

**COMPLETED ACQUISITION BY CÉRÉLIA GROUP HOLDING SAS
(EITHER DIRECTLY OR INDIRECTLY) OF CERTAIN ASSETS
RELATING TO THE UK AND IRELAND DOUGH BUSINESS (JUS-
ROL) OF GENERAL MILLS, INC.**

**Directions issued on 30 January 2024 pursuant to paragraph 7 of
the Final Undertakings accepted by the Competition and Markets
Authority pursuant to section 80 of the Enterprise Act 2002**

On 31 January 2022, Cérélia Group Holding SAS (**Cérélia**) completed the acquisition (either directly or indirectly) of certain assets relating to the UK and Ireland dough business of General Mills Inc. (**GMI**), operated under the ‘Jus-Rol’ brand (the **Jus-Rol business**). Since 31 January 2022 GMI have operated the Jus-Rol business on an arms-length basis from Cérélia under a transitional service agreement.

On 12 May 2022, the Competition and Markets Authority (**CMA**) made an Initial Enforcement Order (the **Order**) addressed to Cérélia, Cérélia UK Ltd (**CUK**), and Cérélia Netherlands Business Unit B.V. (**CNBU**) in accordance with section 72(2) of the Enterprise Act 2002 to prevent pre-emptive action.

On 27 June 2022, the CMA issued written directions to Cérélia to appoint a monitoring trustee (**Monitoring Trustee**) in order to monitor and ensure Cérélia’s compliance with the Order.

On 20 January 2023 the CMA published a final report pursuant to section 38 of the Act, titled ‘Completed acquisition by Cérélia Group Holding SAS of certain assets relating to the UK and Ireland dough business (Jus-Rol) of General Mills, Inc’ (the **Report**) which concluded, among other things, that:

- a) the Merger has created a relevant merger situation;
- b) the creation of that situation has resulted in, or may be expected to result in, a SLC in the wholesale supply of dough-to-bake products to grocery retailers in the UK;
- c) the CMA should take action to remedy the SLC and any adverse effects resulting from it; and,
- d) Cérélia should divest the Jus-Rol Business (the **Remedy**).

On 11 April 2023, the CMA accepted final undertakings from C er lia for the purpose of implementing the Remedy (the **Final Undertakings**)

The CMA now issues written directions under paragraph 7 of the Final Undertakings that, for the purpose of securing compliance with the Final Undertakings, C er lia must appoint a hold separate manager pursuant to paragraph 11 of the Final Undertakings in accordance with the terms provided for in this Annex and must comply with the obligations set out in this Annex.

Margot Daly

Inquiry Group Chair

30 January 2024

Annex

Directions to appoint a hold separate manager

Interpretation

1. In these directions:

the Act means the Enterprise Act 2002;

business has the meaning given by section 129(1) and (3) of the Act;

Cérélia means Cérélia Group Holding SAS a company incorporated under the laws of France (with Siren number 879804789) and whose registered office is 56 Rue Laffitte, 75009 Paris, France;

Cérélia Business means the business of Cérélia, CUK and CNBU and their subsidiaries but excluding the Divestiture Business, carried on as at the Commencement Date;

CMA means the Competition and Markets Authority;

CNBU means Cérélia Netherlands Business Unit B.V., a company incorporated under the laws of the Netherlands (with registered number 51253798) and whose registered office is Baanhoek 186, 3361GN, Sliedrecht, Zuid-Holland, Netherlands;

Commencement Date means 11 April 2023, which is the commencement date of the Final Undertakings;

CUK means Cérélia UK Ltd, a company incorporated under the laws of England and Wales (with registered number 07412477) and whose registered office is Bakeaway Centrix Business Park, Furnace Way, Corby, England, NN17 5BE;

Directions means written directions given by the CMA as set out in paragraph 7 of the Final Undertakings;

Divestiture Business means the tangible and intangible assets, property and rights acquired by Cérélia used, enjoyed or exercised solely and exclusively in relation to the UK and Ireland dough business acquired from GMI and operated under the 'Jus-Rol' name and includes the Carve Out Options in Annex 2 of the Final Undertakings;

Divestiture Trustee means a person appointed in accordance with paragraph 10 of the Final Undertakings;

Final Disposal means completion of the divestiture of the Divestiture Business in accordance with the Final Undertakings to purchaser approved by the CMA;

Final Undertakings means the Undertakings given by Cérélia to the CMA on 11 April 2023 pursuant to section 82 of the Enterprise Act 2002;

GMI means General Mills International Sarl, a company organised and existing under the laws of Switzerland with company number CHE-109.890.045 whose registered office is at 12-14 Avenue Reverdil, Nyon, Switzerland 1260;

Hold Separate Manager means the person appointed by Cérélia as TSA Manager in accordance with these Directions and to perform the functions set out in these Directions to manage the day-to-day business under the supervision of the Monitoring Trustee;

Hold Separate Manager Mandate means the terms and conditions on which the Hold Separate Manager is appointed by Cérélia;

Monitoring Trustee means the person appointed by Cérélia pursuant to the directions issued by the CMA on 27 June 2022;

Transitional Services Agreement means the agreement to be entered into between Cérélia and the TSA Manager in relation to the Divestiture Business;

TSA Manager means the company appointed to manage the Divestiture Business pursuant to the Transitional Services Agreement;

Working Day means a day that is not a Saturday or Sunday or a bank holiday bank holiday in any part of the United Kingdom under the [Banking and Financial Dealings Act 1971](#).

Terms and expressions used in these Directions shall, unless otherwise defined herein and/or the context requires otherwise, have the same meaning as they do in the Final Undertakings.

Appointment

2. Cérélia must appoint a Hold Separate Manager to ensure that the Divestment Business operates as a viable and competitive business, separately from and independently of the Cérélia business. The Hold Separate Manager must be subject to the approval by the CMA of his or her identity and the terms and conditions of appointment. Any appointment must be made in accordance with the provisions of these Directions.
3. Cérélia shall within the period of five working days within the date of these Directions, submit to the CMA for approval a list of up to two persons who they propose to appoint as Hold Separate Manager. The proposal shall

contain sufficient information for the CMA to verify that each proposed person fulfils the requirements set out in paragraph 4 below and shall include a schedule of the steps to be taken to give effect to the Hold Separate Manager Mandate.

4. Each person on the list referred to in paragraph 3 above shall be independent of and unconnected to Cérélia, possess the qualifications necessary for the performance of the Hold Separate Manager Mandate and shall on appointment and thereafter be free of any conflict of interest including any conflict of interest that might arise by virtue of the terms of remuneration.
5. The CMA may approve or reject any or all of the proposed persons (such approval not to be unreasonably withheld) and may approve the proposed mandate subject to any modifications it deems necessary for the Hold Separate Manager to fulfil the Hold Separate Manager Obligation. If only one proposed person is approved, Cérélia shall use its reasonable endeavours to appoint the person concerned as Hold Separate Manager in accordance with the Hold Separate Manager Mandate. If more than one proposed person is approved, Cérélia shall decide which person to appoint as Hold Separate Manager from among the approved persons.
6. Following the CMA's approval of the Hold Separate Manager and Mandate terms, Cérélia shall appoint the Hold Separate Manager. The terms of the Hold Separate Manager Mandate, including the Hold Separate Manager Obligation, will become effective on commencement date under the Transitional Services Agreement.
7. If all the proposed Hold Separate Managers are rejected by the CMA, Cérélia shall submit the names of at least two further persons within four working days from being informed of the rejection, in accordance with the requirements and the procedure set out in paragraphs 2 - 6 above.
8. The provisions of paragraph 9 shall apply if:
 - a. Cérélia fails to nominate further persons in accordance with paragraph 7;
 - b. Those further persons nominated by Cérélia in accordance with paragraph 7 are rejected by the CMA, acting reasonably; or
 - c. Cérélia is unable for any reason to conclude the appointment of the Hold Separate Manager within the time limit specified by the CMA.
9. The CMA shall nominate one or more persons to act as Hold Separate Manager, and Cérélia shall appoint one of those Hold Separate Managers

within two working days starting with the date of nomination under the terms of the Hold Separate Manager Mandate.

10. The function of the Hold Separate Manager is distinct from the function of the Divestiture Trustee, although the two functions may be performed by the same person subject to that person meeting the requirements of paragraph 4.
11. The Hold Separate Manager must act on behalf of the CMA and be under an obligation to the CMA to carry out his or her functions as set out in the Transitional Services Agreement and the Hold Separate Manager Obligation to the best of his or her abilities.
12. Cérélia, its subsidiaries and its employees, officers, directors, advisers and consultants must cooperate fully with the Hold Separate Manager, in particular by providing the Hold Separate Manager with all cooperation, assistance and information as the Hold Separate Manager may reasonably require in order to discharge his or her functions.

The Hold Separate Manager Obligation

13. Once the GMI transitional service agreement comes to an end and the Transitional Services Agreement commences, the primary obligation of the Hold Separate Manager will be to exercise day-to-day management and control of the Divestiture Business so as to preserve and, if necessary, restore effective competition in the markets affected by the Merger. The Hold Separate Manager will exercise management and control of the Divestiture Business in such a way as to ensure that it is held separate from the Cérélia Business.
14. The Hold Separate Manager Obligation shall include the performance of any other act or task necessary for the performance of the primary obligation of the Hold Separate Manager including the performance of the reporting obligations at paragraph 20 below.
15. The Hold Separate Manager shall take such steps as the Hold Separate Manager reasonably considers necessary including but not limited to:
 - (a) Giving such directions to the officers and staff of Cérélia including any person holding such position on a temporary basis as are necessary for the fulfilment of the Hold Separate Manager Obligation;
 - (b) Attending such meetings of employees, officers (including board meetings, and meetings of any committee of the board) and members of Cérélia and the Divestment Business as the Hold Separate Manager considers necessary for the fulfilment of the Hold Separate Manager Obligation; and

- (c) Complying with such requests as the CMA may reasonably make for the purpose of ensuring Cérélia enables the Hold Separate Manager to fulfil the Hold Separate Manager Obligation.
16. The CMA may, on its own initiative or at the request of the Hold Separate Manager or Cérélia, give written directions or instructions to the Hold Separate Manager in order to assist it in the discharge of the Hold Separate Manager Obligation (including directions as to the divestiture of such property, assets, rights, consents, licences, privileges or interests as the CMA considers necessary to bring about Final Disposal).
17. The Hold Separate Manager may enter into such agreements, deeds, instruments of transfer and other instruments and documents on behalf of the Divestiture Business as are necessary for the performance of its duty, on such terms and conditions as it reasonably considers appropriate.
18. The Hold Separate Manager shall work with the Divestiture Trustee, if applicable, to bring about Final Disposal in a timely manner.
19. The Hold Separate Manager must immediately notify the CMA in writing if he or she forms a reasonable suspicion that the Final Undertakings have been breached or if he or she considers that he or she is no longer in a position to effectively carry out the Hold Separate Manager's functions.

Hold Separate Manager Reporting Obligations

20. The Hold Separate Manager will provide to the CMA:
- (a) Within seven days from taking control of the Jus Rol Business, a written report reporting on such matters as are specified by the CMA, including any events giving rise to their appointment as Hold Separate Manager; and
 - (b) Thereafter at such other times to be agreed with the CMA from the Hold Separate Manager's appointment to Final Disposal a written report on the matters set out in paragraphs 13 to 19 above.

Hold Separate Manager – Cérélia's Obligations

21. Cérélia shall enable the Hold Separate Manager to carry out the Hold Separate Manager Obligation.
22. The Hold Separate Manager shall act solely on the instructions of the CMA in the performance of the Hold Separate Manager Obligation and shall not be bound by any instruction of Cérélia, without prejudice to Cérélia's right to enforce the terms of the Transitional Services Agreement. Cérélia shall not

seek to create or vary the Hold Separate Manager Obligation except with the CMA's prior written consent.

23. C r lia shall remunerate the Hold Separate Manager and reimburse the Hold Separate Manager in full for all reasonable costs and expenses properly incurred, in accordance with the terms and conditions of the Hold Separate Manager's appointment, provided that such remuneration and reimbursement shall not give rise to any conflict of interest or otherwise impair the ability of the Hold Separate Manager to discharge the Hold Separate Manager Obligation. For the avoidance of doubt such reimbursement shall include the fees and disbursements of such legal or other professional advisers, consultants and assistants as the Hold Separate Manager reasonably considers necessary for the discharge of the Hold Separate Manager Obligation.
24. The Hold Separate Manager may give written directions to C r lia and/or the Divestiture Business. C r lia and the Divestiture Business shall comply with such directions as the Hold Separate Manager may specify and cooperate fully with the Hold Separate Manager in its performance of the Hold Separate Manager Obligation.
25. Without prejudice to the generality of paragraph 24 above, that cooperation shall include:
 - (a) The grant to the Hold Separate Manager of all such rights, powers and authorities as are necessary for the performance of the Hold Separate Manager Obligation;
 - (b) Ensuring that personnel are available where necessary for meetings in order to provide the Hold Separate Manager with all information necessary for the performance of the Hold Separate Manager Obligation;
 - (c) The provision of such facilities as are necessary for the discharge by the Hold Separate Manager of the Hold Separate Manager Obligation; and
 - (d) The provision of full and complete access to all personnel, books, records, documents, facilities and information of the Divestiture Business as the Hold Separate Manager may reasonably require.

General

26. The Hold Separate Manager must neither have nor become exposed to a conflict of interest that impairs the Hold Separate Manager's objectivity and independence in discharging his or her functions under these Directions,

unless it can be resolved in a manner and within a timeframe acceptable to the CMA.

27. All communications between the Hold Separate Manager and the CMA are confidential and must not be disclosed to Cérélia, save with the prior written consent of the CMA. The Hold Separate Manager shall not disclose such communications to third parties, save for external legal advisers provided they are under a similar obligation to keep such communications confidential.
28. The CMA may issue such further directions as it considers necessary to ensure compliance with the Final Undertakings. This may include directions to dismiss the Hold Separate Manager if the Hold Separate Manager ceases to perform his or her functions and obligations as Hold Separate Manager, or for any other good cause, including the exposure of the Hold Separate Manager to a conflict of interest.

Hold Separate Manager – replacement, discharge, and reappointment

29. If the Hold Separate Manager ceases to perform the Hold Separate Manager Obligation, or for any other good cause, including the exposure of the Hold Separate Manager to a conflict of interest, the CMA may issue directions to dismiss the Hold Separate Manager.
30. If the Hold Separate Manager is removed under paragraph 29 above, the Hold Separate Manager may be required to continue in its post until a new Hold Separate Manager is in place to whom the Hold Separate Manager has effected a full handover of all relevant information. The new Hold Separate Manager shall be appointed in accordance with the procedure in paragraphs 3 to 9.
31. Other than in accordance with paragraph 29, the Hold Separate Manager shall cease to act as Hold Separate Manager only after the CMA has discharged it from its duties at a time when all the functions with which the Hold Separate Manager has been entrusted have been met.