Intercompany Loan Extension), SMFL and SMFG will require certain information from MRL, some of which may be commercially sensitive to MRL. This information was not necessary for the Intercompany Loans because, at the time those loans were assessed, [X]. However, [X], which is required for the Roll Over Loans.

According to the Parties, this information is necessary to: (i) assess that the amount of the [X]; and (ii) assess and provide [X] in connection with the Roll Over Loans; (iii) [X] in relation to the Roll Over Loans; and (iv) comply with relevant regulatory requirements.

To facilitate this, the Parties have requested the CMA's consent for MRL to share:

- a) The **Loan Approval Information** identified in the Annex to this consent letter with: (i) [X]; and (ii) [X] (the **SMFL Loan Approval Individuals**).
- b) The **Loan Approval Information** and the **Loan Justification Information** (together, the **Relevant Information**) identified in the Annex to this consent letter with: (i) [X]; (ii) [X]; and (iii) [X] (the **SMFL Roll Over Approval Individuals**)

The Parties submit that additional individuals, who work within SMFL's and SMFG's Corporate Departments, will also need to be able to access the Loan Approval Information and the Loan Justification Information for the purpose of understanding MRL's funding requirements and FX exposure to different currencies, and provide the relevant information that external banks require as part of their due diligence in order to provide funding.

Based on the representations of the Parties, the CMA consents to a derogation from paragraphs 4(a), 5(a), 5(e)(iii) and 5(l) of the IEO for the purposes set out above,

strictly on the basis that this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference, and that:

In relation to the derogation from paragraph 4(a), 5(a), 5(e)(iii) of the IEO:

(a) the Intercompany Loan Extension and the Roll Over Loans:

- (i) will not in any way restrict SMFL (including, for the avoidance of doubt, SMFLH) and MRL's ability to divest all of a portion of the MRL business, to the extent necessary either (1) as part of a voluntary offer by way of undertakings in lieu of reference to a Phase 2 pursuant to section 73 of the Act or (2) in order to comply with any order made by the CMA at Phase 2 under sections 41 and 84 of the Act to remedy any competition concerns identified;
- (ii) will neither impede, nor in any way interfere with, the strategic or commercial decision-making ability of MRL, or the operations, governance, or control of MRL, and its purpose is to ensure that the viability and competitive capability of the MRL business is maintained following completion of the Merger;

(b) [REDACTED];

(c) [REDACTED];

In relation to the derogation from paragraph 5(l) of the IEO:

- (d) the Loan Approval Information will be shared with the SMFL Loan Approval Individuals and the SMFL Roll Over Approval Individuals; the Loan Justification Information will be shared only with the SMFL Roll Over Approval individuals;
- (e) individuals at the SMFL and SMFG Corporate Departments can also receive the Relevant Information, strictly for the purpose of [REDACTED]. However, these individuals are not authorised to receive the relevant information directly from MRL; only the SMFL Loan Approval Individuals and the SMFL Roll Over Approval Individuals can share the relevant information that is strictly required by these individuals for the purpose set out herein;
- (f) the SMFL Loan Approval Individuals and the SMFL Roll Over Approval Individuals will not share the Relevant Information with other individuals within SMFL, or consult with any other individuals within SMFL in relation to the Relevant Information, other than as set out above;
- (g) while the Relevant Information contains information that is commercially sensitive to MRL, the sharing of this information will be limited to what is strictly necessary

to allow SMFL to provide the necessary funding and for proper accounting and compliance purposes;

- (h) the purpose of sharing the Relevant Information with SMFL, and the related provision of funds from SMFL to MRL, is to ensure that the Roll Over Loans can be put in place [X];
- (i) the CMA will be notified in advance of any proposed veto by SMFL's relevant authorised personnel of the funding request related to the Roll Over Loans, and the reasons for this, in advance of any such veto being exercised;
- (j) the SMFL Loan Approval Individuals and the SMFL Roll Over Approval Individuals will enter into a confidentiality undertaking in a form agreed with the CMA. To the extent that additional SMFL / SMFG individuals need to receive sensitive information for the purpose of [X], SMFL / SMFG will record the name(s) of any additional SMFL / SMFG individual(s) who receive sensitive information, and keep a record of what sensitive information they received and of the reason why they received it. SMFL / SMFG will share a summary of these records with the CMA alongside the fortnightly IEO compliance statements;
- (k) no change to the relevant list(s) of authorised individuals will be possible without the prior written consent of the CMA (where such consent can be provided in writing, including via email);
- (l) no change to the relevant categories of Relevant Information set out in the Annex will be possible without the prior written consent of the CMA (where such consent can be provided in writing, including via email);
- (m) firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals within SMFL from accessing the Relevant Information;
- (n) the Parties will keep a record of all Relevant Information shared in accordance with this derogation;
- (o) should the Merger be prohibited, SMFL will ensure that any Relevant Information received from MRL for the purposes of the proposed derogation will be returned to the MRL business and any copies destroyed, except to the extent that record retention is required by law or regulation.

Yours sincerely,

Matteo Alchini

Assistant Director, Mergers

24 October 2025

Annex. The Relevant Information

The Relevant Information is limited to the following MRL information:

1. The Loan Approval Information:

- [REDACTED]; and
- [REDACTED].

2. The Loan Justification Information:

- [REDACTED];
- [REDACTED]; and
- [REDACTED].