

# **Completed acquisition by Welltower Inc. (through its subsidiary Horizon Topco Limited) of HC-One Topco Limited**

## **Initial Order made by the Competition and Markets Authority pursuant to section 72(2) of the Enterprise Act 2002 (the Act)**

1. Whereas:
  - (a) the Competition and Markets Authority (**CMA**) has reasonable grounds for suspecting that it is or may be the case that Welltower Inc. (**Welltower**) and HC-One Topco Limited (**HC-One**) have ceased to be distinct;
  - (b) the CMA is considering, pursuant to section 22 of the Act, whether it is or may be the case that a relevant situation has been created and whether the creation of that situation has resulted or may be expected to result in a substantial lessening of competition in any market or markets in the United Kingdom (**UK**);
  - (c) the CMA wishes to ensure that no action is taken pending determination of any reference under section 22 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference; and
  - (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.
2. Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Welltower, Horizon Topco Limited (**Horizon**), and HC-One (the **Initial Order**).
- 1. COMMENCEMENT, APPLICATION AND SCOPE**
3. This Initial Order commences on the commencement date: 3 February 2026.

4. This Initial Order applies to Welltower, Horizon, and HC-One.
5. Notwithstanding any other provision of this Initial Order, no act or omission shall constitute a breach of this Initial Order, and nothing in this Initial Order shall oblige Welltower, Horizon, and HC-One to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.

## **2. MANAGEMENT OF THE HC-ONE BUSINESS AND THE WELLTOWER BUSINESS UNTIL DETERMINATION OF PROCEEDINGS**

6. Except with the prior written consent of the CMA, Welltower, Horizon, and HC-One shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might:
  - (a) lead to the integration of the HC-One business with the Welltower business;
  - (b) transfer the ownership or control of the Welltower UK business or the HC-One business or any of their subsidiaries; or
  - (c) otherwise impair the ability of the HC-One business or the Welltower UK business to compete independently in any of the markets affected by the transaction.
7. Further and without prejudice to the generality of paragraph 4 and subject to paragraph 3, Welltower, Horizon and HC-One shall at all times during the specified period take all necessary steps to ensure that, except with the prior written consent of the CMA:
  - (a) the HC-One business is carried on separately from the Welltower UK business and the HC-One business's separate sales or brand identity is maintained;
  - (b) the HC-One business and Welltower UK business are maintained as a going concern and sufficient resources are made available for the maintenance and development of the HC-One business and the Welltower UK business, on the basis of their respective pre-merger business plans;
  - (c) except in the ordinary course of business, no significant changes are made to the organisational structure of, or the management responsibilities within, the HC-One business or the Welltower UK business;

- (d) the nature, description, range and quality of goods or services (or both) supplied in the UK by each of the two businesses are maintained and preserved;
- (e) except in the ordinary course of business through the separate operation of the two businesses:
  - (i) all of the assets of the HC-One business and the Welltower UK business are maintained and preserved, including facilities and goodwill;
  - (ii) none of the assets of the HC-One business or the Welltower UK business are disposed of; and
  - (iii) no interest in the assets of the HC-One business or the Welltower UK business is created or disposed of;
- (f) there is no integration of the information technology of the HC-One or Welltower businesses, and the software and hardware platforms of the HC-One business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the two businesses shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the HC-One business will be carried out by the HC-One business alone and for the avoidance of doubt the Welltower business will not negotiate on behalf of the HC-One business (and vice versa) or enter into any joint agreements with the H-C One business (and vice versa);
- (h) all contracts of the HC-One business and the Welltower UK business continue to be serviced by the business to which they were awarded;
- (i) The TSA is maintained in its current form (as at the commencement date) with no changes in content or companies party to it.
- (j) no changes are made to key staff of the HC-One business or the Welltower UK business;
- (k) no key staff are transferred between the HC-One business and the Welltower UK business;
- (l) all reasonable steps are taken to encourage all key staff to remain with the HC-One business and the Welltower UK business; and
- (m) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary

nature relating to either of the two businesses shall pass, directly or indirectly, from the HC-One business (or any of its employees, directors, agents or affiliates) to the Welltower business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (including, for example, where required for compliance with external regulatory or accounting obligations or for due diligence, integration planning or the completion of any merger control proceedings relating to the transaction) and on the basis that, should the transaction be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

### **3. COMPLIANCE**

8. Welltower, Horizon and HC-One shall take all necessary steps to ensure that each of their subsidiaries complies with this Initial Order as if the Initial Order had been issued to each of them.
9. Welltower, Horizon and HC-One shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by Welltower, Horizon, HC-One and their subsidiaries with this Initial Order. In particular, on 17 February 2026 and subsequently every month (or, where this does not fall on a working day, the first working day thereafter) the Chief Executive Officer of Welltower, Horizon and HC-One or other persons of Welltower, Horizon and HC-One as agreed with the CMA shall, on behalf of Welltower, Horizon and HC-One provide a statement to the CMA in the form set out in Annex 1 to this Initial Order confirming compliance with this Initial Order.
10. At all times Welltower, Horizon and HC-One shall actively keep the CMA informed of any material developments relating to the HC-One business or the Welltower business, which includes but is not limited to:
  - (a) details of key staff who leave or join the HC-One business or the Welltower UK business;
  - (b) any interruption of the HC-One or Welltower UK 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 won or lost or substantial changes to the customer contracts for the HC-One or Welltower UK business including any substantial changes in customers' demand; and

- (d) substantial changes in the HC-One or Welltower UK business's contractual arrangements or relationships with key suppliers.
- 11. If Welltower, Horizon or HC-One has any reason to suspect that this Initial Order might have been breached it shall immediately notify the CMA and any monitoring trustee that Welltower may be directed to appoint under paragraph 10.
- 12. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Initial Order, or do or refrain from doing any specified action in order to ensure compliance with the Initial Order. The CMA may vary or revoke any directions so given.
- 13. Welltower, Horizon and HC-One shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Initial Order.

## **4. ENFORCEMENT**

- 14. Section 94 of the Act places a duty on any person to whom an initial enforcement order relates to comply with it. Any person who suffers loss or damage due to a breach of this duty may bring an action. Section 94 of the Act also provides that the CMA can seek to enforce the initial enforcement order by civil proceedings for an injunction or for any other appropriate relief or remedy. Under sections 94AA and 94AB of the Act, the CMA can impose financial penalties in respect of a failure to comply with an initial enforcement order without reasonable excuse as set out in Annex 2 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).
- 15. It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to 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 Annex 2 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).

## **5. INTERPRETATION**

- 16. The Interpretation Act 1978 shall apply to this Initial Order as it does to Acts of Parliament.
- 17. For the purposes of this Initial Order:

**'the Act'** means the Enterprise Act 2002;

**'an affiliate'** of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

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

**'commencement date'** means 3 February 2026;

**'control'** includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

**'the decisions'** means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 of the Act;

**'HC-One'** means HC-One Topco Limited, a company incorporated in the Cayman Islands under number 374184 and having its registered office address at C/O IQ EQ Corporate Services (Cayman) Limited, 3<sup>rd</sup> Floor Whitehall House, 238 North Church Street, Grand Cayman, KY1-1107, Cayman Islands;

**'the HC-One business'** means the business of HC-One and its subsidiaries carried on immediately prior to the transaction;

**'Horizon'** means Horizon Topco Limited, a company registered in Jersey under number 162341 and having its registered office at 44 Esplanade, St. Helier, JE4 9WG, Jersey;

**'Initial Order'** means this initial enforcement order made by the CMA on 3 February 2026 and addressed to Welltower, Horizon and HC-One;

**'key staff'** means staff in positions of (i) executive or managerial responsibility or (ii) whose performance affects the viability of the business;

**'the ordinary course of business'** means matters connected to the day-to-day supply of goods or services (or both) by HC-One or Welltower and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of HC-One and Welltower;

**'specified period'** means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

**'subsidiary'**, unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

**'the transaction'** means the transaction by which Welltower and HC-One have ceased to be distinct within the meaning of section 23 of the Act;

**'TSA'** means the Transitional Services Agreement dated [X] between [X], various subsidiaries of [X] and [X].

**'the two businesses'** means the Welltower business and the HC-One business;

**'Welltower'** means Welltower Inc., a company registered in the State of Delaware (United States) under file number 6620888 and having its principal executive office at 4500 Dorr Street, Toledo, Ohio 43615, United States;

**'the Welltower business'** means the business of Welltower and its subsidiaries carried on as at the commencement date but excluding the HC-One business;

**'the Welltower UK business'** means the business of Welltower and its subsidiaries carried on in the UK as at the commencement date but excluding the HC-One business;

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

**Oliver Norden**

**Director, Mergers**

# ANNEX 1

## COMPLIANCE STATEMENT FOR [WELLTOWER OR HC-ONE]

I [insert name] confirm on behalf of [Welltower or HC-One] that:

### Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) [Welltower or HC-One] has complied with the Initial Order made by the CMA in relation to the transaction on [insert date of this IEO] (the **Initial Order**).
  - (b) [Welltower's or HC-One's] subsidiaries have also complied with this Initial Order.
2. Subject to paragraph 3 of the Initial Order, and except with the prior written consent of the CMA:
  - (a) No action has been taken by [Welltower or HC-One] that might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
    - (i) lead to the integration of the HC-One business with the Welltower UK business;
    - (ii) transfer the ownership or control of the Welltower UK business or the HC-One business or any of their subsidiaries; or
    - (iii) otherwise impair the ability of the HC-One business or the Welltower UK business to compete independently in any of the markets affected by the transaction.
  - (b) The HC-One business has been carried on separately from the Welltower UK business and the HC-One business's separate sales or brand identity has been maintained.
  - (c) The HC-One business and the Welltower UK business have been maintained as a going concern and sufficient resources have been made available for the maintenance and development of the HC-One business and the Welltower UK business, on the basis of their respective pre-merger business plans.

- (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the HC-One business or the Welltower UK business, except in the ordinary course of business.
- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the HC-One business and the Welltower UK business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
  - (i) all of the assets of the HC-One business and the Welltower UK business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
  - (ii) none of the assets of the HC-One business or the Welltower UK business have been disposed of; and
  - (iii) no interest in the assets of the HC-One business or the Welltower UK business has been created or disposed of.
- (g) There has been no integration of the information technology of the HC-One or Welltower businesses, and the software and hardware platforms of the HC-One business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the HC-One business have been carried out by the HC-One business alone and, for the avoidance of doubt, the Welltower business has not negotiated on behalf of the HC-One business (and vice versa) or entered into any joint agreements with the HC-One business (and vice versa).
  - (i) All contracts of the HC-One business and the Welltower UK business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
  - (j) The TSA has been maintained in its current form (as at the commencement date) with no changes in content or companies party to it.
  - (k) No changes have been made to key staff of the HC-One business or the Welltower UK business.
  - (l) No key staff have been transferred between the HC-One business and the Welltower UK business.

- (m) All reasonable steps have been taken to encourage all key staff to remain with the HC-One business and the Welltower UK business.
- (n) Except as permitted by the Initial Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from the HC-One business (or any of its employees, directors, agents or affiliates) to the Welltower business (or any of its employees, directors, agents or affiliates), or vice versa.
- (o) Except as listed in paragraph (p) below, there have been no:
  - (i) key staff that have left or joined the HC-One business or the Welltower UK business;
  - (ii) interruptions of the HC-One business or the Welltower UK business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
  - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the HC-One business or the Welltower UK business; or
  - (iv) substantial changes in the HC-One or Welltower UK business's contractual arrangements or relationships with key suppliers.

(p) [list of material developments]

3. Welltower or HC-One and its subsidiaries remain in full compliance with the Initial Order and will [, or will take all necessary steps to ensure that HC-One,] continue actively to keep the CMA informed of any material developments relating to the HC-One or the Welltower UK business in accordance with paragraph 8 of the Initial Order.

## **Interpretation**

4. Terms defined in the Initial Order have the same meaning in this compliance statement.

## **I understand that:**

5. It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to 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.**<sup>1</sup> 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<sup>2</sup> as described in Annex 2.

6. Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty as described in Annex 2**<sup>3</sup>.

FOR AND ON BEHALF OF [Welltower or HC-One]

Signature .....

Name .....

Title .....

Date .....

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<sup>1</sup> Section 117 of the Act.

<sup>2</sup> Section 110(1A) introduced by section 143 and schedule 11 paragraph 15 of the DMCCA.

<sup>3</sup> Section 94AA and 94AB of the Act introduced by section 143 and schedule 11, paragraph 11 of the DMCCA.

## ANNEX 2

### **PART A - ENFORCEMENT OF AN INITIAL ENFORCEMENT ORDER ISSUED UNDER SECTION 72(2) OF THE ACT – IMPOSITION OF CIVIL PENALTIES**

#### **Imposition of civil penalties**

1. Under section 94AA(1), the CMA may impose a penalty on a person—
  - (a) from whom the CMA has accepted an enforcement undertaking, or
  - (b) to whom an enforcement order is addressed,where the CMA considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.
2. In deciding whether and, if so, how to proceed under section 94AA(1) the CMA must have regard to the statement of policy which was most recently published under section 94B at the time of the failure to comply.

#### **Amount of penalty**

3. A penalty under section 94AA(1) is to be such amount as the CMA considers appropriate.
4. The amount must be—
  - (a) a fixed amount,
  - (b) an amount calculated by reference to a daily rate, or
  - (c) a combination of a fixed amount and an amount calculated by reference to a daily rate.
5. A penalty imposed under section 94AA(1) on a person who does not own or control an enterprise must not—
  - (a) in the case of a fixed amount, exceed £30,000;
  - (b) in the case of an amount calculated by reference to a daily rate, exceed £15,000 per day;
  - (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.

6. A penalty imposed under section 94AA(1) on any other person must not—
  - (a) in the case of a fixed amount, exceed 5% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
  - (b) in the case of an amount calculated by reference to a daily rate, for each day exceed 5% of the total value of the daily turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
  - (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.
7. In imposing a penalty by reference to a daily rate—
  - (a) no account is to be taken of any days before the service on the person concerned of the provisional penalty notice under section 112(A1), and
  - (b) unless the CMA determines an earlier date (whether before or after the penalty is imposed), the amount payable ceases to accumulate at the beginning of the day on which the person complies with the enforcement undertaking or enforcement order.

## **PART B - PENALTIES FOR THE PROVISION OF FALSE OR MISLEADING INFORMATION**

### **Imposition of civil penalties**

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.
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.

## **Amount of penalty**

3. Under section 111(1) of the Act, a penalty imposed under section 110(1A) of the Act shall be of such amount as the CMA considers appropriate.
4. A penalty imposed under section 110(1A) of the Act on a person who does not own or control an enterprise shall be a fixed amount that must not exceed £30,000.
5. Under section 111(4A) of the Act a penalty imposed under section 110(1A) of the Act 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.
6. In deciding whether and, if so, how to proceed under section 110(1A) of the Act, the CMA must have regard to the statement of policy which was most recently published under section 116 of the Act at the time when the act or omission occurred.