

**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 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 1 August 2024**

**Anticipated acquisition by 2 Agriculture Limited of the Burston and Radstock feed mills of ForFarmers UK Limited**

Dear [✂],

We refer to your submissions dated 7 November 2024, 27 November 2024, 18 December 2024 and 2 January 2025, requesting that the CMA consents to derogations to the Initial Enforcement Order of 1 August 2024 (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, Boparan Private Office Limited, Boparan Holdings Limited, Ranjit Singh Boparan, Baljinder Kaur Boparan and 2 Agriculture Limited (**2 Agriculture**) (together **Boparan**), and ForFarmers N.V. and each of ForFarmers N.V.'s subsidiaries including ForFarmers UK Limited (together **ForFarmers**) are required to refrain from taking any action which would transfer the ownership of the ForFarmers feed mills located in Burston (IP22 5TJ) (**Burston Mill**) and Radstock (BA3 5TT) (**Radstock Mill**) (together, the **Target Sites**), or any of the contracts, licences, or assets associated with the Target Sites, and, which might prejudice a reference under section 33 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, Boparan and ForFarmers may carry out the following actions, in respect of the specific paragraphs of the Initial Order:

**Paragraphs 7(a), 7(b) and 8(a) of the Initial Order – Provision of ongoing feed support**

Boparan and ForFarmers have sought the CMA's consent to enter into a framework agreement for the purchase of up to [X] tonnes of poultry feed per week from ForFarmers as may be required by 2 Agriculture to fulfil its [X] requirements until [X] (the **Framework Agreement**). Boparan and ForFarmers have submitted that ongoing feed support is strictly necessary in circumstances where:

- i. 2 Agriculture's feed mill located in Stoke Ferry (PE33 9SE) is currently [X] and 2Agriculture requires additional feed volumes in order to [X]; and
- ii. the implementation of the Framework Agreement assists with preserving the viability of the Burston Mill by ensuring that additional volumes of feed will be produced at the Burston mill, which has spare capacity. As a result, the arrangement helps to ensure that there is no loss of competitive potential of the Burston Mill.

Accordingly, Boparan and ForFarmers submitted that it is appropriate to enter into the Framework Agreement and therefore are seeking a derogation from the above-mentioned paragraphs of the Initial Order.

On the basis of Boparan and ForFarmers' representations, and in the particular circumstances of this case, the CMA consents to the Parties' request for a derogation from paragraphs 7(a), 7(b) and 8(a) of the Initial Order, strictly on the basis that:

- a) Any poultry feed volumes purchased by 2 Agriculture from ForFarmers will be governed solely by the Framework Agreement submitted to the CMA on 18 December 2024, in the form which has been approved by the CMA. Should the Parties' wish to make material amendments to the Framework Agreement, they shall seek the CMA's prior written consent (which can be provided via email);
- b) Any poultry feed supply will be conducted on an arm's length basis;
- c) Under the terms of the Framework Agreement:
  - a. there will be no obligation on 2 Agriculture to place any orders for any particular volumes;
  - b. both parties may terminate the Framework Agreement with [X] written notice; and
  - c. both parties shall agree to terminate the Framework Agreement on one month's prior notice upon written request by the CMA;
- d) this derogation will not:
  - a. cause any disruption to the ongoing operation or viability of the Burston Mill, and will not impact its ability to compete effectively. In particular, the Framework Agreement will not adversely affect ForFarmers' ability to supply poultry feed to third-party customers at a local level, within the catchments centred on the Parties' sites in East Anglia;
  - b. lead to any integration between the Burston Mill and Boparan; or

- c. result in any pre-emptive action which might prejudice the reference or impede the taking of any action which may be justified by the CMA's decision on the reference.

Yours sincerely,

Faye Fullalove

Assistant Director, Mergers

9 January 2025