

**Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 5 August 2014**

**Completed acquisition by ProStrakan Group Plc ('ProStrakan') of Archimedes Pharma Limited ('Archimedes')**

We refer to your letters dated 7, 11 and 14 August 2014 requesting that the CMA consents to derogations to the Initial Enforcement Order of 5 August (the 'Initial Order'). Under the Initial Order, save for written consent by the CMA, provision was made that ProStrakan will hold separate the ProStrakan business (as defined in the Initial Order) from the Archimedes business. After due consideration of your request for derogations from the Initial Order, ProStrakan may carry out the following actions, in respect of the specific paragraphs:

**Paragraphs 4(a), 5(a), and 5(l) of the Initial Order**

Pursuant to paragraph 5(b) of the Initial Order, during the specified period (as defined in the Initial Order), ProStrakan shall maintain the Archimedes and the ProStrakan businesses as going concerns and sufficient resources must be made available for the development of the Archimedes business and the ProStrakan business, on the basis of their respective pre-merger business plans.

In order to ensure compliance with paragraph 5(b) of the Initial Order, the CMA consents to the Archimedes business providing ProStrakan on a monthly basis with a total lump sum figure in respect of Archimedes' overall funding requirements for the forthcoming month. ProStrakan shall not receive any further information in relation to Archimedes' forecast expenditure.

**Paragraphs 4(a), 5(f) and 5(l) of the Initial Order**

During the specified period, the CMA consents to Archimedes' financial results being incorporated into ProStrakan's consolidated financial results for reporting to its parent company, Kyowa Hakko Kirin (KHK), to the extent required for it to report its financial results to the Tokyo Stock Exchange, and provided that the four members of

ProStrakan's finance team who will get access to Archimedes' financial information enter into confidentiality agreements pursuant to which they will undertake not to use or disclose Archimedes' financial information except for the sole purpose of reporting to KHK as set out in the letter of 14 August 2014.

**Paragraphs 4(a), 5(c), 5(e), 5(f), 5(i), and 5(l) of the Initial Order**

During the specified period, the CMA consents to the appointment of [X] to act as a point of contact for the Archimedes' business to ensure compliance with Archimedes' statutory obligations, including pharmacovigilance, and serve as a reporting line within Archimedes in respect of critical incidents, as set out in the letter of 14 August 2014.

**Paragraphs 4 and 5**

During the specified period, the CMA consents to the integration of ProStrakan and Archimedes Commercial Units outside of the UK as set out in the briefing paper of 14 August 2014, to the extent that it does not impact the stand-alone viability of the ProStrakan and Archimedes businesses in the UK and does not impede compliance with the Initial Order for the ProStrakan and Archimedes businesses in the UK.