

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 24 December 2025

Completed acquisition by Vandemoortele Group of Délifrance S.A. (the ‘Merger’)

We refer to your submissions dated 30 January 2026 requesting that the CMA consents to derogations from the Initial Enforcement Order of 24 December 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), Safinco NV, Vandemoortele NV (‘**Vandemoortele**’), Vamix NV (collectively referred to as the ‘**Acquirer Group**’), and Délifrance S.A. (‘**Délifrance**’ and, together with the Acquirer Group, the ‘**Addressees**’) are required to hold separate the Délifrance 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 of the Initial Order:

1. Paragraph 5(l) of the Initial Order – Planning discussions regarding reorganisation of production volumes at the Avignon and the Béthune Plants

On 8 December 2025, the CMA decided under section 33(1) of the Act that it is or may be the case that the Merger consists of arrangements that are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, and that this may be expected to result in a substantial lessening of competition (‘**SLC**’) within a market or markets in the United Kingdom (the ‘**SLC Decision**’). The SLC Decision found

that the Merger gives rise to an SLC in relation to horizontal unilateral effects in the supply of frozen Laminated Dough ('LD') products to retail and foodservice customers in the UK.

To address the SLC, the Addressees have offered to give the following undertakings in lieu of a reference to a phase 2 investigation (the '**Proposed UK Undertakings**')

- (a) To divest Délifrance's production sites in Avignon, France (the '**Avignon Plant**') and Béthune, France (the '**Béthune Plant**') (together, the '**DB Plants**') and all related assets, employees, contracts and UK commercial staff, required to supply LD products to the UK;
- (b) To transfer the existing customer contracts, agreements and relationships with all the customers of Délifrance in the UK for the sale of LD products (the UK Customer Relationships) (the '**Divestment Business**');
- (c) To make available to the prospective purchaser other supplier contracts and any transitional services agreement (TSAs) to support the viability of the Divestment Business as it is integrated into its business.
- (d) To appoint a Monitoring Trustee to oversee the hold separate, asset maintenance, buyer marketing and divestment execution.

With regards to (b) above, the Addressees have offered that if it is established at any time during the transfer process, and, in any event, by the time of completion of the Divestment Business' disposal ('**Divestment Completion**'), [X], the Addressees undertake to use best efforts to transfer to the proposed purchaser of the Divestment Business (the '**Proposed Purchaser**') [X].

On 18 December 2025, the European Commission approved the Merger subject to commitments given by the Addressees which also involve the transfer to an approved purchaser of the DB Plants and the transfer of LD volumes to the approved purchaser (the '**Proposed EC Commitments**').

Vandemoortele submits that to comply with the Proposed UK Undertakings and the Proposed EC Commitments, the Addressees need to (i) plan for the allocation of sufficient LD production volumes to the DB Plants, (ii) plan for the implementation of the reorganisation (which involves the transfer of LD and non-LD production volumes to and from the DB Plants), and (iii) to prepare for options (ie different reorganisations depending on current unknowns, [X]).

Vandemoortele submits that planning discussions are for the purpose of ensuring that existing customer contracts, agreements and relationships with Délifrance's retail and foodservice customers of LD products in the UK are transferred to the Proposed Purchaser and that the Divestment Business includes customer volumes [X].

Vandemoortele submits that the planning discussions would occur between the limited number of Vandemoortele and Délifrance employees listed in condition (3) below, and that it is strictly necessary to involve these individuals due to their relevant experience and expertise. Further, these individuals would be supported by members of Vandemoortele's Legal and Tax teams, as listed as Support Functions Authorised Individuals for Tax-related matters and Legal and Regulatory Advice in the CMA's initial consent letter of 30 December 2025.

Vandemoortele requests a derogation to engage in planning discussions regarding the reorganisation of production volumes at the DB Plants. The CMA consents to this derogation from paragraph 5(l) strictly on the basis that:

- (1) The reorganisation of customer volumes is strictly required to enable the Addressees to ultimately comply with the Proposed UK Undertakings and the Proposed EC Commitments (should these be accepted) and this is a preparatory step in this process.
- (2) The reorganisation of customer volumes is necessarily for the purpose of maintaining the viability of the Divestment Business and the remaining Délifrance business and this is a preparatory step in this process.
- (3) Any information provided to [X] (together, the '**Authorised Individuals for Volume Reorganisation Planning**') will be limited to that which is strictly necessary to carry out the transfer and consistent with information that is already shared in the context of outsourced manufacturing.
- (4) The Authorised Individuals for Volume Reorganisation Planning will not, for the duration of the Initial Order, have any responsibility for the commercial or strategic operations of Délifrance or Vandemoortele, and shall not use any information provided by Délifrance or Vandemoortele in any way to intervene in the management or operation of Vandemoortele or Délifrance.
- (5) The Authorised Individuals for Volume Reorganisation Planning will enter into NDAs in a form agreed with the CMA.
- (6) No changes to the Authorised Individuals for Volume Reorganisation Planning are permitted without the prior written consent of the CMA (which can be given via email).
- (7) IT firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals within the Délifrance or Vandemoortele business from accessing the information shared with the Authorised Individuals for Volume Reorganisation Planning for the purposes of this derogation.
- (8) 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(f) of the Initial Order – Ringfencing of the Divestment Business

Délifrance submits that it is required to implement an organizational and logical separation of the Divestment Business from the rest of Délifrance (the ‘**Ringfencing**’) in accordance with the ringfencing obligations in the Proposed EC Commitments.

Délifrance requests a derogation from paragraphs 5(c) and 5(f) to enable it to implement the Ringfencing. The CMA consents to this derogation strictly on the basis that:

- (1) The Ringfencing involves purely internal segregation of information within Délifrance’s IT and finance reporting systems. It does not involve the disposal of assets or any other steps that might impair Délifrance’s ability to operate or compete in the supply of LD products to retail and foodservice customers in the UK.
- (2) Each of the steps which comprise the Ringfencing could be reversed if necessary.
- (3) Each of the steps which comprise the Ringfencing will be reviewed by, and agreed with, the Monitoring Trustee before being implemented.
- (4) The Ringfencing is required by the Proposed EC Commitments, among other things, to ensure that Délifrance does not gain access to confidential information from the Divestment Business.
- (5) This derogation will not lead to any integration of the Délifrance business with Vandemoortele.
- (6) 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,

Anastasija Rogozianskaja
Assistant Director, Mergers
Competition and Markets Authority
06 February 2026