

ANTICIPATED ACQUISITION OF THE PERPETUUS GROUP (INCLUDING PERPETUUS ENERGY LIMITED, PERPETUUS ADVANCED MATERIALS PLC AND PERPETUUS CARBON TECHNOLOGIES LIMITED) BY SHANGHAI KINGTON TECHNOLOGY LIMITED AND OTHERS

REFERENCE MADE UNDER SECTION 45(5) OF THE ENTERPRISE ACT 2002

TERMS OF REFERENCE

On 5 September 2021, the Secretary of State for Business, Energy and Industrial Strategy ("the Secretary of State") issued a public interest intervention notice under section 42 of the Enterprise Act 2002 ("the Act") in relation to a relevant merger situation. On 7 February 2022, the Secretary of State received a report from the Competition and Markets Authority ("CMA") under section 44 of the Act in relation to the matter.

Having considered the report of the CMA the Secretary of State believes that, as a result of the anticipated acquisition of the Perpetuus Group (including Perpetuus Energy Limited, Perpetuus Advanced Materials plc and Perpetuus Carbon Technologies Limited) by Shanghai Kington Technology Limited and others, it is or may be the case that:

- a. arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation as defined in section 23 of the Act;
- b. the interests of national security, being a public interest consideration specified in section 58(1) of the Act, are relevant to a consideration of that situation; and
- c. taking account only of the relevant public interest consideration concerned, the creation of the relevant merger situation may be expected to operate against the public interest.

The Secretary of State, in exercise of his powers under section 45(5) of the Act, hereby makes a reference to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report on the questions it is required to answer by virtue of section 47 of the Act within the period set down in section 51 of the Act.



Director of National Security and International

An official in the Department for Business, Energy and Industrial Strategy

11 May 2022