

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 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 10 November 2023

COMPLETED ACQUISITION BY LINDAB LIMITED OF HAS-VENT HOLDINGS LIMITED

We refer to your emails dated 16 and 22 September 2024 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 10 November 2023 (the '**Initial Order**'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save with the written consent of the CMA, Lindab, Lindab UK and HAS-Vent are required to hold separate the HAS-Vent business from the Lindab 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 a derogation from the Initial Order, based on the information received from you and in the particular circumstances of this case, Lindab, may carry out the following actions, in respect of the specific paragraph:

Paragraphs 5(c) and 5(i) of the Initial Order

Lindab submits that it intends to make certain changes to the intra-Group operational structure of Lindab. Lindab has summarised these changes as follows:

1. Region Eastern Europe (**REE**) will be dismantled;
2. A new Region Central Europe (**RCE**) will be created by combining parts of REE and Region Germany; and
3. The remaining parts of REE that do not form part of RCE will form a standalone group of companies/units (the **Remainder**).

As a preparatory step to support the proposed reorganisation, Lindab wishes to implement two key staff changes as follows:

- (a) [REDACTED].

- (b) [X] will become the new Region Director of RCE and join the Lindab Group management team.

The CMA consents to Lindab's request for a derogation from paragraphs 5(c) and 5(i) of the Initial Order to allow Lindab to make the key staff changes and related changes in reporting lines summarised above, strictly on the basis that:

- a) Neither [X] nor [X] have, and as a result of the key staff changes, will have, any strategic or commercial input to the Lindab UK business;
- b) Both [X] and [X] have the necessary experience and expertise to undertake the roles which are being offered to them. Hence, the proposed key staff changes will not impact the viability or ongoing operation of the Lindab business;
- c) Lindab will ensure that there will be a smooth handover of [X] responsibilities to [X];
- d) Lindab may not take any other action related to its proposed reorganisation under the terms of this derogation without seeking the prior written consent of the CMA; and
- e) This derogation will not result in any pre-emptive action which might prejudice the outcome of the reference or impede the taking of any action which may be justified by the CMA's decision on the reference.

Yours sincerely,

Colin Garland
Director

26 September 2024