

**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 March 2020

We refer to your letter dated 10 March 2020, requesting that the CMA consent 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 the business of 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, Circle and Penta may carry out the following actions, in respect of the specific paragraphs of the Initial Order:

1. Fundraising – paragraph 4(b), 5(e)(ii), 5(e)(iii) and 5 (l) of the Initial Order

It has been put to the CMA that certain exemptions from the IEO are required in order for Circle to raise new funds (of around [X]) from potential investors (the **Fundraising**). The new funds will be invested in Tosca Penta Healthco Limited [X] Partnership and will be used to acquire certain of Tosca Penta Healthco [X] Limited

Partnership's shares in Circle. The CMA understands that the net effect is that the current shares in Circle held by the four Tosca Penta Healthco partnerships will continue to be held by the same four Tosca Penta Healthco partnerships, but in different proportions.

Based on the information provided to the CMA, the CMA understands 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.

The CMA therefore consents to the following:

- a) a reduction/disposal of the investment held by Tosca Penta Healthco [X] Limited Partnership in Circle, and the corresponding increase/acquisition of the investment in Circle by Tosca Penta Healthco Limited [X] Partnership; and
- b) allow Penta to share with potential investors for the purposes of the Fundraising, the monthly consolidated accounts of the GHG business or any information contained in it (which the Penta directors on the Circle board are entitled to receive under a previously granted derogation) and due diligence information relating to the GHG business which was collected prior to the issuance of the original IEO.

This derogation is granted pursuant to the following conditions:

- a) potential investors will enter into non-disclosure agreements, in a form agreed with the CMA.

Clementine Messent

Assistant Director, Mergers

18 March 2020