

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

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 27 August 2021 as varied on 30 September 2021

Completed acquisition by Dye & Durham Limited, through its subsidiary Dye & Durham (UK) Limited, of TM Group (UK) Limited (the 'Merger')

Dear [X],

We refer to your submissions of 3 March 2022 requesting that the CMA consents to derogations from the Initial Enforcement Order of 27 August 2021 (the "Initial Order"). Unless otherwise stated, 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, Dye & Durham Limited and Dye & Durham (UK) Limited ("D&D") are required to hold separate the D&D business from the TM Group (UK) Limited ("TMG") business (together the "Parties") 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, D&D may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 4(b), 5(c), (d) and (e)(ii) of the Initial Order – Sale of the [X]

The CMA understands that for [X] reasons, the sale by D&D UK of all of its shares in the capital of [X] and its dormant subsidiaries to an independent third party is in the best interests of D&D and D&D UK. Prior to the sale, it is understood that a reorganisation will also be required so as to transfer the ownership of certain of the current [X] non-dormant subsidiaries from [X] to D&D (UK) so that they remain within the D&D group.

D&D is therefore seeking the CMA's consent to a derogation from paragraph 5(i) of the IEO to permit the share sale of [X] as set out in D&D's derogation request dated 3 March 2022.

On the basis of D&D's representations, the CMA consents to a derogation from paragraphs 4(b),5(c),(d) and (e)(ii) of the Initial Order to permit the proposed share sale.

This derogation will not lead to any integration of the TMG and D&D or D&D UK businesses nor will it prevent any remedial action that the CMA may need to take regarding the Merger.

Yours sincerely,

Adam Cooper

Director, Remedies, Business and Financial Analysis

10 March 2022