

## DEROGATION LETTER

### COMPLETED ACQUISITION BY CIRCLE HEALTH HOLDINGS LIMITED OF GHG HEALTHCARE HOLDINGS LIMITED

**Consent to certain actions for the purposes of the Undertakings in Lieu of a Reference accepted by the Competition and Markets Authority (CMA) pursuant to section 73(2) of the Enterprise Act 2020 on 23 June 2020**

Following its investigation into the completed acquisition by Circle Health Holdings Limited (**Circle**) of GHG Healthcare Holdings Limited (a parent company of BMI Healthcare Limited) (together, the **Parties**) (the **Merger**), the CMA decided that the Merger had resulted or may be expected to result in a substantial lessening of competition within a market or markets in the United Kingdom and that it would be referred for a phase 2 investigation unless the Parties offered acceptable undertakings to address these competition concerns.

On 23 June 2020, the CMA accepted Undertakings in Lieu (**UILs**) of a reference from the Parties under section 73(2) of the Enterprise Act 2002 (the **Act**). The terms defined in the UILs have the same meaning in this letter. Under paragraph 11.1 of the UILs Circle is under an obligation to minimise as far as possible any risk of loss of competitive potential of the hospital located at 5 Pebble Mill Road, Birmingham, B5 7SA and operated by Circle Birmingham Limited (**Circle Birmingham**).

On 25 June 2020, the CMA issued directions to appoint a monitoring trustee pursuant to paragraph 11 of the UILs accepted on 23 June 2020 (the **Monitoring Trustee**).

We refer to your letter dated 22 September 2022 requesting that the CMA consents to derogations to the UILs.

After due consideration, based on the information available and in the particular circumstances of this case, the CMA consents to this derogation to paragraphs 11.1(b), 11.1(g) and 11.1(i) of the UILs. Circle may carry out the following actions, in respect of the specific paragraphs:

The CMA understands [X] (the [X] at Circle Birmingham) [X]. In light of this, Circle considers it appropriate and in [X] best interests if the human resources team at Circle were to have discussions with [X] to determine [X] at Circle Birmingham. On this basis, the CMA consents to the following:

- (a) Circle may have discussions with [X]; and

(b) Should [X] wish to do so, [X].

This derogation is granted pursuant to the following conditions:

- (a) Circle will keep the CMA and the Monitoring Trustee updated in relation to these actions.
- (b) Circle will notify the CMA and the Monitoring Trustee of any decision to [X] in advance of taking any action.

**Steven Pantling**

Assistant Director, RBFA

27 September 2022