

DEROGATION LETTER IN RESPECT OF INTERIM UNDERTAKINGS ACCEPTED PURSUANT TO SECTION 80 OF THE ENTERPRISE ACT 2002

Consent under section 80(2B) of the Enterprise Act 2002 (the Act) to certain actions for the purposes of the Interim Undertakings accepted by the Competition and Markets Authority (CMA) on 18 May 2023

Anticipated acquisition by Broadcom Inc of VMware, Inc

We refer to your emails of 23 May 2023 and the call with the CMA staff team of the same date, requesting that the CMA consents to a derogation to the Interim Undertakings accepted by the CMA on 18 May 2023 (the '**Undertakings**'). Terms defined in the Undertakings have the same meaning in this letter.

Under the Undertakings, except with the prior written consent of the CMA, Broadcom and VMware are required to refrain from any action which might prejudice the Reference or impede the taking of any action under the Act which may be justified by the CMA's decisions on the Reference.

After due consideration of your request for a derogation, based on the information received from you and in the particular circumstances of this case, the CMA grants the consent described below.

Paragraph 5(f) of the Undertakings

Paragraph 5(f) of the Undertakings provides that no commercially-sensitive information or other information of a confidential nature relating to the VMware business shall pass, directly or indirectly, from the VMware business to the Broadcom business.

The CMA understands from the information you have provided that:

1. Under section 6.1(b) of the merger agreement bringing about the Merger dated 26 May 2022 (the '**MA**'), VMware may not, except where consented to in writing by Broadcom (such consent not to be unreasonably withheld, conditioned or delayed), [].
2. Following the notice of resignation of its current Chief Financial Officer, VMware wishes to appoint a new or acting Chief Financial Officer and to announce this publicly on Thursday 25 May 2023. VMware wishes to inform Broadcom of these matters prior to this public announcement in order to obtain the required consent under section 6.1(b)[] and/or Section 6.1(b)[] of the MA described in paragraph (1) above.

3. The information VMware provides to Broadcom to obtain the required consent will be limited to what is strictly necessary for that purpose; will not lead to any integration of the VMware business and the Broadcom business; and will not impact VMware's ability to operate independently from Broadcom.
4. Should Broadcom intend to withhold, condition or delay its consent under section 6.1(b)[X] and/or Section 6.1(b)[X] of the MA, the parties will consult the CMA in advance on whether a further derogation to the Undertakings is required.

By way of derogation to paragraph 5(f) of the Undertakings and subject to the conditions set out in paragraphs (3) and (4) above, the CMA consents to VMware taking the actions described in paragraph (2) above.

Richard Feasey
Inquiry Group Chair
24 May 2023