

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

Dear [X],

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 3 June 2026

Completed acquisition by Y3 Holdings Limited of Hutchinson Homes Limited

We refer to your email and accompanying further information dated 12 June 2026 requesting that the CMA consents to derogations to the Initial Enforcement Order of 3 June 2026 (the **Initial Order**). 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, Y3 Holdings Limited, Healthcare Ireland Holdings Limited, Healthcare Ireland Limited and HCI Bidco 2 Limited (the **Acquirer Group**) and Hutchinson Homes are required to hold separate the Hutchinson Homes business from the Acquirer Group business 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, the Acquirer Group may carry out the following actions, in respect of the specific paragraph:

Paragraph 5(e)(iii) of the Initial Order

The Acquirer Group proposes to complete the acquisition of the [X]. [X]. [X]. The Acquirer Group also proposes to grant a debenture over the assets acquired as part of the Acquisition.

The Acquirer Group submits that the Acquisition is a [X], and it is not connected to, nor does it form part of, the transaction (as defined in the Initial Order) currently under review by the CMA. [X] and do not form part of the Hutchinson Homes

business. The Acquirer Group submits that the [X]. [X] and is not connected to any integration activity currently being reviewed by the CMA in relation to the transaction.

The Acquirer Group also submits that the Acquisition is limited in scale and does not form part of, nor give rise to, any wider integration activity within the meaning of the Initial Order. The asset being acquired is located in a different trust area to the Hutchinson Homes business and is wholly separate from it. The Acquisition is therefore distinct and has no impact on the continued independent operation of the Hutchinson Homes business.

The Acquirer Group therefore requests a derogation from paragraph 5(e)(iii) of the Initial Order in order to complete the Acquisition and grant a debenture over the assets acquired as part of the Acquisition.

The CMA consents to the derogation strictly on the basis that:

- (1) the Acquisition is independent of the transaction;
- (2) this derogation will not result in any integration between the Hutchinson Homes business and the Acquirer Group business;
- (3) this derogation will not result in any disruption to, or impact the viability of, the Acquirer Group business; and
- (4) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

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 \(CMA4\)](#).

Yours sincerely,

Julie Flandrin
Assistant Director, Mergers
Competition and Markets Authority
22 June 2026

ANNEX

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.