

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

Dear [✂],

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 16 April 2025

Completed acquisition by Kpler Holding SA ("Kpler") of the maritime data business of Spire Global, Inc. ("Spire", the acquired business being the "Target business")

We refer to your emails and accompanying letters of 25 February 2025, 11 March 2025, 12 March 2025, 24 March 2025, 31 March 2025, and 10 April 2025 requesting that the CMA consents to derogations to the Initial Enforcement Order of 16 April 2025 (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, Kpler is required to hold separate the Target business from Kpler's business 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, the Addressees may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 5(a), 5(c) and 5(m) of the Initial Order

Derogation of authority

- 1.1 Kpler submits that, in order ensure that the Target business is being maintained as a going concern, it needs to be able to exercise some level of oversight over the Target business in circumstances where the Target business is proposing to incur material unexpected expenditure or material new liabilities.
- 1.2 Kpler therefore requests a derogation from paragraphs 5(a), 5(c) and 5(m) to allow it to exercise oversight over the Target business in relation to certain key matters,

by requiring the Target business to seek the consent of [X] (the proposed “**Designated Person**”), prior to giving effect to any of the actions (the Consent Matters) set out in **Schedule 1 (Consent Matters)** (the **Delegation of Authority**). Kpler submits that the thresholds for the Consent Matters are set at a level which enables Kpler to comply with its obligation to maintain the Target business as a going concern, while ensuring that the Target business can operate independently of Kpler while the Initial Order is in force.

1.3 The CMA consents to Kpler’s request for a derogation on the basis that:

- (A) the Delegation of Authority is necessary to preserve the viability and competitive capability of the Target business;
- (B) the Designated Person has been selected on the basis that they are not engaged in a commercial or strategic role, and instead is responsible at Kpler for [X];
- (C) the identity of the Designated Person may only be changed by obtaining prior written consent from the CMA (which can be provided via email);
- (D) the thresholds for the level of expenditure that classifies as a Consent Matter can be amended by the CMA via email, if the CMA reaches a view that they are leading to frequent reporting which unnecessarily compromises the Target business’ independence;
- (E) the Designated Person must not consult with any other individual in taking decisions on the Consent Matters, and will sign a non- disclosure agreement in a form agreed with the CMA, which:
 - (i) covers the treatment of any commercially sensitive information they receive as a result of the Delegation of Authority; and
 - (ii) ensures that any Target business information accessed for the purposes of the Delegation of Authority would only be used for decisions on Consent Matters, and not for any other business purposes;
- (F) the Designated Person must not communicate with employees of the Target business except in response to requests for approval of Consent Matters;
- (G) Kpler will notify the CMA of each instance of a Consent Matter being reported to the Designated Person and, should the CMA request this, provide the CMA with a summary of the information shared between the Target business and the Designated Person concerning each instance of reporting;

- (H) in the event of a proposed veto, the Designated Person is required to explain his reasoning, and Kpler will share this reasoning with the CMA at least one working day in advance of the proposed veto being exercised;
- (I) should remedial action be required by the CMA in relation to the Target business, any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Target business for the purposes of this derogation will be returned to the Target business and any copies destroyed, except to the extent that record retention is required by law or regulation; and
- (J) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

2. Paragraph 5(a) of the Initial Order

Derogation to permit one employee of the Target business to be employed by Kpler

- 2.1 Kpler submits that it is necessary for one employee of the Target business, [X], to be technically employed by Kpler in order to fulfil his individual visa requirements, which cannot be accommodated by the transferring Spire legal entities.
- 2.2 The CMA consents to Kpler's request for a derogation strictly on the basis that:
 - (A) the derogation request is necessary to safeguard the immigration rights of the UK Employee and to prevent his right to work in the UK from being jeopardized;
 - (B) the UK Employee will remain operationally within his currently role within the Target business, and will therefore be independent from Kpler from a commercial perspective; and
 - (C) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

3. Paragraphs 5(c) and 5(m) of the Initial Order

Provision of in-house legal support for the Target business

- 3.1 Kpler submits that the provision of legal support to the Target business is necessary to ensure that the Target business has sufficient legal advice while the Initial Order is in force, thereby allowing it to compete independently on the market. In addition,

Kpler submits that the legal support will fulfil the legitimate purpose of mitigating risks to Kpler of the Target business failing to uphold compliance standards.

- 3.2 In the first instance, Kpler seeks express confirmation that one part-time independent contractor can be engaged by the Target business for the duration of the Initial Order in order to provide legal support.
- 3.3 Kpler submits that such legal support cannot be provided by Spire under the TSA as this would require Spire's in-house lawyers to provide external legal advice, which is not practicable from a compliance perspective.
- 3.4 The CMA consents to Kpler's request for a derogation strictly on the basis that:
- (A) the legal support will be provided to the Target business by one part-time independent contractor (the "**Legal Contractor**");
 - (B) The Legal Contractor's engagement will be subject to a contract to be agreed and signed between the Legal Contractor and a legal entity comprising the Target business;
 - (C) the Legal Contractor will have no involvement in Kpler's business, including no access to or influence over Kpler's commercial contracts, including knowledge of any ongoing negotiations between Kpler and third-parties;
 - (D) the Legal Contractor will contact Kpler only in the event of a legal dispute or instance of non-compliance, and in all such instances the Legal Contractor will liaise only with [X] (who will not consult with anyone else at Kpler, unless the CMA consents to it by email);
 - (E) Both the Legal Contractor and [X] will sign a non-disclosure agreement in a form agreed with the CMA, which:
 - (i) covers the treatment of any commercially sensitive information they receive as a result of this derogation; and
 - (ii) ensures that any Target business information accessed for the purposes of this derogation would only be used for decisions on the relevant legal dispute or instance of non-compliance escalated by the Legal Contractor, and not for any other business purposes.
 - (F) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

4. Paragraphs 5(a), 5(h), 5(k) and 5(m) of the Initial Order

Derogation to permit designated Kpler employees and an external contractor to perform certain back-office functions in the US and Singapore

- 4.1 Kpler submits that in order for the Target business to be maintained as a going concern, the Target business requires Kpler to assist with (i) financial bookkeeping and (ii) customer invoicing support in [REDACTED].
- 4.2 Kpler submits that, in order to comply as stringently as possible with the obligations and the spirit of the Initial Order, a transitional services agreement (the “**TSA**”) was agreed with Spire to fulfil a majority of the back-office functions required by the Target business. However, owing to the transaction structure (being a partial asset sale) there are a limited number of functions that require Kpler support, predominantly in [REDACTED].
- 4.3 Specifically, Kpler requests the derogation to appoint:
- (A) In the Finance team:
- (i) [REDACTED];
 - (ii) [REDACTED];
 - (iii) [REDACTED];
 - (iv) [REDACTED]; and
 - (v) [REDACTED].
- (together, the “**Kpler Finance Employees**”).
- (B) In the Revenue Operations Team:
- (i) [REDACTED];
 - (ii) [REDACTED];
 - (iii) [REDACTED]; and
 - (iv) [REDACTED].
- 4.4 The individuals named in 4.3(A) and (B) being the “**Kpler Employees**”.
- 4.5 Kpler has explored various staffing options and submits that it would not be possible for the assistance needed to be achieved through secondments, as (i) the Kpler Employees are part of small teams and they are still needed for the rest of the Kpler Business; and (ii) the Target business is extremely unlikely to generate enough

work for the Kpler Employees to justify deploying a dedicated resource to the Target business.

4.6 Kpler also requests the derogation to appoint [X], an external contractor who is [X] (the “**External Contractor**”).

4.7 The CMA consents to Kpler’s request for a derogation strictly on the basis that:

- (A) the derogation is necessary to ensure the continued viability of the Target business and the continuity of its operations, and the arrangement will ensure no disruption to continuity of service;
- (B) this is the most efficient staffing solution given that each appointee has the necessary experience and expertise to assume their respective responsibilities to assist the Target business;
- (C) the Kpler Employees and the External Contractor do not have any involvement in Kpler’s commercial activities, including with regards to reviewing and negotiating Kpler customer or supplier contracts;
- (D) the identity of the Kpler Employees or of the External Contractor can be changed only following email consent from the CMA;
- (E) to safeguard the confidentiality of any Target business information obtained while the Initial Order is in force, each of the Kpler Employees and the External Contractor will sign a stringent non-disclosure agreement (in a form to be agreed with the CMA), explicitly prohibiting the disclosure of any confidential Target business information;
- (F) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA’s decision on a reference.

5. Paragraphs 5(a), 5(h), 5(i) and 5(m) of the Initial Order

Derogation for Target to benefit from Kpler insurance coverage

5.1 Kpler submits that procuring insurance cover for the Target business is necessary to ensure that the Target business has sufficient protection against relevant risks to its operations, with a view to preserving the Target business as a going concern while the Initial Order is in force.

5.2 Kpler therefore requests a derogation from paragraphs 5(a), 5(h), 5(i) and 5(m) to allow it to procure insurance cover for the Target business while the Initial Order is in force.

5.3 The CMA consents to Kpler’s request for a derogation strictly on the basis that:

- (A) Kpler procures insurance policies for the Target business;
- (B) any information provided to Kpler by the Target business in connection with the insurance procurement process is limited to that which is strictly necessary to secure the necessary insurance cover for the benefit of the Target business;
- (C) such information would be shared only with [X] (the “**Insurance Authorised Individual**”) who is not directly engaged in, nor responsible for making commercial or strategic decisions;
- (D) the identity of the Insurance Authorised Individual may only be changed by obtaining prior written consent from the CMA (which can be provided via email);
- (E) the Insurance Authorised Individual must enter into non-disclosure agreements in a form agreed with the CMA, with a view to preventing any information received from the Target business in connection with the insurance process from being shared with any part of Kpler’s business;
- (F) should remedial action be required by the CMA in relation to the Target business, any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Target business for the purposes of this derogation will be returned to the Target business and any copies destroyed, except to the extent that record retention is required by law or regulation;
- (G) all electronic files and emails exchanged in this context will be password protected, adequately ring-fenced, and only accessible to the Insurance Authorised Individual;
- (H) this derogation will not result in any disruption to, or impact the viability of Kpler or the Target business; and
- (I) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA’s decision on a reference.

6. Paragraphs 5(a) and 5(b) of the Initial Order

Derogation to give financial support to the Target business

- 6.1 Kpler submits that, though the Target business is [X] and capable of operating independently, the Target business’ [X]. This means that the Target business will

likely require financial support from Kpler to ensure it has the requisite funds to fulfil its commercial obligations in the ordinary course of business.

- 6.2 Kpler therefore requests a derogation from paragraphs 5(a) and 5(b) to allow it to provide financial support to the Target business to satisfy its working capital requirements while the Initial Order is in force.
- 6.3 The CMA consents to Kpler's request for a derogation strictly on the basis that:
- (A) Kpler provides financial support to the Target business only for the purposes of satisfying working capital requirements while the Initial Order is in force;
 - (B) Kpler will provide the CMA with fortnightly summaries of any funding provided to the Target business, which will include a description of what the funds are being used for. These summaries will also detail instances where the Target business has requested funding and Kpler has denied this request. In instances of refusal, the summaries will explain the reasons for refusal and any conditions for ultimately approving funding (for instance with respect to how the Target business can use the funds provided); and
 - (C) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

7. Paragraph 5(m) of the Initial Order

Derogation for Kpler to receive limited financial information from the Target business

- 7.1 Kpler submits that Kpler must have access to certain limited financial information of the Target business to ensure that it can (i) effectively monitor the financial health of the Target business during the hold separate period; (ii) provide timely financial support to the Target business where necessary to secure its ongoing viability and competitive capability; and (iii) comply with its own accounting and other legal obligations.
- 7.2 Specifically, Kpler requires the Target business to share the following financial information:
- (A) Monthly, quarter to date (QTD) year-to-date (YTD) and year-over-year (YOY) movements of sales data (ARR), detailing new clients, lost clients, and updated values based on renewals. Standard bridges of ARR movements from the beginning of period ARR to the end of period ARR, outlining new customers, churned customers, upsells and downsells on both a number of customers and a value basis. All information is at an aggregated level with no details on individual customers.

- (B) Monthly, QTD, and YTD profit and loss, balance sheet and cash flow (for UK, Canada, and Luxembourg entities).

(together the “**Financial Information**”)

7.3 Kpler submits that access to such financial information is strictly necessary in the ordinary course of business in order to discharge various legal obligations (including also to fully comply with obligations of the Initial Order).

7.4 The CMA consents to Kpler’s request for a derogation strictly on the basis that:

- (A) the Financial Information is limited to that which is strictly necessary to achieve the aims outlined above at 7.1. Accordingly, it will be shared using only the template submitted to the CMA on 24 March 2025 and approved by the CMA on 15 April 2025;
- (B) the Financial Information will be shared only with the individuals who strictly require access to each piece of information, namely [X] (the “**Financial Information Recipients**”);
- (C) the Financial Information Recipients are not directly engaged in, nor responsible for making commercial or strategic decisions with regards to Kpler’s business;
- (D) the Financial Information Recipients must enter into non-disclosure agreements in a form agreed with the CMA which with a view to preventing the Financial Information from being shared with any part of Kpler’s business;
- (E) should remedial action be required by the CMA in relation to the Target business, any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Target business for the purposes of this derogation will be returned to the Target business and any copies destroyed, except to the extent that record retention is required by law or regulation;
- (F) all electronic files and emails exchanged in this context will be password protected, adequately ring-fenced, and only accessible to the Financial Information Recipients;
- (G) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA’s decision on a reference.

8. Paragraphs 5(g) and 5(m) of the Initial Order

Derogation to permit Kpler to have limited access to Target business' IT systems and platforms

- 8.1 Kpler submits that it requires certain designated Kpler employees to have administrative access to the Target business' IT systems and platforms in case of security breaches and/or for the purpose of necessary IT and platform security.
- 8.2 Kpler submits that notwithstanding the obligations of the Initial Order, Kpler retains legal responsibility for the Target business while the Initial Order is in force with regard to general IT security. Therefore, in the event of security breaches, Kpler submits this derogation is essential for both the viability of the Target business and for the discharge of Kpler's fiduciary duties.
- 8.3 Specifically, Kpler requests the following individuals be provided with administrative access to the IT systems and platforms of the Target business:
- (A) [REDACTED]; and
 - (B) [REDACTED].
- (together, the "**Kpler IT Employees**")
- 8.4 The CMA consents to Kpler's request for a derogation strictly on the basis that:
- (A) the Kpler IT Employees are not directly engaged in, nor responsible for making commercial or strategic decisions with regards to Kpler's business;
 - (B) the Kpler IT Employees must enter into non-disclosure agreements in a form agreed with the CMA which with a view to preventing any sensitive information from being shared with any part of Kpler's business;
 - (C) should remedial action be required by the CMA in relation to the Target business, any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Target business for the purposes of this derogation will be returned to the Target business and any copies destroyed, except to the extent that record retention is required by law or regulation;
 - (D) all electronic files and emails exchanged in this context will be password protected, adequately ring-fenced, and only accessible to the Kpler IT Employees;
 - (E) this derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

Yours sincerely,

Matteo Alchini
Assistant Director, Mergers
16 April 2025

Schedule 1 – Consent Matters

1. Any capital expenditure (including data supply agreements) in excess of [X].
2. Entering into a new customer contract or an existing customer contract renewal that (i) involves materially non-standard contract terms that deviate from the Target business' ordinary course of business; or (ii) has a contract value exceeding [X]% above the Target business' average contract size.
3. Any revision in contract terms with existing suppliers that (i) involves materially non-standard contract terms that deviate from the Target business' ordinary course of business (including, for example, contracts with durations exceeding [X] years; contracts which do not incorporate the Target business's pre-transaction standard T&Cs; and contracts with unlimited liability); or (ii) results in a contract value exceeding £[X].
4. The initiation, engagement, settling or any decision in relation to any legal proceedings with either (i) more than £[X] potentially at stake; or (ii) potential reputational damage for Kpler (including, for example, potential breach of sanctions regulations).
5. Any increase to employee compensation (including all remuneration and benefits) where (i) the relevant employee is remaining in the same role (i.e. the increase is not pursuant to a promotion in accordance with pre-merger business plans), and (ii) the compensation increase exceeds [X]%.