

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

Completed acquisition of GHG Healthcare Holdings Limited by Circle Health Holdings Limited

Please note that [X] indicates figures or text which have been deleted at the request of the parties for reasons of commercial confidentiality.

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 11 of March 2020.

We refer to your letter dated 13 February 2020 requesting that the CMA consents to derogations to the Initial Enforcement Order of 20 December 2019, as re-issued on 11 March 2020 (the "**Initial Order**"). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Penta Capital LLP ("**Penta**") and Circle Health Holdings Limited ("**Circle**") are required to hold separate the business of Penta (the "**Penta business**") from GHG Healthcare Holdings Limited ("**GHG**") and its subsidiaries, 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. GHG is the parent company of BMI Healthcare Limited. GHG and its subsidiaries, including BMI Healthcare Limited are collectively referred to in this derogation as "**BMI**".

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, BMI may carry out the following actions, in respect of the specific paragraphs of the Initial Order:

1. Sale of BMI South Cheshire Hospital - Paragraph 5(e) of the Initial Order

The CMA understands that, prior to signing of the Transaction, BMI agreed to sell the business of BMI's South Cheshire Hospital to Mid Cheshire Hospitals NHS Foundation Trust ("**MCHFT**"), the landlord of the site. This sale will involve BMI surrendering its lease over the site and transferring certain assets of the hospital to MCHFT, including the BMI staff employed at the site. Completion of the sale of this hospital business is expected to occur in the near future.

Based on the information provided to the CMA, the CMA understands that the South Cheshire Hospital business does not support the ongoing operation or viability of the

BMI businesses which were acquired by Circle pursuant to the Circle/BMI transaction. As such the CMA considers that such a derogation would not prejudice a CMA reference or impede the taking of any action which may be justified by the CMA's decision on a reference. On this basis, the CMA consents to BMI surrendering the lease of the South Cheshire Hospital and transferring the agreed assets and staff to MCHFT.

Clementine Messent

Assistant Director

14 February 2020 and re-issued on 23 March 2020