

ANTICIPATED ACQUISITION BY BREEDON GROUP PLC OF CERTAIN ASSETS OF CEMEX INVESTMENTS LIMITED

Please note that [X] indicates figures or text which have been deleted at the request of the parties for reasons of commercial confidentiality.

Variation of consent under section 72(3C) of the Enterprise Act 2002 (the Act)

On 1 June 2020, the Competition and Markets Authority (**CMA**) made a derogation to the Initial Enforcement Order of 20 January 2020, as varied on 11 February 2020 (the **Initial Order**) in relation to the anticipated acquisition by Breedon Group plc of certain assets of Cemex Investments Limited (the **1 June Derogation**).

After due consideration of your request of 12 June 2020 and subsequent submissions of 30 June 2020, 9 July 2020 and 20 July 2020, the CMA hereby varies the 1 June Derogation pursuant to section 72(3C) of the Act.

1. The 1 June Derogation is varied as follows:

The paragraphs:

Breedon submits that the Target business which is being acquired from Cemex in accordance with the transaction, will be transferred to Breedon on completion without any IT, finance, operating or accounting systems. Breedon, with the assistance of third party IT service providers [X], [X] and [X] (**Third Party IT Service Providers**), therefore needs to build and test the required replacement IT systems in advance of completion to ensure the continued and viable operation of the Target following completion.

In order to achieve this, Breedon states that it requires access to confidential and commercially-sensitive information of certain Target site specific customer, supplier, inventory and haulier data as set out in [X] the Business Purchase Agreement entered into between the Parties on 8 January 2020 and technical data (together the "**Required Data**") ahead of completion. Breedon submits that access to the Required Information is strictly necessary to enable Breedon to put in place the necessary IT, finance, operating and accounting systems, following completion.

Are amended to:

Breedon submits that the Target business which is being acquired from Cemex in accordance with the transaction, will be transferred to Breedon on completion without any IT, finance, operating or accounting systems. Breedon, with the assistance of third

party IT service providers [X], [X] and [X] (**Third Party IT Service Providers**), therefore needs to build the required replacement IT systems and test them in advance of and for a period of 5 business days following completion, to ensure the continued and viable operation of the Target following completion.

In order to achieve this, Breedon states that it requires access to confidential and commercially-sensitive pre-completion information from Cemex of certain Target site specific customer, supplier, inventory and haulier data as set out in [X] the Business Purchase Agreement entered into between the Parties on 8 January 2020 and technical data (together the “**Required Data**”). This pre-completion information will be provided to Breedon ahead of and for a period of 5 business days following completion. Breedon submits that access to the Required Data is strictly necessary to enable Breedon to put in place the necessary IT, finance, operating and accounting systems, following completion.

The paragraphs:

- b) Any information relating to the Target business which is shared with Breedon for the purposes of this derogation is limited to that which is strictly necessary to facilitate the build and testing of the required replacement IT systems in advance of completion to ensure the continued and viable operation of the Target following completion;
- j) should the transaction ultimately be prohibited, Breedon will ensure that any records or copies (electronic or otherwise) of such information that have passed for the purpose of this derogation, wherever they may be held, will be returned to Cemex and any copies destroyed, except to the extent that record retention is required by law or regulation.

Are amended to:

- b) Any information relating to the Target business which is shared with Breedon for the purposes of this derogation is limited to that which is strictly necessary to facilitate the build and testing of the required replacement IT systems in advance of and for a period of 5 business days following completion (or as otherwise amended with the prior written consent of the CMA) to ensure the continued and viable operation of the Target following completion;
- j) should the transaction ultimately be prohibited, Breedon will ensure that any records or copies (electronic or otherwise) of such information that have passed for the purpose of this derogation, wherever they may be held, will be returned to Cemex or the Target as applicable and any copies destroyed, except to the extent that record retention is required by law or regulation.

Yours sincerely,

Assistant Director, Remedies. Business and Financial Analysis
23 July 2020