

**ACQUISITION BY MEDIVET GROUP LIMITED OF THE ASSETS AND BUSINESS  
OF THE VETERINARY PRACTICE UNDER THE NAME 'CADDY COUNTRY  
VETERINARY SURGERY/PRACTICE'**

**Undertakings given by Medivet Group Limited to the Competition  
and Markets Authority pursuant to section 73 of the Enterprise Act  
2002**

**Whereas:**

- (a) Medivet Group Limited (**Medivet**), being a private limited company which is the wholly owned subsidiary of Hecate Holdco Limited (UK) (**Hecate Holdco**) and indirectly held by CVC Capital Partners VIII (A) L.P., CVC Capital Partners VIII Associates L.P. and CVC Capital Partners Investment Europe VIII L.P., being funds managed by CVC Capital Partners VIII Limited (**CVC Capital**) (together with Medivet, Hecate Holdco, CVC Capital Partners VIII (A) L.P., CVC Capital Partners VIII Associates L.P. and CVC Capital Partners Investment Europe VIII L.P., the **Acquirer Group**), completed the acquisition of the assets and business of the veterinary practice under the name 'Caddy Country Veterinary Surgery/Practice' (**Caddy Country** or the **Relevant Vet Practice**) on 11 August 2022 by way of asset purchase agreement (the **Transaction**) such that Medivet and Caddy Country ceased to be distinct for the purposes of the Enterprise Act 2002 (the **Act**);
- (b) Under section 22(1) of the Act the Competition and Markets Authority (**CMA**) has a duty to refer a relevant merger situation for a Phase 2 investigation where it believes that it is or may be the case that the creation of that merger situation has resulted or may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services;
- (c) Under section 73 of the Act the CMA may, instead of making such a reference and for the purpose of remedying, mitigating or preventing the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it or may be expected to result from it, accept undertakings to take such action as it considers appropriate, from such of the parties

concerned as it considers appropriate. In particular, the CMA shall have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;

- (d) As set out in the CMA's decision of 18 May 2023 (the **Decision**), the CMA believes that, in the absence of appropriate undertakings, it would be under a duty to refer the Transaction for a Phase 2 investigation;
- (e) The CMA considers that the undertakings given below by the Acquirer Group are appropriate to remedy, mitigate or prevent the substantial lessening of competition, or any adverse effect which has or may have resulted from the Transaction, or may be expected to result from it, as specified in the Decision;
- (f) Prior to the acceptance of these undertakings by the CMA, Medivet reconstituted the Divestment Business and entered into a legally binding agreement of [date] 2023 to divest the Divestment Business as a going concern to a Proposed Purchaser on terms approved by the CMA. This agreement was conditional only on formal CMA approval of the Proposed Purchaser and acceptance by the CMA of these undertakings. This agreement includes a warranty that the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business as part of a viable and active business in competition with Medivet and other competitors in the market for the supply of small animal veterinary services in the area listed in Annex A of the Decision (the **SLC Area**); and
- (g) The CMA made an Initial Enforcement Order applying to the Acquirer Group on 21 December 2022 (as varied) and 24 January 2023 in respect of the Transaction pursuant to section 72 of the Act for the purposes of preventing pre-emptive action. Pursuant to section 72(6)(b) of the Act, this Initial Enforcement Order ceases to be in force on the acceptance by the CMA of the undertakings given below by the Acquirer Group.

NOW THEREFORE the Acquirer Group hereby gives to the CMA the following undertakings for the purpose of remedying, mitigating or preventing the substantial lessening of competition, or any adverse effect which has or may have resulted from it or may be expected to result from it.

## **1 EFFECTIVE DATE OF THE UNDERTAKINGS**

- 1.1 These undertakings shall take effect from the date that, having been signed by the Acquirer Group, they are accepted by the CMA.

## **2 DIVESTMENT OF THE DIVESTMENT BUSINESS**

- 2.1 The Acquirer Group shall ensure that the completion of the divestment of the Divestment Business to the Proposed Purchaser contemplated by the agreement referred to in recital f of these undertakings takes place within a period not exceeding one month from the date these undertakings take effect.
- 2.2 Medivet shall use all reasonable endeavours to ensure the transfer of Key Staff with the divestment of the Divestment Business.
- 2.3 In the event that the Acquirer Group fails to complete the divestment of the Divestment Business in accordance with paragraphs The Acquirer Group shall ensure that the completion of the divestment of the Divestment Business to the Proposed Purchaser contemplated by the agreement referred to in recital f of these undertakings takes place within a period not exceeding one month from the date these undertakings take effect. and Medivet shall use all reasonable endeavours to ensure the transfer of Key Staff with the divestment of the Divestment Business. above, the CMA may, whether or not initiating the Trustee Functions as set out in paragraph APPOINTMENT OF A TRUSTEE below, require the Acquirer Group to divest the Divestment Business as a going concern at no minimum price to a purchaser or purchasers approved by the CMA.

## **3 APPROVAL OF PURCHASER AND TERMS OF DIVESTMENT**

- 3.1 For the purposes of the CMA approving a Proposed Purchaser and the terms of the divestment of the Divestment Business in accordance with these undertakings, the Acquirer Group shall, save as required or permitted by the CMA, satisfy the CMA that:
- (a) the acquisition by the Proposed Purchaser of the Divestment Business, on the terms set out above, remedies, mitigates or prevents the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it, or may be expected to result from it, in particular having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;

- (b) the Proposed Purchaser is independent of and unconnected to the Acquirer Group and the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs and any Associated Person or Affiliate of the Acquirer Group or such Group of Interconnected Bodies Corporate;
- (c) the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business as a viable and active business in competition with Medivet and other competitors in the market for the supply of small animal veterinary services in the SLC Area from the date of completion of the divestment of the Divestment Business;
- (d) the Proposed Purchaser is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority, including (where applicable) landlord's consent to the transfer of any leasehold interest; and
- (e) the acquisition by the Proposed Purchaser of the Divestment Business does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.

3.2 The CMA may require the Acquirer Group to provide it with such information and documentation as it may reasonably require to satisfy the CMA that the Proposed Purchaser will fulfil the requirements in paragraph For the purposes of the CMA approving a Proposed Purchaser and the terms of the divestment of the Divestment Business in accordance with these undertakings, the Acquirer Group shall, save as required or permitted by the CMA, satisfy the CMA that: above.

#### **4 APPOINTMENT OF A TRUSTEE**

4.1 The provisions of paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: to paragraph In the event that the appointment of the Trustee is terminated in accordance with paragraph The appointment of the Trustee pursuant to paragraph Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by the Acquirer Group and their proposed mandates pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee Functions, the Acquirer

Group shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above. or paragraph In the event that: above shall be irrevocable unless: above, the Acquirer Group shall, if requested to do so in writing by the CMA, use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions in accordance with such mandate as is approved by the CMA. The Acquirer Group shall use its best endeavours to make such appointment within 7 Working Days of receiving the nominations from the CMA. Where required by the CMA, the outgoing Trustee shall continue as Trustee until a new Trustee is in place and a full handover of all relevant information has taken place. below shall apply only as long as the Acquirer Group has not satisfied, or where the CMA has reasonable grounds for believing that the Acquirer Group will not satisfy, all or any part of the obligation to divest the Divestment Business in accordance with paragraph 2 above.

- 4.2 Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval:
- (a) the names of at least two individuals to exercise the Trustee Functions; and
  - (b) the full terms of a mandate in accordance with which the Trustee shall carry out the Trustee Functions.
- 4.3 The Acquirer Group and/or any individuals nominated pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: shall satisfy the CMA that, save as required or permitted by the CMA:
- (a) such nominated individuals have the necessary qualifications to carry out their mandates, and are employees or partners of an investment bank, retail bank, commercial property agent, building society or law firm or accountancy firm with an established reputation either nationwide or in a substantial part of the UK or in an EU member state;
  - (b) such nominated individuals are each independent of the Acquirer Group and of the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs and of any Associated Person or Affiliate of

the Acquirer Group or of such Group of Interconnected Bodies Corporate and of any Proposed Purchaser of the Divestment Business to be sold pursuant to these undertakings, and, in the reasonable opinion of the Acquirer Group, are appropriate to be appointed as Trustee; and

- (c) such nominated individuals neither are, nor are likely to become, exposed, either directly or indirectly, to a conflict of interest that impairs or may be likely to impair their objectivity or independence in discharging the Trustee Functions.

4.4 Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by the Acquirer Group and their proposed mandates pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee Functions, the Acquirer Group shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above.

4.5 In the event that:

- (a) the Acquirer Group fails to propose any person or persons in accordance with paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above; or
- (b) none of the persons proposed by the Acquirer Group pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: is approved by the CMA; or
- (c) the Acquirer Group is unable for any reason to appoint within the time limit stipulated in paragraph Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by the Acquirer Group and their proposed mandates pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee

Functions, the Acquirer Group shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above. above any such person following approval by the CMA,

the Acquirer Group shall use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions on the terms of a mandate approved by the CMA. The Acquirer Group shall use its best endeavours to make such appointment within 5 Working Days of receiving the nominations from the CMA.

4.6 The appointment of the Trustee pursuant to paragraph Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by the Acquirer Group and their proposed mandates pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above, and subject to any modifications the CMA deems necessary for the Trustee to carry out the Trustee Functions, the Acquirer Group shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above. or paragraph In the event that: above shall be irrevocable unless:

- (a) a conflict of interest that impairs or may be likely to impair the objectivity or independence of the Trustee in discharging the Trustee Functions arises;
- (b) the Trustee ceases to perform the Trustee Functions; or
- (c) the CMA is otherwise satisfied that there is good cause for the appointment to be terminated in advance of the satisfactory fulfilment of the Trustee Functions.

4.7 In the event that the appointment of the Trustee is terminated in accordance with paragraph The appointment of the Trustee pursuant to paragraph Within 2 Working Days of the CMA approving, at its discretion, one or more of the persons nominated by the Acquirer Group and their proposed mandates pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above, and subject to any modifications

the CMA deems necessary for the Trustee to carry out the Trustee Functions, the Acquirer Group shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the CMA pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above. or paragraph In the event that: above shall be irrevocable unless: above, the Acquirer Group shall, if requested to do so in writing by the CMA, use its best endeavours to appoint from persons nominated by the CMA one person to carry out the Trustee Functions in accordance with such mandate as is approved by the CMA. The Acquirer Group shall use its best endeavours to make such appointment within 7 Working Days of receiving the nominations from the CMA. Where required by the CMA, the outgoing Trustee shall continue as Trustee until a new Trustee is in place and a full handover of all relevant information has taken place.

## **5 THE MANDATE**

5.1 The terms of the mandate proposed by the Acquirer Group pursuant to paragraph Within 5 Working Days of the CMA notifying the Acquirer Group in writing that they must do so, the Acquirer Group shall propose to the CMA for approval: above shall, as a minimum, contain all provisions necessary to enable the Trustee to carry out the Trustee Functions including, without limitation to the generality of this paragraph:

- (a) an exclusive, irrevocable mandate to sell the Divestment Business as required by paragraph The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the sale of the Divestment Business at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question. below. below to a purchaser as directed or approved in writing in advance by the CMA at no minimum price and on such reasonable terms and conditions as the Trustee considers appropriate to effect an expedient sale;



- (b) a mandate to take any other steps necessary for, or incidental to, the Trustee's mandate under sub-paragraph (a) above;
- (c) a comprehensive power of attorney to the Trustee (including the authority to grant sub-powers of attorney to the Trustee's officers, employees and agents) to enable it to take all steps necessary or appropriate to effect the sale of the Divestment Business;
- (d) a mandate to comply with any orders and/or directions given by the CMA; and
- (e) a mandate to appoint at the Acquirer Group's expense such advisers as the CMA and/or the Trustee reasonably considers necessary or appropriate in connection with the performance of the Trustee Functions.

## **6 FUNCTIONS OF TRUSTEE**

- 6.1 The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the sale of the Divestment Business at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question. below.
- 6.2 Without prejudice to the generality of paragraph The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the sale of the Divestment Business at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question. below. above, the Trustee shall take the following measures in relation to the Divestment

Business to the extent to which such measures may be necessary to effect the divestment of the Divestment Business in accordance with the provisions of these undertakings:

- (a) the transfer or vesting of property, assets, rights, personnel, liabilities or obligations (including without prejudice any contracts, licences, authorisations, permits or consents);
- (b) any other transfer of interests that will take effect with the sale;
- (c) the adjustment of contracts, whether by discharge or reduction or assignment of any liability or obligation or otherwise;
- (d) the creation, allotment, transfer, surrender or cancellation of any shares, stock or securities; and
- (e) the formation or winding up of a company.

6.3 The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question.

6.4 Pending the divestment of the Divestment Business pursuant to paragraph The Trustee shall seek to procure, within such period as may be specified in writing by the CMA, the completion of the sale of the Divestment Business at no minimum price, to a purchaser or purchasers approved by the CMA in accordance with paragraph The Trustee shall not sell or permit the divestment of the Divestment Business to a Proposed Purchaser unless it has been directed to do so by the CMA or has obtained the CMA's prior written approval in respect of the identity of that Proposed Purchaser. The Trustee shall notify the CMA of the identity of a Proposed Purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question. below. above, the Trustee shall monitor the Acquirer Group compliance with its obligations under paragraph The Acquirer Group shall not give any instruction or request to the Trustee which conflicts with the Trustee Functions. and paragraph The Acquirer Group shall take all such steps as are reasonably necessary to enable the Trustee to carry out the Trustee Functions, including but not limited to: below and shall promptly take

such measures as it considers necessary to ensure such compliance, as well as reporting in writing to the CMA, if the Trustee concludes on reasonable grounds that the Acquirer Group is failing or will fail to comply with such obligations.

- 6.5 The Trustee may give written directions to the Acquirer Group to take such steps as may be specified or described in the directions for the purpose of securing the Acquirer Group's compliance with its obligations under these undertakings or enabling the Trustee to carry out the Trustee Functions. The Trustee may not require the Acquirer Group to:
- (a) offer any reverse premium or similar inducement to a purchaser; or
  - (b) accept any actual or contingent liability towards a purchaser or otherwise in connection with the divestment of the Divestment Business which would be unusual in scope, duration or financially, having regard to the price and usual market practice in relation to similar disposals.
- 6.6 The Trustee shall, as soon as reasonably practicable, comply at all times with any reasonable instructions or written directions made by the CMA for the purposes of carrying out or securing compliance with the undertakings (or any matter incidental thereto) and shall provide to the CMA such information and reports in relation to the carrying out of the Trustee Functions as the CMA may require. The Trustee shall promptly report in writing to the CMA if the Trustee concludes on reasonable grounds that the Acquirer Group is failing or will fail to comply with any of its obligations under these undertakings.
- 6.7 For the purpose of fulfilling the Trustee Functions, the Trustee shall not be bound by instructions of the Acquirer Group nor shall the Trustee Functions be extended or varied in any way by the Acquirer Group save with the prior express written consent of the CMA.

## **7 OBLIGATIONS OF THE ACQUIRER GROUP FOLLOWING APPOINTMENT OF TRUSTEE**

- 7.1 The Acquirer Group shall not give any instruction or request to the Trustee which conflicts with the Trustee Functions.
- 7.2 The Acquirer Group shall take all such steps as are reasonably necessary to enable the Trustee to carry out the Trustee Functions, including but not limited to:
- (a) complying with such written directions as the Trustee may from time to time give pursuant to paragraph The Trustee shall, as soon as

reasonably practicable, comply at all times with any reasonable instructions or written directions made by the CMA for the purposes of carrying out or securing compliance with the undertakings (or any matter incidental thereto) and shall provide to the CMA such information and reports in relation to the carrying out of the Trustee Functions as the CMA may require. The Trustee shall promptly report in writing to the CMA if the Trustee concludes on reasonable grounds that the Acquirer Group is failing or will fail to comply with any of its obligations under these undertakings. above; and

- (b) providing the Trustee with all such assistance and information as it may reasonably require in carrying out the Trustee Functions.

## **8 REMUNERATION OF TRUSTEE**

- 8.1 The Acquirer Group shall pay the Trustee a reasonable remuneration for the services it provides in carrying out the Trustee Functions, and shall pay the Trustee in a way that does not impede the independent and effective fulfilment of the Trustee Functions, which shall be set out in the Trustee's mandate referred to in paragraph THE MANDATE above.

## **9 INTERIM ACTION**

- 9.1 Pending the completion of the divestment of the Divestment Business to the satisfaction of the CMA in accordance with the provisions of these undertakings, save as otherwise agreed in advance in writing by the CMA, the Acquirer Group shall minimise as far as possible any risk of loss of competitive potential of the Divestment Business and in particular ensure that:
  - (a) the Divestment Business is carried on separately from the Acquirer Group Business and the Divestment Business's separate sales or brand identity is maintained;
  - (b) the Divestment Business and the Medivet Business are maintained as a going concern and sufficient resources are made available for the development of the Divestment Business and the Medivet Business, on the basis of their respective pre-Transaction business plans;
  - (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Divestment Business or the Medivet Business;

- (d) the nature, description, range and quality of services supplied in the UK by each of the Divestment Business and the Medivet Business are maintained and preserved;
- (e) except in the ordinary course of business for the separate operation of the Divestment Business and the Medivet Business:
  - (i) all of the assets of the Divestment Business and the Medivet Business are maintained and preserved, including facilities and goodwill;
  - (ii) none of the assets of the Divestment Business or the Medivet Business are disposed of; and
  - (iii) no interest in the assets of the Divestment Business or the Medivet Business is created or disposed of;
- (f) there is no integration of the information technology of the Divestment Business or the Acquirer Group Business, and the software and hardware platforms of the Divestment Business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the Divestment Business and the Medivet Business shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Divestment Business will be carried out by the Divestment Business alone and for the avoidance of doubt the Medivet Business will not negotiate on behalf of the Divestment Business (and vice versa) or enter into any joint agreements with the Divestment Business (and vice versa);
- (h) all existing contracts of the Divestment Business and the Medivet Business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to Key Staff of the Divestment Business or Medivet Business;
- (j) no Key Staff are transferred between the Divestment Business and the Medivet Business;
- (k) all reasonable steps are taken to encourage all Key Staff to remain with the Divestment Business and the Medivet Business; and
- (l) no Confidential Information relating to either of the Divestment Business or the Medivet Business shall pass, directly or indirectly, from

the Divestment Business (or any of its employees, directors, agents or affiliates) to the Acquirer Group Business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) or any steps necessary in order for the Acquirer Group to comply with these undertakings, including the transfer of information necessary for the divestment process, provided that, upon divestment of the Divestment Business, any records or copies (electronic or otherwise) of Confidential Information held by the Acquirer Group in relation to the Divestment Business (or vice versa) shall be returned to the relevant business and any copies destroyed (except as may be necessary for the purposes of compliance with the obligations above).

9.2 Any action by the Acquirer Group Business and/or the Divestment Business which would have been permitted under the terms of one of more of the Derogations, shall continue to be so permitted until completion of the divestment of the Divestment Business, subject to compliance with the terms and conditions set out in the Derogations.

9.3 At all times, Medivet will actively keep the CMA informed of any material developments relating to the Medivet Business or the Divestment Business, which includes, but is not limited to:

- (a) details of Key Staff who leave the Medivet Business or the Divestment Business;
- (b) any interruption of the Medivet Business or the Divestment Business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
- (c) all substantial customer volumes lost by the Divestment Business; and
- (d) substantial changes in the Medivet Business's or the Divestment Business's contractual arrangements or relationships with key suppliers.

## **10 CONTINUED SEPARATION**

10.1 Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, the Acquirer Group, or any member of the Group of Interconnected bodies Corporate to which the Acquirer Group belongs:

- (a) shall not, directly or indirectly, hold, acquire, re-acquire or use:
  - (i) an Interest in the Divestment Business; or
  - (ii) any Interest in any company carrying on or having Control of the Divestment Business (other than any investments made in the ordinary course of the operation of any of the employee benefit and pension schemes of the Acquirer Group or of any members of the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs of not more than three per cent in aggregate of the issued equity share capital in any such company, whose shares are listed or dealt with on any recognised investment exchange, which carries no more than three per cent of the voting rights exercisable at meetings of such company); or
  - (iii) other than in the normal course of business, any of the assets of the Divestment Business;
- (b) shall procure that no employee or director of the Acquirer Group or any member of the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs for as long as they are an employee or director of the Acquirer Group or any member of the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs holds or is nominated to any directorship or managerial position in the Divestment Business or directorship or managerial position in any company or other undertaking carrying on or having control of the Divestment Business without the CMA's prior written consent;
- (c) shall not participate in the formulation of, or (other than in the ordinary course of business) influence or attempt to influence, the policy of the Divestment Business or any company or other undertaking carrying on or having control of that Divestment Business; and
- (d) shall not enter into or carry out any agreement or arrangement with any person, if the carrying out of the agreement or arrangement is intended to result or will result in any Associated Person or Affiliate of the Acquirer Group or of any member of the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs directly or indirectly acquiring the Divestment Business or doing any of the things listed in sub-paragraphs Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, the Acquirer Group, or any member of the Group of Interconnected bodies Corporate to which the Acquirer Group belongs:(a), Except with the

prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, the Acquirer Group, or any member of the Group of Interconnected bodies Corporate to which the Acquirer Group belongs:(b) and Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, the Acquirer Group, or any member of the Group of Interconnected bodies Corporate to which the Acquirer Group belongs:(c) above.

- 10.2 Where Medivet (or any member of the Group of Interconnected Bodies Corporate to which the Acquirer Group belongs) divests a Divestment Business by way of granting a sub-lease and remains the landlord of the purchaser of the Divestment Business, then for the duration of the sub-lease, the Acquirer Group shall within 10 Working Days of being requested to do so (unless agreed otherwise by the CMA):
- (a) consent to any matter requiring landlord's approval under the terms of the lease between the Acquirer Group and the purchaser of the Divestment Business (except where the Acquirer Group is required to obtain such consent from another person); and/or
  - (b) pass on any request for consent to the freehold owner of the property or relevant third party, as appropriate.

## **11 NEW DIVESTMENT IF MEDIVET OBTAINS POSSESSION OF A DIVESTMENT BUSINESS PROPERTY**

- 11.1 In the event that, following divestment of a Divestment Business in a manner that has involved Medivet assigning an existing lease or granting a sub-lease to the purchaser of the Divestment Business, Medivet benefits from or becomes subject to an Occupation Interest (so long as Medivet so benefits or becomes so subject during the term of the lease assigned or sub-lease granted by Medivet as part of such divestment), Medivet shall:
- (a) within 10 Working Days of becoming aware that it is so benefitting or is so subject inform the CMA in writing of that fact; and
  - (b) using its best endeavours and acting in good faith comply with such written directions as the CMA may give to Medivet to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, provided always that such written directions must be of a similar nature



to those contained in these undertakings with regard to the original divestment of the Divestment Business.

- 11.2 In determining, for the purposes of sub-paragraph using its best endeavours and acting in good faith comply with such written directions as the CMA may give to Medivet to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, provided always that such written directions must be of a similar nature to those contained in these undertakings with regard to the original divestment of the Divestment Business. above, whether to require Medivet to effect a new divestment of the Occupation Interest to a new purchaser approved by the CMA in accordance with the provisions of these undertakings, the CMA may have regard to any change of circumstances since the Decision.
- 11.3 In the event that Medivet fails to divest the Occupation Interest in accordance with paragraph In the event that, following divestment of a Divestment Business in a manner that has involved Medivet assigning an existing lease or granting a sub-lease to the purchaser of the Divestment Business, Medivet benefits from or becomes subject to an Occupation Interest (so long as Medivet so benefits or becomes so subject during the term of the lease assigned or sub-lease granted by Medivet as part of such divestment), Medivet shall: above, the CMA may, whether or not initiating the Trustee Functions set out in these undertakings, require Medivet to divest the Occupation Interest at no minimum price to a purchaser approved by the CMA.
- 11.4 Medivet shall notify the CMA in writing of the identity of each proposed purchaser that makes an offer for the Occupation Interest together with the value and terms of such offers as soon as reasonably practicable following the receipt of such offers and in any event within 10 Working Days of receipt of such offers.
- 11.5 In the event that the CMA gives written directions under paragraph In the event that, following divestment of a Divestment Business in a manner that has involved Medivet assigning an existing lease or granting a sub-lease to the purchaser of the Divestment Business, Medivet benefits from or becomes subject to an Occupation Interest (so long as Medivet so benefits or becomes so subject during the term of the lease assigned or sub-lease granted by Medivet as part of such divestment), Medivet shall: above for Medivet to effect a new divestment of the Occupation Interest, paragraphs 3, 4, 5, 6, 7, 8 and 9 shall apply to the new divestment in the same way that they applied to the original divestment obligation save that references to

'Divestment Business' in those paragraphs shall be construed as references to 'Occupation Interest'.

## **12 COMPLIANCE**

- 12.1 The Acquirer Group shall comply promptly with such written directions as the CMA may from time to time give:
- (a) to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings; or
  - (b) to do or refrain from doing anything so specified or described which it might be required by these undertakings to do or to refrain from doing.
- 12.2 The Acquirer Group shall co-operate fully with the CMA when the CMA is:
- (a) monitoring compliance with the provisions of these undertakings; and
  - (b) investigating potential breaches of the provisions of these undertakings.
- 12.3 Medivet shall procure that any member of the same Group of Interconnected Bodies Corporate as Medivet complies with these undertakings as if it had given them and actions and omissions of the members of the same Group of Interconnected Bodies Corporate as Medivet shall be attributed to Medivet for the purposes of these undertakings.
- 12.4 Where any Affiliate of Medivet is not a member of the same Group of Interconnected Bodies Corporate as Medivet, Medivet shall use its best endeavours to procure that any such Affiliate shall comply with these undertakings as if it had given them.

## **13 PROVISION OF INFORMATION**

- 13.1 The Acquirer Group shall furnish promptly to the CMA such information as the CMA considers necessary in relation to or in connection with the implementation and/or enforcement of and/or the compliance with these undertakings, including for the avoidance of doubt, any Confidential Information.

## **14 EXTENSION OF TIME LIMITS**

- 14.1 The CMA may, in response to a written request from the Acquirer Group, or otherwise at its own discretion, grant an extension to any time period referred to in these undertakings.

## **15 SERVICE**

- 15.1 The Acquirer Group hereby authorises Freshfields Bruckhaus Deringer (for the attention of Alastair Mordaunt), whose address for service is 100 Bishopsgate, London EC2P 2SR, to accept service on its behalf of all documents connected with these undertakings (including any document of any kind which falls to be served on or sent to the Acquirer Group, or any of its Subsidiaries in connection with any proceedings in Courts in the UK, orders, requests, notifications or other communications connected with these undertakings).
- 15.2 Unless the Acquirer Group informs the CMA in writing that Freshfields Bruckhaus Deringer has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on the Acquirer Group if it is served on Freshfields Bruckhaus Deringer; and service shall be deemed to have been acknowledged by the Acquirer Group if it is acknowledged by Freshfields Bruckhaus Deringer or such other nominee.
- 15.3 Paragraph Unless the Acquirer Group informs the CMA in writing that Freshfields Bruckhaus Deringer has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on the Acquirer Group if it is served on Freshfields Bruckhaus Deringer; and service shall be deemed to have been acknowledged by the Acquirer Group if it is acknowledged by Freshfields Bruckhaus Deringer or such other nominee. above has effect irrespective of whether, as between the Acquirer Group and Freshfields Bruckhaus Deringer or other nominees, Freshfields Bruckhaus Deringer or other nominees has or continues to have any authority to accept and acknowledge service on the Acquirer Group or any of its respective Subsidiaries' behalf.
- 15.4 No failure or mistake by Freshfields Bruckhaus Deringer or other nominees (including a failure to notify the Acquirer Group of the service of any document, order, request, notification or other communication) shall invalidate any action taken in respect of these undertakings including any proceedings or judgment.
- 15.5 Any communication from the Acquirer Group to the CMA under these undertakings shall be addressed to Manager, Market and Mergers Remedies Monitoring, Competition and Markets Authority, The Cabot, 25 Cabot Square, London, E14 4QZ or such other person or address as the CMA may direct in writing.

## **16 EFFECT OF INVALIDITY**

- 16.1 Should any provision of these undertakings be contrary to law or invalid for any reason, the Acquirer Group undertake to continue to observe the remaining provisions.

## **17 GOVERNING LAW**

- 17.1 The Acquirer Group recognises and acknowledges that these undertakings shall be governed and construed in all respects in accordance with English law.
- 17.2 In the event that a dispute arises concerning these undertakings, the Acquirer Group undertakes to submit to the courts of England and Wales.

## **18 TERMINATION**

- 18.1 The Acquirer Group recognises and acknowledges that these undertakings shall be in force until such time as they are varied, released or superseded under the Act.
- 18.2 The Acquirer Group recognises and acknowledges that the variation, release or supersession of these undertakings shall not affect the validity and enforceability of any rights or obligations that arose prior to such variation, release or supersession.

## **19 INTERPRETATION**

- 19.1 The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.
- 19.2 References in these undertakings to any English law term for any legal status, interest, concept or thing shall in respect of any jurisdiction other than England and Wales be deemed to include what most nearly approximates in that jurisdiction to the English law term.
- 19.3 In these undertakings the word "including" shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word and the word "include" and its derivatives shall be construed accordingly.
- 19.4 For the purposes of these undertakings:

**“the Act”** means the Enterprise Act 2002;

“the **Acquirer Group**” means Medivet, Hecate Holdco, CVC Capital, CVC Capital Partners VIII (A) L.P., CVC Capital Partners VIII Associates L.P. and CVC Capital Partners Investment Europe VIII L.P.;

“the **Acquirer Group Business**” means Medivet, Hecate Holdco, CVC Capital, CVC Capital Partners VIII (A) L.P., CVC Capital Partners VIII Associates L.P. and CVC Capital Partners Investment Europe VIII L.P. and their subsidiaries but excluding the SLC Merger Businesses identified in the CMA’s Decision and the businesses of any companies held by funds managed by CVC Capital that are not active in markets (or market segments) that the Medivet or SLC Merger Businesses are active in;

“**Affiliate**” a person is an affiliate of another person if they or their respective enterprises would be regarded as being under common control for the purposes of section 26 of the Act;

“**Associated Person**” means a person or persons associated with the Acquirer Group within the meaning of section 127(4) of the Act and includes any Subsidiary of such a person or persons;

“**business**” has the meaning given by section 129(1) and (3) of the Act;

“the **Caddy Country Business**” means the reconstituted business of Caddy Country as carried on at the Divestment Site.

“**CMA**” means the Competition and Markets Authority or any successor body;

“**Confidential Information**” means any business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature;

“**Control**” shall be construed in accordance with section 26 of the Act, and in the case of a body corporate, a person shall be deemed to Control it if he holds, or has an interest in, shares of that body corporate amounting to 10 per cent or more of its issued share capital or carrying an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

“**CVC Capital**” means CVC Capital Partners VIII Limited, a company registered in Jersey having its registered office at 27 Esplanade, St Helier, Jersey JE1 1SG;

“**Decision**” means the CMA’s decision under section 22 of the Act dated 18 May 2023 in connection with the Transaction;

**“Derogations”** means any derogation granted by the CMA from the initial enforcement order served by the CMA on 21 December 2022 (as varied) and 24 January 2023 in relation to the Transaction, including but not limited to the following:

- Derogations 6 April 2023
- Derogation 16 March 2023
- Derogation (Variation) 3 March 2023
- Derogations (Variation) 28 February 2023
- Derogation (Revocation) 24 February 2023
- Derogations 24 February 2023
- Derogation 22 February 2023
- Derogation 17 February 2023
- Derogation 13 February 2023
- Derogation 8 February 2023
- Derogations 25 January 2023
- Derogations 21 December 2022

**“Divestment Business”** means the Caddy Country Business;

**“Divestment Business Property”** means the relevant property associated with the Divestment Business as at the date of these undertakings;

**“Divestment Site”** means the site listed in Annex 1;

**“enterprise”** has the meaning given in section 129(1) of the Act;

**“Group of Interconnected Bodies Corporate”** has the meaning given in section 129(2) of the Act; references to a Group of Interconnected Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

**“Hecate Holdco”** means Hecate Holdco Limited (UK);

**“Interest”** includes shares, an interest in shares and any other interest carrying an entitlement to vote at shareholders’ meetings but does not

include a contract to acquire shares in the future; and for this purpose "an interest in shares" includes an entitlement by a person other than the registered holder, to exercise any right conferred by the holding of these shares or an entitlement to Control the exercise of such right;

**"Key Staff"** means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the Divestment Business;

**"Occupation Interest"** means an interest in the Divestment Business Property by virtue of which Medivet enjoys an unconditional right or is under an unconditional obligation to occupy the Divestment Business Property provided always that: (i) the original purchaser (or its successor) is not in occupation of the Divestment Business Property; and/or (ii) before such interest in the Divestment Business Property arose, the most recent use to which the Divestment Business Property had been put was that of carrying on nature of the business;

**"Medivet"** means Medivet Group Limited with registered company number 03481736 which is the wholly owned subsidiary of Hecate Holdco;

**"Medivet Business"** means the business of Medivet and its Group of Interconnected Bodies Corporate carried on as at 21 December 2021;

**"Proposed Purchaser"** means a suitable purchaser proposed by the Acquirer Group to the CMA;

**"SLC Merger Businesses"** means the targets of the SLC Mergers.

**"SLC Mergers"** means the mergers identified as such in the Decision for which the CMA considers that it is or may be the case that (i) a relevant merger situation has been created; and (ii) the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within a market or markets in the United Kingdom.

**"Subsidiary"** shall be construed in accordance with section 1159 of the Companies Act 2006 (as amended), unless otherwise stated;

**"the Transaction"** means the completed acquisition by Medivet of the Relevant Vet Practice on 11 August 2022 by way of asset purchase agreement;

**"Trustee"** means the person appointed pursuant to paragraph 4.4, paragraph 4.5 or paragraph 4.7 to carry out the Trustee Functions;

**"Trustee Functions"** means the functions set out in paragraph 6;

“**UK**” means the United Kingdom of Great Britain and Northern Ireland;

“**Working Day**” means any day of the week other than a Saturday or a Sunday or any day that is a public holiday in England and Wales;

unless the context requires otherwise, the singular shall include the plural and vice versa.



**FOR AND ON BEHALF OF MEDIVET GROUP LIMITED / HECATE HOLDCO LIMITED (UK)**

Signature

Name

Title

Date

**DATE ACCEPTED BY THE CMA:**

**FOR AND ON BEHALF OF CVC CAPITAL PARTNERS VIII LIMITED**

Signature

Name

Title

Date

**DATE ACCEPTED BY THE CMA:**

**FOR AND ON BEHALF OF CVC CAPITAL PARTNERS VIII (A) L.P.**

Signature

Name

Title

Date

**DATE ACCEPTED BY THE CMA:**

**FOR AND ON BEHALF OF CVC CAPITAL PARTNERS VIII ASSOCIATES L.P.**

Signature

Name

Title

Date

**DATE ACCEPTED BY THE CMA:**

**FOR AND ON BEHALF OF CVC CAPITAL PARTNERS INVESTMENT EUROPE  
VIII L.P.**

Signature

Name

Title

Date

**DATE ACCEPTED BY THE CMA:**

## **Annex 1 – Divestment Site**

- 19 Caddy Road, Randalstown, Antrim, BT41 3DL or an alternative suitable site agreed with the CMA.