

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

**Consent under section 72(3C) of the Enterprise Act 2002 (the ‘Act’) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (‘CMA’) on 27 August 2021 as varied on 30 September 2021.**

**Completed acquisition by Dye & Durham Limited, through its subsidiary Dye & Durham (UK) Limited, of TM Group (UK) Limited (the ‘Merger’)**

We refer to your submission of 16 September 2022 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 27 August 2021, as varied under a variation order dated 30 September 2021 (the "**Initial Order**"). Unless otherwise stated, 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, Dye & Durham Limited and Dye & Durham (UK) Limited ("**D&D**") are required to hold separate the D&D business from the TM Group (UK) Limited ("**TMG**") business (together the "**Parties**") 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.

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, D&D may carry out the following actions, in respect of the specific paragraphs:

**1. Paragraph 5(i) of the Initial Order – Changes made to key staff**

The CMA understands that D&D is seeking the CMA's consent to a derogation from paragraph 5(i) of the Initial Order to give effect to the appointment of Mr Frank Di Liso as D&D's Global Chief Financial Officer ("**Global CFO**") (with effect from 23 September 2022).

On the basis of D&D's representations, the CMA consents to a derogation from paragraph 5(i) of the Initial Order to permit the appointment of Mr Di Liso as Global CFO strictly on the basis that:

- (a) Mr Di Liso has the necessary capacity and experience to effectively fulfil the role as Global CFO. As such, this appointment will not impact the viability or ongoing operation of the D&D or D&D UK business.
- (b) Save for the changes described above, no other organisational or key staff changes will be made to the D&D or D&D UK business as a result of the proposed appointment of Mr Di Liso as Global CFO.
- (c) This derogation will not lead to any integration of the TMG and D&D or D&D UK businesses and for the avoidance of doubt, will not result in any TMG staff reporting to Mr Di Liso.
- (d) This derogation shall not prevent any remedial action that the CMA may need to take regarding the Merger. In particular, it would pose no risk to the deterioration of the TMG asset or the ability to maintain and hold separate TMG as a going concern until such time as the TMG business is divested.

Yours sincerely,

Adam Cooper  
Director, Remedies, Business and Financial Analysis  
20 September 2022