

ACQUISITION BY RENTOKIL INITIAL PLC OF CANNON HYGIENE LIMITED

Derogation from Interim Order

Background

- A. On 5 July 2018 the Competition and Markets Authority (CMA) made an Interim Order pursuant to [section 81](#) of the Enterprise Act 2002 (the Act) applying to Rentokil Initial Plc ('Rentokil') and Cannon Hygiene Limited ('Cannon') (together 'the Parties') to ensure that no action is taken pending final determination of the Reference which might prejudice the Reference or impede the taking of any action by the CMA under Part 3 of the Act which may be justified by the CMA's decisions on the Reference. The derogations adopted in respect of the Phase 1 Initial Enforcement Order (IEO) continue to apply to the Interim Order.
- B. The Reference has not been finally determined in accordance with [section 79](#) of the Act.
- C. The Interim Order prohibits certain actions without the prior consent of the CMA.

Derogation request - Paragraph 5(a), 5(d) and 5(m) of Interim Order

On 3 September 2018, the CMA was informed that Rentokil was seeking a derogation from paragraphs 5(a), 5(d) and 5(m) of the Interim Order.

On 5 September 2018, the CMA consented to a derogation from paragraphs 5(a), 5(d) and 5(m) of the Interim Order to enable Rentokil's Group CFO and CIO to approve or veto certain expenditure of the Cannon business exceeding the levels of delegated authority previously agreed. The derogation was subject to monitoring by the Monitoring Trustee and prior notification to the CMA of any proposed veto of expenditure exceeding the level of delegated authority.

Signed by authority of the CMA

Anne Lambert
CMA Group Chairman
11 September 2018