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

Dear Mr [✄]

Consent under section 72(3C) of the Act to certain actions for the purposes of the Initial Enforcement Order (IEO) made by the Competition and Markets Authority (CMA) on 8 August 2025

Completed Acquisition by Primary Health Properties plc of Assura plc

We refer to your email and accompanying note dated 9 September 2025 (the **Request**) and your emails dated 11 and 27 September 2025, requesting that the CMA consents to a derogation to the IEO.

Under the IEO, save for written consent by the CMA, Primary Health Properties Plc (**PHP**) is required to hold separate the business of Assura Plc (the **Target**) from the business of PHP and refrain from taking any action that 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 PHP's further Request, based on the information received from PHP and in the particular circumstances of this case, the CMA has determined that PHP may carry out the following actions in respect of the following specific paragraphs of the IEO:

Paragraphs 5(a) and 5(l) of the IEO

The CMA understands that the Target's portfolio in the Republic of Ireland has historically been managed by a team which included a key individual with specific experience and knowledge of the Irish market who left the Target business in or around June 2025. While executive oversight from the UK has been sufficiently maintained since the individual left, their departure has left the Target's portfolio in the Republic of Ireland without the benefit of this individual's experience and knowledge of the Irish market in undertaking management of the Irish assets.

The requested derogation is accordingly required in order to maintain the business continuity of the Target's operations in Ireland.

A derogation is granted from paragraphs 5(a) and 5(l) of the IEO to permit a subsidiary of PHP (**PHP Axis**) to oversee and manage the Target's Irish portfolio, subject to the following conditions:

a) All activities required for the management of the Target's assets in the Republic of Ireland will be performed by a single individual at PHP Axis, who will comprise the designated clean team for this purpose (the **Ireland Clean Team**);

b) The management activities carried out by the Ireland Clean Team may include taking decisions as to asset management, capital expenditure and financing arrangements, including in relation to the budgets of certain development projects being carried out at the Target's sites in Ireland. For the avoidance of doubt, none of the Target's sites in Ireland may be disposed of without the CMA's express prior consent;

c) The Ireland Clean Team will consist of [✂], a member of the facilities management team at PHP Axis. [✂] is not a member of PHP Axis's management team and does not hold a strategic or commercial decision-making role within the business;

d) [✂] will be subject to specific confidentiality obligations included within an Ireland Clean Team confidentiality undertaking in a form approved by the CMA, which will be in place for the duration of the IEO;

e) No changes to the Ireland Clean Team are permitted without the prior written consent of the CMA (which can be provided via email) and each member of the Ireland Clean Team must not have any strategic or commercial decision-making role within the PHP business;

f) IT firewalls and/or other ring-fencing measures being put in place to prevent any unauthorised individuals within PHP from accessing the information shared with the Ireland Clean Team for the purposes of the derogation;

g) In the event that remedial action may be required by the CMA in relation to the Target business, PHP will ensure that any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Target for the purposes of this derogation will be returned to the Target and any copies destroyed, except to the extent that record retention is required by law or regulation;

h) The derogation is necessary to ensure preservation of the Target's assets in Ireland;

i) The derogation will not result in any integration between the Target business and the PHP business; and

j) This derogation shall not prevent any remedial action which the CMA may need to take regarding the Merger.

Anastasija Rogozianskaja

Assistant Director, Mergers

1 October 2025

It is a criminal offence under section 117 of the Enterprise Act 2002 for a person to recklessly or knowingly supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in fines, imprisonment for a term not exceeding two years, or both (Section 117 of the Enterprise Act 2002). In addition, the CMA can impose penalties if a person has, without reasonable excuse, supplied to the CMA information which is false or misleading in any material respect (Section 110(1A)) as described in the Annex and the *Administrative penalties: Statement of Policy on the CMA's approach (CMA4)*.

ANNEX 1

Penalties for the provision of false or misleading information

1. Imposition of civil penalties

1.1 Under section 110(1A) of the Act, the CMA may impose a penalty on a person in accordance with section 111 of the Act where the CMA considers that

(a) The person has, without reasonable excuse, supplied information that is false or misleading in a material respect to the CMA in connection of any of the CMA's functions under Part 3 of the Act;

(b) The person has without reasonable excuse, supplied information that is false or misleading in a material respect to another person knowing that the information was to be used for the purpose of supplying information to the CMA in connection with any function of the CMA under part 3 of the Act.

1.2 Under section 110(1C) of the Act, the CMA may not impose such a penalty in relation to an act or omission which constitutes an offence under section 117 of the Act if the person has, by reason of the act or omission, been found guilty of that offence.

2. Amount of penalty

2.1 Under section 111(4), a penalty imposed under section 110(1A) shall be of such amount as the CMA considers appropriate.

2.2 A penalty imposed under section 110(1A) on a person who does not own or control an enterprise shall be a fixed amount that must not exceed £30,000.

2.3 Under section 111(4A) a penalty imposed under section 110(1A) on any other person shall be a fixed amount that must not exceed 1% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person.

2.4 In deciding whether and, if so, how to proceed under section 110(1A), the CMA must have regard to the statement of policy which was most recently published under section 116 at the time when the act of omission occurred.