

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

Dear [✂]

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 24 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, and 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 and Hutchinson Homes may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 5(a), 5(f) and 5(l) of the Initial Order

The Acquirer Group and Hutchinson Homes (together, the Parties) seek the CMA's consent for Hutchinson Homes to continue to utilise the Vantify platform, an estate management platform which the Acquirer Group introduced into the Hutchinson Homes business. The Parties submit that prior to the transaction, Hutchinson Homes did not operate any formal facilities or estate management system, and following completion of the transaction, the Vantify system was introduced to improve visibility, oversight and regulatory compliance.

The Parties also submit that the Vantify platform is administered by [X] (Estates Co-Ordinator, Acquirer Group), whose role is to ensure that maintenance jobs are correctly allocated, prioritised and managed through to completion, and in this role she requires access to confidential information relating only to contractor quotations required for reactive maintenance works. The Parties therefore also seek the CMA's consent for [X] to continue in this role. The Parties submit that it is not practicable to restrict access solely to Hutchinson Homes employees without undermining its effectiveness as a compliance and maintenance tool.

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

- (1) Confidential information will only be shared with [X] at the Acquirer Group, and firewalls will be put in place by the Parties to prevent any unauthorised individuals from accessing any confidential information as part of this derogation;
- (2) Confidential information shared as part of this derogation will not go beyond contractor quotations required for reactive maintenance works, and all decision-making in relation to such works will remain solely with Hutchinson Homes;
- (3) Hutchinson Homes' continued use of the Vantify platform would not give rise to separation concerns in the event of a full or partial divestment;
- (4) This derogation will not result in any disruption to, or impact the viability of, the Acquirer Group business or the Hutchinson Homes business; and
- (5) 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
29 June 2026

ANNEX

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.