

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002
COMPLETED ACQUISITION**

Dear [X]

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 13 May 2025

Completed acquisition by Constellation Developments Limited of ABVR Holdings Limited

We refer to your email dated 23 June 2025 requesting that the CMA consents to derogations to the Initial Enforcement Order of 13 May 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, Constellation Automotive Holdings Limited (**Constellation**), Constellation Developments Limited (**Constellation Developments**) and ABVR Holdings Limited (**ABVR**) are required to hold separate the ABVR business from the Constellation 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, Constellation and ABVR may carry out the following actions, in respect of the specific paragraphs:

1. Paragraph 5(c) of the Initial Order

In order to comply with certain regulatory requirements, ABVR is required to submit periodic reports to regulatory authorities. In some instances, such as in respect of Payment Practices Reporting, those reports must be reviewed and approved by a statutory director of ABVR before being submitted. Under the terms of the Initial Order (including the derogation from the Initial Order of 23 May 2025), the current statutory directors of ABVR ([X] and [X], who are both employees of Constellation) do not have sufficient oversight of ABVR's operational processes and are unable to access the level of information required in order to verify and approve such reports prior to submission.

In order to ensure ABVR's compliance with both relevant regulatory reporting requirements and the terms of the Initial Order, Constellation is permitted to:

- Remove [X] as a statutory director of ABVR and each of its subsidiaries; and
- Add [X] (who has been approved by the CMA as Hold Separate Manager and Interim Managing Director of ABVR) as a statutory director of ABVR and each of its subsidiaries, such that [X] can approve such regulatory reports as a statutory director of ABVR prior to submission.

For the avoidance of doubt, all terms of the Initial Order, any other derogations from the Initial Order and the directions to appoint a hold separate manager issued on 27 May 2025 continue to apply to Constellation, ABVR, [X] and [X].

Signature:

Maria Duarte Director, Mergers

ANNEX 1

Penalties for the provision of false or misleading information

1. Imposition of civil penalties

- 1.1 Under section 110(1A) of the Act, the CMA may impose a penalty on a person in accordance with section 111 of the Act where the CMA considers that
- (a) The person has, without reasonable excuse, supplied information that is false or misleading in a material respect to the CMA in connection of any of the CMA's functions under Part 3 of the Act;
 - (b) The person has without reasonable excuse, supplied information that is false or misleading in a material respect to another person knowing that the information was to be used for the purpose of supplying information to the CMA in connection with any function of the CMA under part 3 of the Act.
- 1.2 Under section 110(1C) of the Act, the CMA may not impose such a penalty in relation to an act or omission which constitutes an offence under section 117 of the Act if the person has, by reason of the act or omission, been found guilty of that offence.

2. Amount of penalty

- 2.1 Under section 111(4), a penalty imposed under section 110(1A) shall be of such amount as the CMA considers appropriate.
- 2.2 A penalty imposed under section 110(1A) on a person who does not own or control an enterprise shall be a fixed amount that must not exceed £30,000.
- 2.3 Under section 111(4A) a penalty imposed under section 110(1A) on any other person shall be a fixed amount that must not exceed 1% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person.
- 2.4 In deciding whether and, if so, how to proceed under section 110(1A), the CMA must have regard to the statement of policy which was most recently published under section 116 at the time when the act of omission occurred.