

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

**Consent under section 72(3C) of the Enterprise Act 2002 (the Act) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 26 January 2026**

## **Completed acquisition by Société LDC SA of Green Label Holdings Limited (the Acquisition)**

We refer to your submissions dated 18 February 2026 and 19 February 2026 requesting that the CMA consents to derogations from the Initial Enforcement Order of 26 January 2026 (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), Société LDC SA (**LDC**) and LDC International SAS (**LDC International**) (together the **Acquirer Group**), Green Label Holdings Limited (**Green Label** or the **Target**), Geoffrey Maurice Buchanan and William Edwin Buchanan (both of whom hold interests in the Target) (all together, the **Addressees**) are required to hold separate the Target business from the Acquirer Group 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(b), 5(c), 5(d), 5(e), 5(i), 5(k), and 8 of the Initial Order – LDC Non-UK Business carve-out**

The Acquirer Group submits that the Initial Order should apply in full (ie with respect to each of its paragraphs) only to the **LDC UK Business**, which comprises:

- (i) Capestone Organic Poultry Limited (**COPL**), including its subsidiary Capestone Farms Limited, (collectively **Capestone**);



The CMA therefore consents to a derogation to exclude the LDC Non-UK Business from paragraphs 5(b), 5(c), 5(d), 5(e), 5(i), 5(k), and 8 of the Initial Order, strictly on the basis that:

- 1) this derogation will not cause disruption to the LDC UK Business, nor impact its ongoing operation or viability on a standalone basis;
- 2) the Addressees have disclosed all relevant links between the LDC UK Business and the LDC Non-UK Business; and
- 3) 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. Paragraphs 5(c) and 5(e) of the Initial Order – various commercial transactions**

The Acquirer Group submits that it plans to carry out four separate commercial transactions, namely:

- (i) LDC, [X], plans to acquire [X].
- (ii) LDC plans to sign a binding offer for [X].
- (iii) LDC plans to sign a non-binding offer in relation to [X].
- (iv) LDC plans to internally transfer [X].

Collectively, the **Four Transactions**.

The CMA consents to a derogation permitting each of the Four Transactions strictly on the basis that:

- 1) none of the Four Transactions will adversely impact the Acquirer Group's ability to compete against the Target business in any of the markets in which they overlap;
- 2) none of the Four Transactions are related to the Acquisition; and
- 3) 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. Paragraph 5(c) of the Initial Order – acquisition of farm sites**

Green Label submits that prior to the Acquisition it had pre-existing business plans to negotiate the acquisitions of three separate farms described below:

- (i) [REDACTED]: Green Label plans to [REDACTED], and submits the purchase is necessary to ensure business continuity [REDACTED]. The acquisition was approved by Green Label before the Acquisition and an agreement for sale and purchase was entered into in [REDACTED].
- (ii) [REDACTED]: [REDACTED]. [REDACTED]. The acquisition was approved by Green Label before the Acquisition and an agreement for sale and purchase was entered into in October 2025.
- (iii) [REDACTED]: [REDACTED]. The acquisition was approved by Green Label before the Acquisition and an agreement for sale and purchase was entered into in August 2025.

Collectively, the **Three Transactions**.

The CMA consents to a derogation permitting each of the Three Transactions strictly on the basis that:

- 1) none of the Three Transactions will adversely impact the Target business' ability to compete against the Acquirer Group;
- 2) none of the Three Transactions are related to the Acquisition;
- 3) LDC and its employees shall not be involved in the negotiations of such acquisitions;
- 4) LDC shall not be involved in the operations of the new farm sites for as long as the Interim Order is in force; and
- 5) 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(c) and 5(i) of the Initial Order – recruitment of key staff**

Green Label submits that its current [REDACTED]. [REDACTED]. [REDACTED].

Green Label submits that [REDACTED] recruitment process was contemplated before the imposition of the Initial Order.

The CMA consents to a derogation from paragraphs 5(c) and 5(i) of the Initial Order to allow Green Label to hire [REDACTED], strictly on the basis that:

- 1) [REDACTED] is independent of the Acquirer Group and has the requisite experience and expertise for his new role; and
- 2) 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.

It is a criminal offence under section 117 of the Enterprise Act 2002 for a person to recklessly or knowingly supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in fines, imprisonment for a term not exceeding two years, or both (Section 117 of the Enterprise Act 2002). In addition, the CMA can impose penalties if a person has, without reasonable excuse, supplied to the CMA information which is false or misleading in any material respect (Section 110(1A)) as described in the Annex and the *Administrative penalties: Statement of Policy on the CMA's approach (CMA4)*.

Yours sincerely,

**Matteo Alchini**  
**Assistant Director, Mergers**  
**Competition and Markets Authority**  
**27 February 2026**

# ANNEX 1

## Penalties for the provision of false or misleading information

### Imposition of civil penalties

- (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:
  - (i) 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;
  - (ii) 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.
- (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.

### Amount of penalty

- (3) Under section 111(1) of the Act, a penalty imposed under section 110(1A) of the Act shall be of such amount as the CMA considers appropriate.
- (4) A penalty imposed under section 110(1A) of the Act on a person who does not own or control an enterprise shall be a fixed amount that must not exceed £30,000.
- (5) Under section 111(4A) of the Act a penalty imposed under section 110(1A) of the Act 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.
- (6) In deciding whether and, if so, how to proceed under section 110(1A) of the Act, the CMA must have regard to the statement of policy which was most recently published under section 116 of the Act at the time when the act or omission occurred.