



EUROPEAN COMMISSION
DG Competition

***Case M.11974 - VANDEMOORTELE /
DELIFRANCE***

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004
MERGER PROCEDURE**

Article 6(1)(b) in conjunction with Art 6(2)
Date: 18/12/2025

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EUROPEAN COMMISSION

Brussels, 18.12.2025
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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus [...]. Where possible the information omitted has been replaced by ranges of figures or a general description.

Vandemoortele NV
Ottergemsesteenweg-Zuid 816
9000 Ghent
Belgium

Subject: Case M.11974 – VANDEMOORTELE / DELIFRANCE
Commission decision pursuant to Article 6(1)(b) in conjunction with Article 6(2) of Council Regulation No 139/2004 ⁽¹⁾ and Article 57 of the Agreement on the European Economic Area ⁽²⁾

Dear Sir or Madam,

- (1) On 30 October 2025, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Vandemoortele NV (“**Vandemoortele**”, Belgium) will acquire within the meaning of Article 3(1)(b) of the Merger Regulation sole control of Délifrance S.A. (“**Délifrance**”, France) by way of purchase of shares (the

⁽¹⁾ OJ L 24, 29.1.2004, p. 1 (the ‘Merger Regulation’). With effect from 1 December 2009, the Treaty on the Functioning of the European Union (‘TFEU’) has introduced certain changes, such as the replacement of ‘Community’ by ‘Union’ and ‘common market’ by ‘internal market’. The terminology of the TFEU will be used throughout this decision.

⁽²⁾ OJ L 1, 3.1.1994, p. 3 (the ‘EEA Agreement’).

“**Transaction**”). ⁽³⁾ Vandemoortele is designated hereinafter as the “**Notifying Party**” and Vandemoortele and DéliFrance together as the “**Parties**”.

1. THE PARTIES

- (2) **Vandemoortele** is a food business founded in 1899 and headquartered in Ghent, Belgium. The company is a global manufacturer and supplier of frozen bakery products and plant-based food solutions such as fats, sauces, margarines and oils. Vandemoortele is mainly active in the production and supply of frozen bakery products on a business-to-business basis to both retail and foodservice customers across the EEA. ⁽⁴⁾
- (3) Vandemoortele operates 36 production sites in total, 35 of which are located in Europe and one in the US. Five of Vandemoortele’s production sites are dedicated to the production of margarines, culinary oils and fats alone, while all the remaining sites are wholly or partially dedicated to the production of frozen bakery products, with a combined nominal production capacity of [...] kilotonnes (“kT”). Most of the sites within the latter category are dedicated to the production of frozen bread and frozen morning goods, with fewer sites focusing on the production of frozen patisserie and frozen savoury snacks. ⁽⁵⁾
- (4) **DéliFrance** is a global manufacturer and supplier of frozen bakery products and of certain consumer packaged products, founded in 1978 and headquartered in Ivry-sur-Seine, France. The company sells frozen bakery products on a business-to-business basis to both retail and foodservice customers across the EEA, mainly in the United Kingdom, France and Italy. ⁽⁶⁾ DéliFrance is part of the Vivescia Group, a cooperative owned by 7,500 cooperative farmers. Its ultimate parent company is S.C.A Vivescia, Société Coopérative Agricole. ⁽⁷⁾
- (5) DéliFrance operates 14 production sites, 12 of which are situated in Europe and 2 in the Asia Pacific Region. DéliFrance’s total annual production capacity is [...] kT, of which [...] kT is in the Asia Pacific Region. ⁽⁸⁾

2. THE CONCENTRATION

- (6) On 12 June 2025, the Parties entered into a share purchase agreement whereby Vandemoortele will acquire 100% of the share capital and voting rights of DéliFrance, therefore acquiring sole control within the meaning of Article 3(1)(b) of the Merger Regulation.

3. UNION DIMENSION

- (7) The Parties have a combined aggregate world-wide turnover of more than EUR 2 500 million ⁽⁹⁾ (Vandemoortele: EUR [...] million; DéliFrance: EUR [...] million). Each of them has a Union-wide turnover in excess of EUR 100 million (Vandemoortele: EUR [...] million; DéliFrance: EUR [...] million), and none of

⁽³⁾ OJ C, C/2025/6052, 7.11.2025.

⁽⁴⁾ Form CO, paras. 29-33.

⁽⁵⁾ Form CO, paras. 29-33.

⁽⁶⁾ Form CO, paras. 34-37.

⁽⁷⁾ Form CO, para. 40.

⁽⁸⁾ Form CO, para. 37.

⁽⁹⁾ Turnover calculated in accordance with Article 5 of the Merger Regulation.

them achieves more than two-thirds of their aggregate Union-wide turnover within one and the same Member State. In addition, the Parties have a combined aggregate turnover of more than EUR 100 million in each of at least three Member States, and each of the Parties achieves a turnover of more than EUR 25 million in each of those Member States. ⁽¹⁰⁾

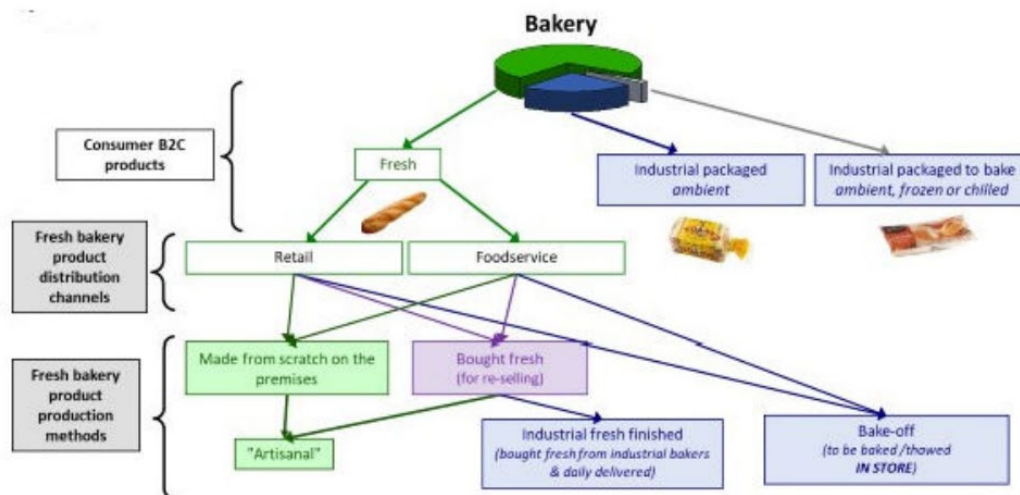
- (8) The notified operation therefore has a Union dimension within the meaning of Article 1(3) of the Merger Regulation.

4. OVERVIEW OF RELEVANT PRODUCTS AND MARKETS

4.1. Background

- (9) Bakery products are made from dough or batter, using raw ingredients such as flour, water, yeast, butter and/or margarine. ⁽¹¹⁾
- (10) An industry report submitted by the Notifying Party summarises the functioning of the sector as follows:

Figure 1: Structure of the bakery sector according to GIRA



Source: Annex 5.4-C of the Form CO, which includes the GIRA report for the European bakery sector

- (11) There are various ways of producing bakery products. One way is via large-scale production and supply of bakery products using automated processes and machinery (i.e. industrial production). Industrial bakeries must be distinguished from artisan bakeries, which use traditional methods and handcraft their products from “scratch” by making baked goods from raw ingredients. Whereas artisan

⁽¹⁰⁾ The Parties’ combined aggregate turnover exceeds the relevant thresholds in France (EUR [...], where Vandemoortele generated EUR [...] and Délifrance generated EUR [...]), Italy (EUR [...], where Vandemoortele generated EUR [...] and Délifrance generated EUR [...]), Germany (EUR [...], where Vandemoortele generated EUR [...] and Délifrance generated EUR [...]), Belgium (EUR [...], where Vandemoortele generated EUR [...] and Délifrance generated EUR [...]), Netherlands (EUR [...], where Vandemoortele generated EUR [...] and Délifrance generated EUR [...]), Spain (EUR [...], where Vandemoortele generated EUR [...] and Délifrance generated EUR [...]).

⁽¹¹⁾ Form CO, para. 83.

bakers sell their products both to businesses (“B2B”) and directly to consumers (“B2C”), industrial bakers typically only serve business customers. ⁽¹²⁾

- (12) Within the industrial bakery sector, it is appropriate to distinguish between “bake-off”, “fresh” and “packaged ambient” bakery products:
- (a) Bake-off products or “frozen bakery products”: products supplied frozen and need to be baked or thawed by the customer before resale to consumers in ready-to-eat format. Bake-off products are supplied to B2B customers with varying degrees of further processing required, including (i) “to prove” (i.e., the dough needs to rise), (ii) “to bake” (i.e., the dough needs to be baked), (iii) “half-baked” (i.e., the dough is pre-baked, but still needs to be baked off), or (iv) “fully-baked” (i.e., the product is already fully baked, but needs to be reheated or thawed).
 - (b) Fresh bakery products: bakery products manufactured and supplied ready-to-eat to the customer on a near-daily basis without additional preservation measures or the need for baking or thawing.
 - (c) Packaged ambient bakery products: products designed to have a slightly longer shelf-life than fresh bakery products (typically around three days at room temperature). They are packaged by the supplier (either branded or with private label branding) for resale directly to consumers. ⁽¹³⁾
- (13) Frozen bakery products can be grouped into the following categories: ⁽¹⁴⁾
- (a) Frozen bread: includes standard white bread, special bread, soft bread, toast bread and flatbreads;
 - (b) Frozen morning goods: frozen bakery products that are normally eaten for breakfast, including laminated dough products (e.g. croissants, chocolate rolls, Danish pastries), bagels, scones, risen dough/brioche, and fried products;
 - (c) Frozen patisserie: includes cakes (pound cakes, chocolate cakes, madeleine, “moelleux”, fondants), sweet tarts and pies (fruits, chocolate, custard cream), chou pastries (éclairs, profiteroles, Paris-Brest, St Honoré), multi-layered cream pastries (Genoise biscuit, sponge cake, fruits, etc.) and US pastries (brownies, muffins, wet cookies, and US cakes); and
 - (d) Frozen savoury snacks: includes savoury tarts and pies, pizzas, topped bread/baguette, savoury puff pastries (such as a ham-and-cheese croissant), sausage rolls, and other savoury pastries. ⁽¹⁵⁾
- (14) In terms of distribution channels for industrial bakery products, including frozen bakery products, manufacturers can distribute their products at B2B level in two ways: ⁽¹⁶⁾
- (a) Retail: this primarily includes supermarket chains.

⁽¹²⁾ Form CO, para. 85.

⁽¹³⁾ These products are different to packaged bakery products “to Bake”, which are products designed to be baked at home by consumers before consumption. These are packaged by the supplier (either branded or with private label branding) and supplied in frozen, chilled or ambient state.

⁽¹⁴⁾ Form CO, para. 84.

⁽¹⁵⁾ Annex 5.4-E to Annex 5.4-K to the Form CO.

⁽¹⁶⁾ Form CO, para. 90.

- (b) Foodservice: this includes commercial foodservice (table service hotels, restaurants, quick service restaurants, cafés and coffee chains), social foodservice (within workplaces, healthcare and educational institutions), as well as artisan bakeries, bakery chains and sandwich shops.

4.2. Parties' activities

- (15) Vandemoortele and Délifrance supply frozen bakery products to both the retail and foodservice sales channels on a B2B basis.
- (16) In 2024, frozen bakery products represented about [...] of Vandemoortele's total sales. More than half of its frozen bakery product sales came from frozen morning goods, about a third from frozen bread, and only a small share from frozen patisserie and frozen savoury snacks. ⁽¹⁷⁾
- (17) Délifrance is mainly focused on the production of frozen morning goods, which account for [...] of its frozen bakery product sales. Frozen bread accounts for [...] and frozen patisserie and frozen savoury snacks combined account for the remaining [...]. ⁽¹⁸⁾ It is mainly active in the UK, France and Italy, which accounted for approximately [...] of Délifrance's global sales in 2024. ⁽¹⁹⁾

4.3. Transaction rationale

- (18) According to the Notifying Party, the Transaction allows Vandemoortele to expand its activities in Europe and the US (where the company already owns a production site) and establish a presence in Asia. In addition, Vandemoortele will get access to Délifrance's production sites and distribution networks, and strengthen the retail and food service channels. The Transaction also enables Vandemoortele to expand its product offerings with Délifrance's frozen bakery products, which customers reportedly consider as being of high quality. ⁽²⁰⁾
- (19) Internal documentation of Vandemoortele shows that [confidential details relating to Vandemoortele's business strategy]:

Figure 2: Internal presentation on the combination between Délifrance and Vandemoortele

[Confidential details relating to Vandemoortele's business strategy]

Source: Annex 5.4-A-8 to the Form CO

4.4. Market definition

4.4.1. Overview of the competitive relationships

- (20) The Transaction gives rise to horizontal overlaps in the industrial bakery products sector and specifically affects the market for the manufacture and supply of frozen bakery products to both retail and foodservice customers, which can be further segmented, as explained in the paragraphs below.

⁽¹⁷⁾ Form CO, para. 30.

⁽¹⁸⁾ Form CO, paras. 34-35.

⁽¹⁹⁾ Form CO, footnote 11.

⁽²⁰⁾ Form CO, para. 47.

4.4.2. *Product market*

- (21) In this Section, the Commission will first analyse the market for the manufacture and supply of frozen bakery products (with possible segmentations within this market) (Section 4.4.2.1) and then analyse the segmentation per sales channels for frozen bakery products (Section 4.4.2.2).

4.4.2.1. Manufacture and supply of frozen bakery products

- (22) The Commission will first assess the market for frozen bakery products in general (in this Section 4.4.2.1.1) and then examine further segmentations in relation to frozen morning goods (Section 4.4.2.1.2) and frozen bread (Section 4.4.2.1.3) specifically.

4.4.2.1.1. Manufacture and supply of frozen bakery products in general

4.4.2.1.1.1. Commission past practice

- (23) In prior decisions, the Commission considered that the market for the manufacture and supply of frozen bakery products was a separate market from the manufacture and supply of other frozen foods⁽²¹⁾. The Commission further considered segmenting said market per category of products namely (i) frozen bread, (ii) frozen morning goods, (iii) frozen pastries and cakes⁽²²⁾, and (iv) frozen savoury snacks⁽²³⁾ ultimately leaving the exact market definition open.

4.4.2.1.1.2. The Notifying Party's view

- (24) The Notifying Party does not dispute the fact that the market for frozen bakery products can be further segmented based on the category of products into: (i) frozen bread, (ii) frozen morning goods, (iii) frozen patisserie, and (iv) frozen savoury snacks, in line with the Commission's past decisional practice.⁽²⁴⁾
- (25) The Notifying Party submits that no further segmentation of the four main categories of frozen bakery products is warranted, arguing that products within each category are substitutable both from a demand- and supply-side perspective.⁽²⁵⁾
- (26) Specifically, on the demand-side, the Notifying Party argues that consumers consider the products within each of the four main categories as interchangeable and would likely switch between different products in case of a price increase.⁽²⁶⁾
- (27) On the supply-side, the Notifying Party argues that suppliers can reposition their production lines and adjust product mixes easily and at low cost to produce different products within each of the four main categories of frozen bakery

⁽²¹⁾ Cases M.11460 – *Investindustrial/Sammontana Finanziaria/ Forno 'D'asolo/Sammontana* (2024), para. 10; M.7946 – *PAI/Nestlé/Froneri*, paras. 52-54; M.7669 – *Lion Capital/Aryzta/Picard Groupe*, para. 22.

⁽²²⁾ In the Commission's analysis, "frozen patisserie" and "frozen pastries and cakes" refer to the same segment.

⁽²³⁾ Cases M.11460 – *Investindustrial/Sammontana Finanziaria/ Forno 'D'asolo/Sammontana* (2024), para. 10; M.7946 – *PAI/Nestlé/Froneri*, paras. 52-54; M.7669 – *Lion Capital/Aryzta/Picard Groupe*, para. 20; M.6753 – *Orkla/Rieber & Son*, paras. 15-18; M.5286 – *Lion Capital/Foodvest*, para. 12.

⁽²⁴⁾ Form CO, paras. 99 and 138.

⁽²⁵⁾ Form CO, para. 102.

⁽²⁶⁾ Form CO, para. 105.

products.⁽²⁷⁾ In addition, the Notifying Party submits that suppliers are continuously expanding their production capacity and that barriers to entry for new suppliers are low. Finally, the Notifying Party argues that customers multi-source and regularly switch between suppliers.⁽²⁸⁾

4.4.2.1.1.3. The Commission's assessment

- (28) The vast majority of respondents to the market investigation confirmed that the market for the manufacture and supply of frozen bakery products can be segmented into: (i) frozen morning goods, (ii) frozen bread, (iii) frozen pastries and cakes and (iv) frozen savoury snacks, in line with the Commission's past decisional practice.⁽²⁹⁾ For the purposes of this Decision, the Commission considers that the manufacture and supply of products in each of these four segments constitute separate product markets.

4.4.2.1.2. Manufacture and supply of frozen morning goods

4.4.2.1.2.1. Commission past practice

- (29) As mentioned in paragraph (23) above, the Commission previously identified the manufacture and supply of frozen morning goods as a relevant segment, without concluding on a potential further segmentation within that market.

4.4.2.1.2.2. The Notifying Party's view

- (30) The Notifying Party submits that the market for the manufacture and supply of frozen morning goods should not be further segmented.⁽³⁰⁾
- (31) The Notifying Party also submits that no further segmentation of laminated dough products is appropriate.⁽³¹⁾
- (32) In addition, the Notifying Party submits that "sweet treats" / donuts do not constitute a separate relevant product market within the frozen morning goods segment.⁽³²⁾ Internally, the distinction at product level (referring to sweet treats or donuts) mainly serves for bookkeeping purposes/and or production planning and is not indicative of distinct market characteristics. [Confidential details relating to the internal strategy of Vandemoortele].⁽³³⁾

4.4.2.1.2.3. The Commission's assessment

- (33) During its pre-notification inquiry, several manufacturers of frozen morning goods indicated that this broad product category includes a number of smaller product categories with specific characteristics namely: (i) laminated dough products (e.g. croissants, Danish pastries); (ii) risen dough products (e.g. brioche); and (iii) fried dough products (e.g. donuts). Independent market reports

⁽²⁷⁾ Form CO, para. 106.

⁽²⁸⁾ Form CO, para.106.

⁽²⁹⁾ Market investigation questionnaire for customers, responses to Question D.1; Market investigation questionnaire for competitors, responses to Question D.1. The market investigation did not provide evidence suggesting that frozen savoury snacks (which include for example savoury tarts and pies, or pizzas) should be further segmented.

⁽³⁰⁾ Form CO, para. 107.

⁽³¹⁾ Form CO, paras. 107-108.

⁽³²⁾ Form CO, paras. 120-123.

⁽³³⁾ Form CO, paras., 120-123; Annex 5.4-A-28 to the Form CO.

specialised on the industry also confirm that segmentations based on the smaller product categories within the frozen morning goods market seem appropriate. ⁽³⁴⁾

- (34) Given these indications, the Commission assessed whether the smaller product categories within frozen morning goods constitute separate relevant product markets by examining the scope for potential demand-side and supply-side substitution in line with the Market Definition Notice. ⁽³⁵⁾

4.4.2.1.2.3.1. Demand-side substitutability

- (35) As explained in the Market Definition Notice, the main approach used by the Commission to define the relevant product market is that of assessing the substitutability of products from the perspective of the customer (demand substitution). Situations of sufficiently strong demand substitution arise when customers would switch easily from the products of the undertaking(s) involved to readily available alternative products. The Commission includes those products in the same relevant product market as they constitute effective and immediate competitive constraints. ⁽³⁶⁾ Factors that the Commission would consider include customer preferences relating to product characteristics, prices, functionalities, intended use, barriers to switching and switching costs. ⁽³⁷⁾

- (36) In relation to a distinction between: (i) laminated dough products (e.g. croissant, Danish pastries) ⁽³⁸⁾; (ii) risen dough products (e.g. brioche); and (iii) fried dough products (e.g. donuts), the Commission's investigation indicates that these may each form separate product markets.

- (37) *First*, customers explained that they generally purchase frozen morning goods at the level of the individual product, suggesting that each caters for a specific need. For example, a market participant responded that *"The procurement process usually takes place in annual tender format where each specific product is tendered separately within each core category."* ⁽³⁹⁾ A customer further indicated that *"supply contracts and negotiations take place either for one specific product each time, which is the most common, or for more than one product / groups of products, [which happens] more rarely"*. ⁽⁴⁰⁾

- (38) This also suggests that within laminated dough products, each product (such as croissants, pains au chocolat, Danish pastries etc.) might not be seen as substitutable from a demand-side perspective. However, as explained further below, laminated dough products appear to be substitutable from a supply-side perspective.

⁽³⁴⁾ Form CO – Annex 5.4-C – GIRA European Synthesis; Form CO – Annex 5.4-F – GIRA Bake-off Bakery report for France; Form CO – Annex 5.4-G – GIRA Bake-off Bakery report for Italy.

⁽³⁵⁾ Communication from the Commission – Commission Notice on the definition of the relevant market for the purposes of Union competition law, C/2023/6789, OJ C, C/2024/1645 (the "Market Definition Notice").

⁽³⁶⁾ Market Definition Notice, para. 25.

⁽³⁷⁾ Market Definition Notice, para. 26.

⁽³⁸⁾ For completeness, the market investigation did not indicate that a further segmentation of laminated dough products between French laminated dough products (e.g. croissants) and Danish pastries was appropriate.

⁽³⁹⁾ For example, see minutes from a conference call of 3 July 2025 with a customer (retailer); minutes from a conference call of 3 July 2025 with a customer (retailer); minutes from a conference call of 4 July 2025 with a customer (retailer).

⁽⁴⁰⁾ Minutes of a call with a market participant, on 4 July 2025.

- (39) *Second*, industry reports collect data and segment the market based on a split within “viennoiserie”, applying some differentiation between product categories like French laminated dough products and Danish pastries (which are both laminated dough products), risen dough / brioche and fried-dough products. ⁽⁴¹⁾
- (40) *Third*, in relation to laminated dough products specifically, the majority of customers who participated in the market investigation responded that they would either not replace laminated dough products with other types of frozen morning goods, or that they would only do so under exceptional circumstances. ⁽⁴²⁾
- (41) For example,
- In terms of product characteristics, customers referred to differences in quality, taste and freshness, which made laminated dough products not comparable with other products within frozen morning goods. ⁽⁴³⁾
 - Laminated dough products also differ in their applications and customer expectations. As one customer noted: “My company would never replace Laminated Dough with other Frozen Morning Goods because Laminated dough products represent a very specific product related to a particular moment’ consumption that cannot be replaced with other similar products”, ⁽⁴⁴⁾ while according to another customer: “Les indispensables de la viennoiserie sont les produits à base de pâte feuilletée type croissant, pain au chocolat etc. Il n’est pas possible de remplacer ces produits par des substituts notamment au regard des préférences de consommation des consommateurs français.” ⁽⁴⁵⁾
- (42) This lack of demand-side substitutability was further confirmed by the competitors of the Parties in the market investigation, with the majority indicating they would not offer their customers other frozen morning goods as a replacement for laminated dough products. ⁽⁴⁶⁾ Market participants referred to differences in customer needs, product characteristics and price points to support this conclusion. For example, one competitor noted: “*Customer needs are different. Can’t be replaced by different products (e.g. if customer wants croissant, he buys croissants)*”. ⁽⁴⁷⁾
- (43) Based on the above considerations, in particular differences in the procurement of the products, product characteristics, customer needs and prices, the three product categories listed above in paragraph (33) are not substitutable from a demand-side perspective.

4.4.2.1.2.3.2. Supply-side substitutability

- (44) The Market Definition Notice explains that the substitutability of products from the perspective of suppliers (supply substitution) can be relevant for market

⁽⁴¹⁾ For example, Form CO Annex 5.4-C GIRA European Synthesis.

⁽⁴²⁾ Market investigation questionnaire for customers, responses to Question D.8, noting that customers from various Member States (including France and Italy) were contacted.

⁽⁴³⁾ Market investigation questionnaire for customers, response to Question D. 8.1.

⁽⁴⁴⁾ Market investigation questionnaire for customers, response to Question D. 8.1.

⁽⁴⁵⁾ Market investigation questionnaire for customers, response to Question D. 8.1.

⁽⁴⁶⁾ Market investigation questionnaire for competitors, response to Question D. 8, noting, similar to customers, that competitors from various Member States (including France and Italy) were contacted.

⁽⁴⁷⁾ Market investigation questionnaire for competitors, response to Question D. 8.1.

definition where suppliers use the same assets and processes to produce related products that are not substitutes for customers, and where this leads to similar conditions of competition across the range of such related products. In such cases, it may be appropriate to include such related products in the relevant product market, provided the constraining effect of supply substitution across the range of products is equivalent to that of demand substitution in terms of effectiveness and immediacy. ⁽⁴⁸⁾ Supply-side substitution may be found where suppliers are able to switch production between products in the range of related products (with only insignificant additional sunk costs or risks when they switch production). ⁽⁴⁹⁾

- (45) In the present case, various elements suggest that a segmentation based on the product categories referred to in paragraph (33) above is appropriate also from the supply-side perspective.
- (46) *First*, switching production between laminated dough products (e.g. croissant, Danish pastries); risen dough products (e.g. brioche); and fried dough products (e.g. donuts) appears difficult. The majority of competitors indicated that their production lines were not able to produce all three categories of frozen morning goods. ⁽⁵⁰⁾ This is because specialised equipment is required for each product category. Indeed, one competitor detailed that “*the kind of process of a croissant, a doughnut or a brioche is completely different. Therefore, you cannot use the same kind of equipment*”. Another competitor explained in more details that: “*The production technology for laminated dough products can cover the following product categories: French laminated dough products (French viennoiserie), Danish pastries. [...] If the lamination step in the production line is skipped, risen dough / brioche products can be produced on the same line. This switch is not often made. The production process for fried dough products is significantly different (need for a frying step). The switch from laminated dough products to fried dough products is therefore never done.*” ⁽⁵¹⁾ These difficulties in switching production are further supported by the initial market inquiry conducted during the pre-notification calls with competitors. ⁽⁵²⁾
- (47) The above also suggests that each individual product within the laminated dough product market (e.g. croissants, pains au chocolat, Danish pastries) can be produced with the same production technology, on the same line. In spite of a lack of demand-side substitutability between the laminated dough products at an individual level, this evidence supports defining a market for laminated dough as a whole.
- (48) *Second*, the Parties’ own manufacturing operations are organised around production lines that are dedicated to a specific product category, such as laminated dough products or fried dough products. ⁽⁵³⁾ In particular, Vandemoortele manufactures approximately [...] of its laminated dough products on lines that are [...] to this category. ⁽⁵⁴⁾ This high degree of specialisation is the result of large-scale production lines designed to manufacture high-volume

⁽⁴⁸⁾ Market Definition Notice, para. 32.

⁽⁴⁹⁾ Market Definition Notice, para. 33.

⁽⁵⁰⁾ Market investigation questionnaire for competitors, responses to Question D. 7.

⁽⁵¹⁾ Market investigation questionnaire for competitors, response to Question D. 7.1.

⁽⁵²⁾ Minutes from a conference call of 15 July 2025 with a competitor; Minutes from a conference call of 18 July with a competitor.

⁽⁵³⁾ Form CO - Annex 9.1-II-C - Vandemoortele - Overview of production sites capacity. [Confidential details on Vandemoortele’s manufacturing operations].

⁽⁵⁴⁾ Ibidem.

products [...]. The remaining [...] is produced on [...] lines in smaller factories which are designed to handle a wider range of low-volume products, involve more frequent changeovers, and therefore require greater operational versatility. Even more notably, [...] are produced entirely on dedicated lines, underscoring the inherent need for [...]. ⁽⁵⁵⁾

4.4.2.1.2.3.3. Conclusion

- (49) In light of the above considerations, for the purposes of this Decision, the Commission considers that the market for the manufacture and supply of frozen morning goods can be further segmented per the following product markets namely: (i) the manufacture and supply of laminated dough products; (ii) the manufacture and supply of risen dough products; and (iii) the manufacture and supply of fried dough products.

4.4.2.1.3. Manufacture and supply of frozen bread

4.4.2.1.3.1. Commission past practice

- (50) As mentioned in paragraph (23) above, the Commission previously identified frozen bread as a relevant segment, without concluding a potential further segmentation within that market.

4.4.2.1.3.2. The Notifying Party's view

- (51) The Notifying Party submits that different types of frozen bread are largely substitutable both from a demand- and supply-side perspective and that no segmentation of frozen bread is warranted. ⁽⁵⁶⁾
- (52) On the demand-side, the Notifying Party argues that consumers consider different types of frozen bread as interchangeable and would likely switch from one type of frozen bread to another in case of a price increase. ⁽⁵⁷⁾
- (53) From a supply-side perspective, the Notifying Party submits that suppliers can reposition their production lines and adjust product mixes easily and at minimal costs to produce different types of frozen bread, including standard white bread (e.g. baguettes), special bread (e.g. ciabatta, wholemeal, cereals), soft bread, toast bread and flatbread. In addition, the Notifying Party notes that suppliers have ample production capacity and are continuously expanding their output. ⁽⁵⁸⁾
- (54) With specific reference to Italy and reiterating that no segmentation of frozen bread is warranted, the Notifying Party submits that the hypothetical product market for standard white bread should also include ciabatta volumes, in addition to baguette, stick, batard or parisien, turtle bread ("pane tartaruga"), and kaiser rolls. According to the Notifying Party, due to similarities in ingredients and shape, ciabatta exerts additional competitive pressure on the supply of standard white bread. Many Italian suppliers manufacture ciabatta, and, given the ease of supply-side substitutability, they could readily switch production from ciabatta to baguette at short notice. ⁽⁵⁹⁾

⁽⁵⁵⁾ Ibidem. [details on Délifrance's internal data collection and production line setup].

⁽⁵⁶⁾ Form CO, para. 116.

⁽⁵⁷⁾ Form CO, para. 117.

⁽⁵⁸⁾ Form CO, paras. 118-119.

⁽⁵⁹⁾ Form CO, paras. 727-728.

4.4.2.1.3.3. The Commission's assessment

- (55) During the Commission's pre-notification inquiries, several market participants indicated that a possible segmentation of standard white bread within the broader frozen bread market could be relevant. Standard white bread includes baguette, stick, batard or parisien, turtle bread and kaiser rolls (white flour).⁽⁶⁰⁾
- (56) Given this initial feedback, the Commission assessed whether standard white bread constitutes a product market separate from other types of frozen bread. To do so, in line with the Market Definition Notice, the Commission investigated the extent to which demand side and supply side switching is possible from standard white bread to other types of frozen bread.⁽⁶¹⁾

4.4.2.1.3.3.1. Demand-side substitutability

- (57) Various elements indicate that there is no demand-side substitutability between standard white bread and other types of bread products.
- (58) *First*, customer feedback indicates that they would either not replace standard white bread products with other types of bread products, or that they would only do so under exceptional circumstances.⁽⁶²⁾
- (59) *Second*, similar to laminated dough products, customers explained that tenders usually relate to one specific product.⁽⁶³⁾ For instance, one customer explained that it "*tendered for simple baguette on a national level, and not for various types of bread*".⁽⁶⁴⁾
- (60) *Third*, competitors further stated that the competitive conditions for standard white bread diverge from those characterising other bread categories.⁽⁶⁵⁾ As one competitor explained, "*competition in the standard white bread segment is primarily price-based, whereas in other segments innovation drives different forms of competition*."⁽⁶⁶⁾ Another described standard white bread as "*a commoditized product with very little differentiation between producers*".⁽⁶⁷⁾
- (61) *Fourth*, logistics might differ depending on the product. For instance, a customer explained in relation to baguettes that they "*are a heavy product and thus need to be delivered directly to the Company's warehouses*."⁽⁶⁸⁾
- (62) *Fifth*, in relation to ciabatta exerting competitive pressure over standard white bread in Italy, as raised specifically by the Notifying Party, the market investigation confirmed that ciabatta is unlikely to exert such pressure given that Italian customers would not switch from one product to the other. In particular, a majority of Italian customers reported that they had never replaced standard white bread products such as baguettes with a product outside this product category such as ciabatta.⁽⁶⁹⁾ They provided the same answer when asked whether they would

⁽⁶⁰⁾ Per the categorisation in the GIRA report, Form CO, Annex 5.4-C – GIRA European Synthesis and Form CO - Annex 5.4-J - GIRA Bake-off Bakery report for Poland, slide 23.

⁽⁶¹⁾ For the purposes of this investigation, there was no indication notably in the preliminary market inquiry and the market investigation that other segmentations within frozen bread were appropriate.

⁽⁶²⁾ Market investigation questionnaire for customers, responses to Question D.6.

⁽⁶³⁾ Minutes of a call with a market participant, of 8 July 2025, and 4 July 2025.

⁽⁶⁴⁾ Minutes of a call with a market participant, of 10 July 2025.

⁽⁶⁵⁾ Market investigation questionnaire for competitors, responses to Question D.6.

⁽⁶⁶⁾ Market investigation questionnaire for competitors, responses to Question D.6.1.

⁽⁶⁷⁾ Ibidem.

⁽⁶⁸⁾ Minutes of a call with a market participant on 4 July 2025.

⁽⁶⁹⁾ Market investigation questionnaire for customers, responses to Question J.14.

systematically substitute between these products in response to a price increase or a decrease in quality.⁽⁷⁰⁾ Customers explained that baguettes “*are not replaceable, as they have specific characteristics, applications, and customer expectations that cannot be met by other products,*” and emphasised that “*baguette is a staple product in several European countries.*”⁽⁷¹⁾

4.4.2.1.3.3.2. Supply-side substitutability

- (63) Various elements support the absence of supply-side substitutability in relation to the manufacture and supply of standard white bread.
- (64) *First*, production lines need to be dedicated to standard white bread for a manufacturer to be competitive on the market. Several competitors explicitly noted that dedicated production lines enable significantly larger volumes than flexible lines,⁽⁷²⁾ with one explaining that “*operating production lines dedicated only to producing standard white bread improves production efficiency and decreases production costs.*”⁽⁷³⁾ Another competitor similarly stated that “*production lines exclusively configured for standard white bread represent a specialized manufacturing approach... allowing for complete process optimization*”⁽⁷⁴⁾ and highlighted operational benefits such as “*eliminated production changeover times, predictable maintenance, and consistent final product quality.*”⁽⁷⁵⁾
- (65) *Second*, flexible production lines (able to manufacture different categories of bread products) are only used for smaller volumes. In the market investigation, competitors explained that they use flexible production lines where insufficient production volumes justify dedicated line or where standard white bread is not a strategic product for their business. As one competitor stated, “*This is not our core business.*” Another explained that “*Flexible production lines serve local needs*”,⁽⁷⁶⁾ while a third stressed capacity constraints arising from its customer structure: “*We don’t have a relevant number of contracts with big customers that allow us to dedicate 100% of the lines to a specific product; therefore we usually produce different SKUs on the same line to gain efficiency.*”⁽⁷⁷⁾
- (66) These statements confirm that the choice between dedicated and flexible technologies is endogenous to the scale and strategic focus of each competitor. Smaller or less efficient firms in terms of standard white bread production – those lacking sufficient demand volumes for standard white bread – must rely on flexible lines to accommodate a varied but limited product range. By contrast, larger and more efficient firms, including manufacturers active at EEA level, reported the necessity of dedicated lines precisely to maintain competitiveness in this market segment.⁽⁷⁸⁾

⁽⁷⁰⁾ Ibidem.

⁽⁷¹⁾ Ibidem.

⁽⁷²⁾ Market investigation questionnaire for competitors, responses to Question D.3.

⁽⁷³⁾ Market investigation questionnaire for competitors, responses to Question D.4.1.

⁽⁷⁴⁾ Ibidem.

⁽⁷⁵⁾ Ibidem.

⁽⁷⁶⁾ Market investigation questionnaire for competitors, responses to Question D.6.1.

⁽⁷⁷⁾ Market investigation questionnaire for competitors, responses to Question D.4.1.

⁽⁷⁸⁾ Market investigation questionnaire for competitors, responses to Question D.6.

- (67) *Third*, competitors noted that the technology used on production lines dedicated to standard white bread differs significantly from that employed on flexible lines, which are designed to accommodate multiple bread types.⁽⁷⁹⁾ A competitor highlighted that “*there are strong barriers to entry for standard bread, since the CAPEX investment required for competitive and efficient production lines is higher.*”⁽⁸⁰⁾
- (68) *Fourth*, the Parties’ manufacturing operations are organised around production lines that are dedicated to specifically standard white bread products.⁽⁸¹⁾ In particular, Vandemoortele manufactures approximately [...] of its standard white bread on lines that are [...] to this category. This high degree of specialisation is the result of large-scale production lines designed to manufacture high-volume products [...]. The remaining [...] is produced on less efficient lines in smaller factories⁽⁸²⁾, which are designed to handle a wider range of low-volume products, involve more frequent changeovers, and therefore require greater operational versatility.
- (69) *Fifth*, the Parties’ internal documents also point towards standard white bread – or so called “classic” bread as a standalone segment in the bread market.
- Internal documents prepared in the ordinary course of business show [...].⁽⁸³⁾ The below example relates to a document from Vandemoortele. The same appears in DéliFrance’s internal documents, which distinguish [...].⁽⁸⁴⁾

Figure 3: Internal document of Vandemoortele

[...]

Source: Annex 9.1.I-I - [...]

- Internal documents prepared for the purposes of this Transaction also refer to [confidential information on product classification].

Figure 4: Internal document of Vandemoortele

[...]

Source: Form CO - [...]

⁽⁷⁹⁾ Market investigation questionnaire for competitors, responses to Question D.5.

⁽⁸⁰⁾ Ibidem.

⁽⁸¹⁾ Form CO - Annex 9.1-II-C - Vandemoortele - Overview of production sites capacity and Form CO Annex 9.1 – II – F – Raw production volumes by line for DéliFrance.

⁽⁸²⁾ In particular, this applies to the production lines recently acquired from Lizzi and Acquaviva, which have not yet reached the scale of Vandemoortele’s core operations and therefore function with a lower degree of specialisation and greater versatility.

⁽⁸³⁾ In Vandemoortele’s internal documents, [confidential information on product classification]. Para 697 of the Form CO constitutes an example.

⁽⁸⁴⁾ For example, Form CO, Annex 5.4-B-5 - [internal document of Vandemoortele]. See also Annex 5.4-A.9 – [internal document of DéliFrance]; Annex 5.4-A.13 – [internal document of Vandemoortele]; Annex 5.4-B-1 – [internal document of Vandemoortele].

4.4.2.1.3.3.3. Conclusion

- (70) Based on the above, the Commission concludes that there is a separate product market for standard white bread within the broader segment of frozen bread.

4.4.2.2. Segmentation by sales channel

4.4.2.2.1. Commission past practice

- (71) In prior decisions, the Commission considered a distinction between the production and sale of food products dedicated to the retail sector and the production and sale of food products to the foodservice sector. ⁽⁸⁵⁾

4.4.2.2.2. The Notifying Party's view

- (72) The Notifying Party acknowledges the distinction between the retail and foodservice channels in relation to the industrial bakery sector and submits that a further segmentation within each sales channel is not warranted. ⁽⁸⁶⁾

4.4.2.2.3. The Commission's assessment

- (73) *First*, the vast majority of market participants that responded to the market investigation consider that the retail and foodservice sectors constitute separate product markets. ⁽⁸⁷⁾ This is consistent with the views of the majority of customers that responded to the market investigation, who explained that suppliers of frozen bakery products to the foodservice channel would generally not offer their products also to retailers. ⁽⁸⁸⁾
- (74) *Second*, the market investigation showed that margins for the foodservice channel are generally higher than for retail (with differences in margins likely to be between 5% to 10%). ⁽⁸⁹⁾ The same conclusion applies to the Parties' business data, as the foodservice channel is, on average, more profitable than the retail channel. ⁽⁹⁰⁾
- (75) *Third*, the Parties' internal documents present competitive dynamics, strategic positioning, and financial performance segmented into retail and foodservice. This reflects materially different commercial conditions, customer requirements, and pricing structures between the two channels. ⁽⁹¹⁾ This further indicates that competitive constraints operate differently in each channel.
- (76) Based on the above and in line with past practice, the Commission concludes that there are separate product markets for the manufacture and supply of frozen bakery products to the retail sector and to the foodservice sector.

⁽⁸⁵⁾ Cases M.7946 – *PAI/Nestlé/Froneri*, M.7669 – *Lion Capital/Aryzta/Picard Groupe*, M.6753 – *Orkla/Rieber & Son*, M.3658 – *Orkla/Chips*, M.5975 – *Lion capital/Picard Groupe*.

⁽⁸⁶⁾ Form CO, paragraphs 130-138.

⁽⁸⁷⁾ Market investigation questionnaire for competitors, response to Question D.2; Market investigation questionnaire for customers, response to Question D. 2.

⁽⁸⁸⁾ For example, market investigation questionnaire for customers, response to Question E.12 for laminated dough products in France, and Question J.12 for standard white bread in Italy. There is no indication in the market investigation that this conclusion would differ for other types of frozen bakery products or geographies.

⁽⁸⁹⁾ For example, market investigation questionnaire for competitors, response to Question F.4 for France specifically.

⁽⁹⁰⁾ Annex RFI-12 Q-3 to the response to RFI 12, submitted on 12 December 2025.

⁽⁹¹⁾ See for example, Form CO, annex 5.4-A-13, slide 10 and 28.

4.4.2.3. Conclusion on the product market definition

(77) In light of the above considerations, for the purposes of this Decision, the Commission will define the following product markets:

- The segments for the manufacture and supply of (i) frozen morning goods, (ii) frozen bread, (iii) frozen pastries and cakes and (iv) frozen savoury snacks, each split between the foodservice and retail channels;
- Within the segment of the manufacture and supply of frozen morning goods, the markets for (i) the manufacture and supply of laminated dough products; (ii) the manufacture and supply of risen dough products; and (iii) the manufacture and supply of fried dough products, each split between the foodservice and retail channels;
- Within the segment for the manufacture and supply of frozen bread, the market for the manufacture and supply of standard white bread, split between the foodservice and retail channels.

(78) For the purposes of this Decision, the Commission will carry out its competitive assessment at the level of the narrower product markets set out in the preceding paragraph. ⁽⁹²⁾

4.4.3. Geographic market – manufacture and supply of frozen bakery products

(79) For the purposes of the Commission’s analysis of the geographic market, the Commission will provide its consolidated views in relation to the broader market for frozen bakery products given that the same considerations also apply in relation to the markets listed under paragraph (77).

4.4.3.1. Commission past practice

(80) The Commission has previously considered that the relevant geographic markets for the manufacture and supply of frozen food and bakery products are national in scope due to legislative differences, national and sub-national trends in sales distribution and brands and the differences in market structure. ⁽⁹³⁾

(81) In previous decisions, the Commission also considered the markets for frozen food and bakery products in the retail and food service sectors to be national in scope, due to significant differences in sales channels, retailers, logistics, brands, and eating habits between the various EEA countries. However, the Commission ultimately left the market definition open. ⁽⁹⁴⁾

⁽⁹²⁾ For the purposes of this decision, the Commission will not look further into the markets for the manufacture and supply of frozen pastries and cakes, and the market for the manufacture and supply of risen dough products as no affected market arises under any plausible segmentation or the potentially affected markets which could arise all fall within of the scope of the Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the “Notice on Simplified Procedure”)(Official Journal C 160, 5.5.2023, p. 1-10).

⁽⁹³⁾ Cases M. 7946 – *PAI/Nestlé/Froneri*, M. 2640 – *Nestlé/Schöller*, M.5975 – *Lion Capital/Picard Group*, M.1990 – *Unilever/Bestfoods*.

⁽⁹⁴⁾ Cases M.11460 – *Investindustrial / Sammontana Finanziaria / Forno ‘D’asolo / Sammontana*, para. 11; 3 M.9369 – *Pai Partners / Wessanen*, para. 95; M. 7946 – *PAI/Nestlé/Froneri*, paragraphs 55-64; M. 7669 – *Lion Capital/Aryzta/Picard Group*, paras. 36-39.

4.4.3.2. The Notifying Party's view

- (82) In line with the Commission's past decisional practice, the Notifying Party acknowledges that the narrowest plausible relevant geographic market for the manufacture and supply of frozen bakery products is national. ⁽⁹⁵⁾ However, the Notifying Party suggests that significant competitive constraints are exerted by existing and potential cross-border supply. According to the Notifying Party, it is easy and economically feasible to transport frozen bakery products over distances of up to approximately [...] km. ⁽⁹⁶⁾

4.4.3.3. The Commission's assessment

- (83) *First*, the majority of participants in the market investigation consider that the markets for the manufacture and supply of frozen bread, frozen morning goods, frozen patisserie and frozen savoury snacks (and segments where applicable) are national in scope. ⁽⁹⁷⁾ Market participants mainly referred to customer preferences and transportation costs. As one customer noted: *"The majority of our purchases are made from factories producing on national territory, mainly for two reasons: (1) the specific characteristics of domestic market consumption (in short, consumer expectations are different in France from other european countries) and (2) to optimize transportation costs, which represent a significant part of the purchase cost."* ⁽⁹⁸⁾ This was confirmed by competitor feedback, for example explaining that: *"Competition outside national barriers is difficult especially for logistics costs impact."* ⁽⁹⁹⁾
- (84) *Second*, most customers that participated in the market investigation indicated that they organise their tenders and procurement teams on a national level. ⁽¹⁰⁰⁾
- (85) *Third*, the Parties' internal documents consistently refer to national markets when analysing competitive dynamics, assessing their competitive positioning, and evaluating financial performance. ⁽¹⁰¹⁾ This further indicates that the relevant competitive conditions are different at a national level.
- (86) Based on the above, the Commission concludes that the geographic markets for the manufacture and supply of frozen bakery products are national.

4.4.3.4. Conclusion on the geographic market definition

- (87) In light of the above considerations, for the purposes of this Decision, the Commission will assess the markets listed in paragraphs (77) and (78) at a national level.

⁽⁹⁵⁾ Form CO, paras. 141-142.

⁽⁹⁶⁾ Form CO, paras. 141 *et seq.*

⁽⁹⁷⁾ Market investigation questionnaire for customers, response to Question D. 13; Market investigation questionnaire for competitors, response to Question D. 13.

⁽⁹⁸⁾ Market investigation questionnaire for customers, response to Question D. 14.

⁽⁹⁹⁾ Market investigation questionnaire for competitors, response to Question D. 13-2.

⁽¹⁰⁰⁾ Market investigation questionnaire for customers, response to Questions D.15 and D.16.

⁽¹⁰¹⁾ Form CO, annex 5.4-A-16, pag 2; Form CO, annex 5.4-A-13, slide 53 and 149.

5. COMPETITIVE ASSESSMENT

5.1. Legal Framework

- (88) Pursuant to Articles 2(2) and 2(3) of the Merger Regulation, the Commission must assess whether a proposed concentration would significantly impede effective competition in the internal market or in a substantial part of it, in particular through the creation or strengthening of a dominant position. In this respect, a merger can entail horizontal (non-coordinated and/or coordinated) and/or non-horizontal effects.
- (89) The Horizontal Merger Guidelines describe horizontal non-coordinated effects as follows: *“A merger may significantly impede effective competition in a market by removing important competitive constraints on one or more sellers, who consequently have increased market power. The most direct effect of the merger will be the loss of competition between the merging firms. For example, if prior to the merger one of the merging firms had raised its price, it would have lost some sales to the other merging firm. The merger removes this particular constraint. Non-merging firms in the same market can also benefit from the reduction of competitive pressure that results from the merger, since the merging firms’ price increase may switch some demand to the rival firms, which, in turn, may find it profitable to increase their prices. The reduction in these competitive constraints could lead to significant price increases in the relevant market. Generally, a merger giving rise to such non-coordinated effects would significantly impede effective competition by creating or strengthening the dominant position of a single firm, one which, typically, would have an appreciably larger market share than the next competitor post-merger. Furthermore, mergers in oligopolistic markets involving the elimination of important competitive constraints that the merging parties previously exerted upon each other together with a reduction of competitive pressure on the remaining competitors may, even where there is little likelihood of coordination between the members of the oligopoly, also result in a significant impediment to competition. The Merger Regulation clarifies that all mergers giving rise to such non-coordinated effects shall also be declared incompatible with the common market.”* ⁽¹⁰²⁾
- (90) The Horizontal Merger Guidelines list a number of factors which may influence whether or not significant horizontal non-coordinated effects are likely to result from a merger, such as the large market shares of the merging firms, the fact that the merging firms are close competitors, the limited possibilities for customers to switch suppliers, or the fact that the merger would eliminate an important competitive force. ⁽¹⁰³⁾ Not all of these factors need to be present to make significant non-coordinated effects likely and it is not an exhaustive list. ⁽¹⁰⁴⁾
- (91) Finally, the Horizontal Merger Guidelines describe a number of factors, which could counteract the harmful effects of the merger on competition, including the

⁽¹⁰²⁾ Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 31, 5.2.2004, p. 5 (“Horizontal Merger Guidelines”), paragraphs 24-25.

⁽¹⁰³⁾ Horizontal Merger Guidelines, paragraphs 27 ff.

⁽¹⁰⁴⁾ Horizontal Merger Guidelines, paragraph 26.

likelihood of countervailing buyer power, the entry of new competitors on the market, and efficiencies. ⁽¹⁰⁵⁾

5.2. Market share methodology

- (92) Market shares of total market sizes for the assessment of the Transaction have been calculated using the GIRA Bakery bake-off segment (“GIRA industry report data”) ⁽¹⁰⁶⁾⁽¹⁰⁷⁾, a strategic consultancy and market research provider in the food sector, with expertise in the bakery segment. ⁽¹⁰⁸⁾ This data has been supplemented by the Parties’ own sales.
- (93) Volume market sizes for 2023 ⁽¹⁰⁹⁾ are provided for the following main segmentations per country: bread, patisserie, savoury pastry and viennoiserie (or frozen morning goods). Within each of these, GIRA provides the proportion of the market which is attributable to retail (broken down by modern retailers and other retail) and foodservice (broken down by bakery chains, artisan bakeries, social foodservice and commercial foodservice). Volume market totals in 2024 are estimated by applying GIRA's forecast annual growth rates for 2023-28 to 2023 market totals.
- (94) In view of the relevant product market definition the Parties’ sales have been allocated to the relevant GIRA markets using individual product names and descriptions, as the GIRA markets do not always align with the Parties’ recording systems. Furthermore, as GIRA does not provide a breakdown between retail and foodservice at the level of the relevant product markets, the analysis is based on the split of the corresponding broader main category (for example, for standard white bread the assumption is that the volume split between the retail and foodservice channel equals that of the broader category of frozen bread). ⁽¹¹⁰⁾
- (95) The Parties’ figures are based on their internal sales data.

5.3. Overview of affected markets

- (96) The Transaction gives rise to the following horizontally affected markets:
- Manufacture and supply of laminated dough products in Belgium (retail) (Section 5.4.1).
 - Manufacture and supply of laminated dough products in Belgium (foodservice) (Section 5.4.1).

⁽¹⁰⁵⁾ Horizontal Merger Guidelines, paragraphs 64 ff.

⁽¹⁰⁶⁾ Annex 5.4-I - GIRA Bake-off Bakery database for 2024.

⁽¹⁰⁷⁾ Volumes that do not fall into the bake-off segment are excluded. These include Fresh Bakery Products, Packaged Bakery Products "to Bake" and Packaged Ambient Bakery Products.

⁽¹⁰⁸⁾ Except in two affected markets where the Notifying Party or the market investigation provided a more accurate estimate. These constitute standard white bread in France and Italy where the Commission considered alternative estimations as described in sections 5.5.3 and 5.7.1.

⁽¹⁰⁹⁾ While value-based market shares were generally similar to those submitted in volume terms, it is challenging in this market to rely on estimated total values due to differences in product mix and characteristics, variations in ingredients across similar products, and customer-specific pricing and discounting. Moreover, value market sizes are not directly provided by GIRA; instead, they are estimated by applying a uniform EUR/kg ratio to volume market sizes, without distinguishing between channels. For these reasons, the competitive assessment will rely primarily on market shares calculated on a volume basis.

⁽¹¹⁰⁾ With the only exception of frozen morning goods sub – segments where the split between Retail and Foodservice is based on the Parties’ market knowledge.

- Manufacture and supply of laminated dough products in France (retail) (Section 5.5.1).
- Manufacture and supply of laminated dough products in France (foodservice) (Section 5.5.2).
- Manufacture and supply of standard white bread in France (retail) (Section 5.5.3).
- Manufacture and supply of laminated dough products in Germany (foodservice) (Section 5.6.1).
- Manufacture and supply of standard white bread in Italy (retail) (Section 5.7.1).
- Manufacture and supply of laminated dough products in Italy (retail) (Section 5.7.2).
- Manufacture and supply of laminated dough products in Italy (foodservice) (Section 5.7.3).
- Manufacture and supply of fried dough products in Italy (retail) (Section 5.7.4).
- Manufacture and supply of frozen savoury snacks in Italy (retail) (Section 5.7.5).
- Manufacture and supply of frozen savoury snacks in Italy (foodservice) (Section 5.7.5).
- Manufacture and supply of laminated dough products in the Netherlands (retail) (Section 5.8.1).
- Manufacture and supply of laminated dough products in the Netherlands (foodservice) (Section 5.8.1).
- Manufacture and supply of laminated dough products in Poland (retail) (Section 5.9.1).
- Manufacture and supply of laminated dough products in Poland (foodservice) (Section 5.9.1).
- Manufacture and supply of laminated dough products in Portugal (retail) (Section 5.10.1).
- Manufacture and supply of laminated dough products in Portugal (foodservice) (Section 5.10.1).

(97) As will be shown below, the Commission finds competition concerns are likely to arise in the following affected markets:

- Manufacture and supply of laminated dough products in France (retail).
- Manufacture and supply of laminated dough products in France (foodservice).

- Manufacture and supply of laminated dough products in Italy (retail).
- (98) The Transaction also results in overlaps⁽¹¹¹⁾ and vertical relationships in a number of markets⁽¹¹²⁾. However, these do not give rise to affected markets pursuant to paragraph 25(g) of Annex I of Commission Implementing Regulation (EU) 2023/914⁽¹¹³⁾, as they benefit from the flexibility clauses of point 8 of the Notice on a simplified treatment⁽¹¹⁴⁾ and will not be assessed further.

5.4. Horizontally affected markets in Belgium

5.4.1. Manufacture and supply of laminated dough products

- (99) The Transaction gives rise to horizontally affected markets with respect to the manufacture and supply of laminated dough products to retailers and with respect to the manufacture and supply of laminated dough products to foodservice customers. Given that the same considerations apply to both markets, the Commission will provide its consolidated views on both markets together.

⁽¹¹¹⁾ During the Commission's investigation, some market participants raised horizontal concerns regarding the frozen patisserie segment. There are two overlaps relevant in this regard – one in frozen patisserie retail in France and one in frozen patisserie foodservice in the Netherlands – but neither gives rise to competition concerns. Specifically, in frozen patisserie retail in France, the Parties' combined share is [20-30%] (volume) and in frozen patisserie foodservice in the Netherlands [10-20%] (volume). Both overlaps have limited increments (i.e. [5-10%] and [0-5%], accordingly) as well as remain below the 25% threshold of paragraph 18 of Horizontal Merger Guidelines and can benefit from the flexibility clauses of point 8 of the Notice on a simplified treatment. The market investigation showed that sufficient alternative suppliers will remain in both segments and that the transaction is expected to have a neutral or positive impact on competition. See market investigation questionnaires for competitors and customers, responses to Questions M.1 and P.1.

⁽¹¹²⁾ During the Commission's investigation, some market participants raised concerns in relation to the vertical relationship between the supply of B2B margarine, spreads and blends by Vandermoortele upstream and the manufacture and supply of laminated dough products by Délifrance downstream. However, this vertical relationship does not give rise to affected markets. Specifically, at EEA level, Vandermoortele's combined upstream share in the production and supply of B2B margarine, spreads and blends, and Délifrance's downstream purchasing share, remain both well below 30%. In addition, even if the upstream market were to be narrowly defined at a national level, a vertical relationship would arise only in France, where Vandemoortele's upstream share was below 30%, and Délifrance's downstream purchases of margarine corresponded to a purchasing share of less than 5% by volume in FY23/24. Moreover, the market investigation confirmed that competitors expect to have sufficient credible alternative suppliers of B2B margarine, spreads and blends for the production of frozen bakery products following the Transaction. See market investigation questionnaire for competitors, response to Question S.3.

⁽¹¹³⁾ Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004, OJ L 119, 5.5.2023, p. 22.

⁽¹¹⁴⁾ Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings, OJ C 160, 5.5.2023, p. 1.

5.4.1.1. Market shares

Table 1: Market share estimates for laminated dough products supplied to retailers in Belgium

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[20-30%]	[20-30%]	[20-30%]
Combined	[40-50%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

Table 2: Market share estimates for laminated dough products supplied to foodservice customers in Belgium

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[10-20%]	[10-20%]	[10-20%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

5.4.1.2. The Notifying Party's views

- (100) The Notifying Party submits that no competition concerns arise with respect to the manufacture and supply of frozen morning goods (and all potential sub-segmentations) to retail and foodservice customers in Belgium for the following reasons. ⁽¹¹⁵⁾
- (101) *First*, the market shares do not accurately reflect market dynamics as they fluctuate significantly due to frequent retendering processes of customers. ⁽¹¹⁶⁾
- (102) *Second*, many competitors with sufficient capacity to supply currently exercise competitive pressure on the Parties and will continue to do so post-Transaction. Indeed, the Notifying Party argues that the market is highly competitive, with multiple suppliers in and out of Belgium offering similar products including La Lorraine, Lantmännen Unibake, Bridor and Diversi Foods ⁽¹¹⁷⁾, and significant capacity is expected to be added in the coming years ⁽¹¹⁸⁾.
- (103) *Third*, the retail channel in Belgium is concentrated, with the top five customers accounting for more than 80% of demand. ⁽¹¹⁹⁾ Similarly, the Notifying Party estimates that the top six wholesalers in Belgium represent approximately 48% of the supplies of frozen morning goods to the foodservice channel. In addition,

⁽¹¹⁵⁾ Form CO, paras. 347 et seq.

⁽¹¹⁶⁾ Form CO, para. 859.

⁽¹¹⁷⁾ Form CO, para. 859.

⁽¹¹⁸⁾ Form CO, para. 352, and para. 859, which relates to production capacity for laminated dough products.

⁽¹¹⁹⁾ Form CO, paras. 353-354.

according to the Notifying Party, switching is easy, and retailers regularly threaten to switch suppliers. ⁽¹²⁰⁾

- (104) *Finally*, the Notifying Party submits that Vandemoortele is not a particularly close competitor to Délifrance, as they have different value propositions, product focuses and business models. ⁽¹²¹⁾

5.4.1.3. The Commission's assessment

- (105) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects on the market for the manufacture and supply of laminated dough products in Belgium whether supplied to retailers or foodservice customers, for the following reasons.

- (106) *First*, while the Parties' combined share in 2024 with respect to the market for the manufacture and supply of laminated dough products in Belgium amounts to [40-50%], with a [10-20%] increment in retail, and to [30-40%] with a [10-20%] increment in foodservice, the market investigation confirmed that there are several alternative suppliers available in Belgium that exercise a competitive constraint on the Parties. ⁽¹²²⁾ For instance, a retailer stated that it has "*several alternative suppliers to VDM and Délifrance in Belgium for each specific product*". ⁽¹²³⁾

- (107) These competitors include:

- Lantmännen Unibake with a [10-20%]-[10-20%] market share, an industrial bakery group which manufactures and supplies frozen bakery products across Europe and has a significant presence in Belgium, with one laminated dough production facility located in the country. ⁽¹²⁴⁾
- Gourmand with a [10-20%]-[10-20%] market share, a Belgian manufacturer of frozen bakery products operating one facility which produces laminated dough products in Belgium. ⁽¹²⁵⁾
- La Lorraine with a [10-20%]-[10-20%] market share, a Belgian manufacturer of frozen bakery products operating two ⁽¹²⁶⁾ production sites in Belgium which produce laminated dough products. ⁽¹²⁷⁾

- (108) *Second*, a number of alternative suppliers (e.g. Bridor) located in neighbouring countries are also active in Belgium and provide credible alternatives to in-country supply. The market investigation confirmed this competitive landscape. ⁽¹²⁸⁾ Indeed, most customers considered that they would have

⁽¹²⁰⁾ Form CO, para. 357.

⁽¹²¹⁾ Form CO, paras. 363-364.

⁽¹²²⁾ Market investigation questionnaire for customers, response to Question N.1-1.

⁽¹²³⁾ Minutes from a call of 8 July 2025 with a customer (retailer).

⁽¹²⁴⁾ Please see, Lantmännen Unibake Londerzeel NV | FGBB.

⁽¹²⁵⁾ Form CO, Table 90.

⁽¹²⁶⁾ Please see, Governance bij La Lorraine: structuur en leiderschap | La Lorraine Bakery Group | LLBG België.

⁽¹²⁷⁾ Market share estimates provided by the Parties in Annex 6.2-E to the Form CO.

⁽¹²⁸⁾ The majority of competitors confirmed that they can supply laminated dough products to retailers and foodservice customers in Belgium from production facilities located outside of the country, Responses to the Market Questionnaire for Competitors, Question N.1-2.

sufficient alternatives post-transaction.⁽¹²⁹⁾ For instance, as regards frozen bakery products in general, a retailer explained that: “*new suppliers are always explored and taken into consideration (...) [the customer] has several alternative suppliers available*”.⁽¹³⁰⁾ In addition, several retailers and foodservice customers confirmed that they procure laminated dough products from manufacturers located outside of Belgium.⁽¹³¹⁾

- (109) Competitors also confirmed this trend with several of them, either manufacturing in or out of Belgium, confirming that they supply their products to Belgian retailers and foodservice customers.⁽¹³²⁾
- (110) *Third*, the vast majority of customers and several competitors that participated in the market investigation considered that the Transaction will have no impact on the market for the manufacture and supply of laminated dough products to retailers in Belgium.⁽¹³³⁾
- (111) In light of the above, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for laminated dough products whether supplied to retailers or foodservice customers in Belgium.

5.5. Horizontally affected markets in France

5.5.1. Manufacture and supply of laminated dough products to retailers

- (112) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of laminated dough products to retailers in France.

5.5.1.1. Market shares

Table 3: Market share estimates for laminated dough products supplied to retailers in France

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[30-40%]	[30-40%]	[30-40%]
Combined	[40-50%]	[40-50%]	[50-60%]

Source: Annex 5.4-I and Annex 6.2-A to the Form CO

- (113) Table 3 illustrates the Parties’ market share estimates of laminated dough products supplied to retailers in France according to the GIRA database.⁽¹³⁴⁾ Together, the Parties hold [40-50%] of the market in 2024 out of a total market size of [...]kT.
- (114) However, the Notifying Party contested the reliability of the above total market size estimate and proposed a bottom-up approach based on the tendered volumes

⁽¹²⁹⁾ Responses to the Market Questionnaire for Customers, Question N.1-1.

⁽¹³⁰⁾ Minutes from a call of 10 July 2025 with a customer (retailer).

⁽¹³¹⁾ Responses to the Market Questionnaire for Customers, Question N.1-2.

⁽¹³²⁾ Responses to the Market Questionnaire for Competitors, Question N.1-2.

⁽¹³³⁾ Responses to the Market Questionnaire for Customers, Question N.1-3; Responses to the Market Questionnaire for Competitors, Question N.1-3.

⁽¹³⁴⁾ Form CO - Annex 5.4-F – GIRA Bake-off Bakery report for France.

of some of the major French retailers as well as an ad hoc report from Worldpanel ⁽¹³⁵⁾ commissioned by Vandemoortele. Using this approach, the total market size would amount to [...]kT and lead the Parties' combined share to drop to [40-50%] of the market.

- (115) The Commission observes, however, that the methodology put forward by the Parties is inconsistent and relies on multiple unverified assumptions. In particular, the Parties relied on a set of heterogeneous data to corroborate the Worldpanel results, drawing on annual tender volumes from major retailers but referring to different years – such as [information on major retail customers of Vandemoortele]. They then combined this mixed evidence to substantiate Worldpanel data for 2022. Additionally, the Parties did not always demonstrate that the annual tender volumes used reflected quantities strictly attributable to the respective year, without spillover into subsequent the year. This raises concerns about a potential overestimation of the market size.
- (116) The Commission considers the Parties' approach is insufficiently robust to substantiate the claimed, in any case marginal, difference in market size from [...]kT to [...]kT. It is therefore not a reliable basis to justify departing from the originally established figures from GIRA. Moreover, the laminated dough products volumes requirements reported by responding retailers in France ⁽¹³⁶⁾ did not corroborate the Parties' evidence and instead aligned more closely with GIRA's original figures. ⁽¹³⁷⁾
- (117) Accordingly, the Commission will rely on the GIRA database with respect to total market size and on the Parties' provided volumes sold, as presented in Table 3. In any case, the market share variation based on the different market sizes of around [5-10%] does not affect the competitive assessment.

5.5.1.2. The Notifying Party's views

- (118) The Notifying Party submits that there are no competition concerns with respect to the manufacture and supply of laminated dough products to retailers in France for a number of reasons. ⁽¹³⁸⁾
- (119) *First*, the market is characterised by relatively short-term contracts awarded through a competitive bidding process coupled with high levels of concentration at retailer-level. This structure allows retailers to negotiate prices aggressively during their annual or bi-annual tender processes and to pit suppliers against each other.
- (120) This is further exacerbated by the large number of suppliers available to retailers, the ease of switching recognised in commodity-like products, the propensity to multi-source, and the large amount of new capacity expected to come on the market. As a result, retailers routinely switch suppliers or threaten to do so to obtain lower prices.
- (121) The Parties are highly dependent on these retailers and therefore, frequently make concessions to maintain the supply relationship.

⁽¹³⁵⁾ Form CO - Annex 6.2-F-1 – France – market size estimate for laminated dough (Retail).

⁽¹³⁶⁾ Market investigation questionnaire to customers, response to Question E.2.

⁽¹³⁷⁾ By using the Worldpanel data submitted by the Parties, the responses of the market investigation point towards an average [...] kT market size which is smaller than the [...]kT identified by GIRA but rule out any bigger market size estimation supported by the Parties.

⁽¹³⁸⁾ Form CO, paras. 428-465.

- (122) The Notifying Party also submits that retailers are in a position to sponsor the entry of a new supplier through the offering of initial contracts that would include minimum volumes guarantees. As they are sophisticated players, such a strategy could be easily implemented in case of a price increase.
- (123) *Second*, suppliers looking to compete on the retail market in France do not need to have production capabilities in France. The “Made in France” label is commonly used with respect to meat and dairy instead of bakery products. Furthermore, as an increasing number of pan-European retailers supply their products at European-level, requirements with respect to the origins of some raw materials (e.g. flour, butter) become less stringent.
- (124) To illustrate this submission, the Notifying Party explained that [...] of its laminated dough products supplied into France were produced outside of France and some of its production facilities outside of France exported a large part of their overall supply to France.
- (125) In addition, the Notifying Party submits that several suppliers without domestic manufacturing capabilities supply French retailers.
- (126) *Third*, the Notifying Party submits that significant production capacity is expected to become available in the short-term. This is due to a number of suppliers announcing expansion plans in and out of France and to production lines manufacturers signalling that they have been selling new lines across Europe.
- (127) This additional production capacity comes at a time when demand at consumer level is decreasing which will further increase the competitive pressure on suppliers.
- (128) *Fourth*, retailers currently have several alternative suppliers available such as Bridor, Neuhauser, Lantmannen Unibake, Gourmand Pastries, Mademoiselle Desserts, Sobagel, and Europastry.
- (129) *Finally*, the Notifying Party submits that Vandemoortele and Délifrance’s retail customers do not significantly overlap which limits any potential supply risks arising from the Transaction at retailer level.

5.5.1.3. The Commission’s assessment

- (130) The Commission considers that the Transaction raises serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects on the market for the manufacture and supply of laminated dough products to retailers in France, for the following reasons.

5.5.1.3.1. High market shares and levels of concentration

- (131) The Parties’ high combined market shares (between [40-50%] and [50-60%] over the past 3 years as shown in Table 3 above) indicate that the Parties will hold market power post-Transaction. Moreover, GIRA indicates that the Parties will be the number one player in France based on its overall turnover. ⁽¹³⁹⁾ During its market investigation, the Commission contacted suppliers and potential suppliers on the market in France to assess their respective strengths and share of the market. In addition, the Commission contacted most retailers active in France.

⁽¹³⁹⁾ Form CO - Annex 5.4 – F – GIRA Bake – off Bakery report for France, p.10.

- (132) The results highlighted a highly concentrated market; other than the Parties there will be a limited number of players post Transaction: one large manufacturer, Bridor, followed by Neuhauser, and other smaller manufacturers (e.g. Mademoiselle Desserts).⁽¹⁴⁰⁾
- (133) Retailers in France confirmed these shares and structure and stated that they had limited alternative manufacturers apart from the Parties. Vandemoortele, DéliFrance, Bridor, and Neuhauser were the most commonly listed suppliers with respect to laminated dough products in France.⁽¹⁴¹⁾
- (134) Customers further explained that they required large volumes of laminated dough products which few suppliers were able to provide. One retailer stated that, post-Transaction, “*there will be mainly two leaders: Bridor and the Vandemoortele/DéliFrance merger.*”⁽¹⁴²⁾ Another retailer detailed that “*Fewer suppliers mean less competition, so it will be easier for them to raise prices, knowing that we are obliged to work with them in order to obtain the volumes we need.*”⁽¹⁴³⁾
- (135) Furthermore, the vast majority of responding customers submitted that they found switching suppliers fairly to very difficult.⁽¹⁴⁴⁾ They explained that this difficulty stemmed from the limited number of suppliers on the market. Specifically, one retailer explained that « *Le changement de fournisseurs peut être difficile compte tenu du fait que certains industriels sont segmentarisés et proposent un assortiment limité. Exemple : Mademoiselle Dessert propose un large choix de flans mais peu de références en pâtes feuilletées.* »⁽¹⁴⁵⁾ A different retailer also mentioned that « *Capacité de Vandemoortele pas forcément disponible chez les autres fournisseurs.* »⁽¹⁴⁶⁾
- (136) In light of the above, the Commission considers that, post-Transaction, the Parties will control around half of the market with two much smaller players (Bridor and Neuhauser) controlling the rest along with a fringe of smaller players. While there will be some other smaller manufacturers available on the market post-Transaction, considering their size, they are unlikely to be viable alternatives to the Parties, notably for large retailers.

5.5.1.3.2. Insufficient out-of-market constraints

- (137) The geographic scope of the market for the manufacturing and supply of laminated dough products to retailers is national. Nonetheless, as submitted by the Notifying Party,⁽¹⁴⁷⁾ several suppliers operate production facilities in neighbouring countries and as such, may be in a position to step-in to mitigate a potential price increase from the Parties post-Transaction.

⁽¹⁴⁰⁾ For instance, market investigation questionnaire to competitors, response to Question E.7, and market investigation questionnaire to customers, response to Question E.6.

⁽¹⁴¹⁾ Market investigation questionnaire to customers, response to Question E.7.

⁽¹⁴²⁾ Market investigation questionnaire to customers, response to Question E.14.

⁽¹⁴³⁾ Market investigation questionnaire to customers, response to Question E.14.

⁽¹⁴⁴⁾ Market investigation questionnaire to customers, response to Question E.9.

⁽¹⁴⁵⁾ “*Changing supplier can be difficult considering the fact that some players are segmented and have a limited portfolio. Example, Mademoiselle Dessert offers a large choice of flans but few references in laminated dough.*” Customer reply to question E.9 of the customer questionnaire.

⁽¹⁴⁶⁾ “*Vandemoortele’s capacity is not necessarily available at other suppliers*”. Market investigation questionnaire to customers, response to Question E.9.

⁽¹⁴⁷⁾ Form CO, paras 416-419.

- (138) However, the results of the market investigation indicate that this is unlikely. Indeed, the majority of retailers submitted that they did not procure laminated dough products from outside of France and the remaining retailers indicated that they procured less than 5% of their needs from outside of France. ⁽¹⁴⁸⁾ One retailer explained that they only procured laminated dough products from outside of France “*for small quantities and very rarely, and only for non-strategic products.*”
- (139) In addition, the majority of responding suppliers both in and out of France submitted that they considered it essential to have a local production facility in France to supply the French retail market. ⁽¹⁴⁹⁾ This is mostly due to strong customer preferences for traditional offering but also for logistical reasons. For example, one supplier explained that “*Having a production facility in France is important to compete effectively, as it allows closer alignment with retailer expectations and faster response to market needs. Localization also strengthens credibility with French consumers, who place high value on products made in France and prefer locally sourced, authentic offerings.*” ⁽¹⁵⁰⁾
- (140) Needing a local production facility means that the possibility to step in from neighbouring countries in case of price increases in France is unlikely given the investments required. For example, as set out in paragraph (146), setting up a new production facility is estimated to cost approximately EUR 15 million.
- (141) Finally, the Parties’ activities also illustrate the limited impact out-of-country supply has on the market. Indeed, the totality of Délifrance’s volumes supplied to France originate from its production facilities located in France and [...] of Vandemoortele’s volumes supplied to French retailers come from French facilities. ⁽¹⁵¹⁾ This is in line with the submissions of other market participants and confirms the very limited out-of-market constraint exercised from manufacturers located outside of France.
- (142) Such minimal constraint is therefore insufficient to alter the dynamics of the market mentioned above.

5.5.1.3.3. Limited capacity and expansion available in the short to medium terms

- (143) While the Notifying Party submitted that significant capacity is expected to become available on the market, the results of the market investigation paint a different picture.
- (144) Indeed, the majority of competitors submitted that they had limited available spare capacity to increase their supply to the French retail market and that mobilising such capacity would, in any event, lead to the production of laminated dough products on average 5 to 10% more expensive than their current production. ⁽¹⁵²⁾ This picture is reinforced by the Parties’ data, which likewise shows [information on Parties’ capacity utilization]. ⁽¹⁵³⁾
- (145) With respect to expansion plans, some manufacturers confirmed their intention to expand to potentially increase their supply to the French market. This is the case for Bridor which is setting up additional laminated dough products manufacturing

⁽¹⁴⁸⁾ Market investigation questionnaire for customers, responses to Questions E.11 and E.11.1.

⁽¹⁴⁹⁾ Market investigation questionnaire to competitors, response to Question E.11.

⁽¹⁵⁰⁾ Market investigation questionnaire to competitors, response to Question E.11.1.

⁽¹⁵¹⁾ Form CO – Annex 8.1.4-D – Volume of laminated dough supplied in France and Italy by the Parties.

⁽¹⁵²⁾ Market investigation questionnaire for customers, responses to Question E.5.

⁽¹⁵³⁾ Form CO – Annex 9.1-II-C – Vandemoortele – Overview of production sites capacity; Form CO-Annex 9.1-II-D – Délifrance – Capacités Sites de Production.

lines in France ⁽¹⁵⁴⁾, and for Neuhauser which recently restarted production at a former facility. ⁽¹⁵⁵⁾ However, these expansion plans do not materially change the structure of the market as Bridor is already credited with a large market share and Neuhauser's capacity came on the market in 2024 and is therefore already reflected in its market position and share. Other suppliers indicated that their expansion plans did not relate to either laminated dough products or the French market.

- (146) With respect to the possibility of setting up new production lines sufficient to negate an attempt to increase prices post-Transaction, the majority of competitors submitted that installing new production lines would take over two years. ⁽¹⁵⁶⁾ Some market participants further estimated that adding a new production line would cost EUR 15 million on average. ⁽¹⁵⁷⁾
- (147) Overall, the majority of suppliers indicated that they could not increase their capacity without significant time and costs investments. ⁽¹⁵⁸⁾
- (148) Finally, customers indicated that they expected their laminated dough products needs to grow by 3% annually on average and suppliers also expect the market to grow by 2% annually on average. ⁽¹⁵⁹⁾ This growth should therefore capture some of the already limited new capacity, further reducing any potential impact such capacity would have on Vandemoortele's market power post-Transaction.
- (149) In light of the above, there are insufficient capacity and expansion plans to prevent the Transaction from significantly impeding effective competition with respect to the manufacture and supply of laminated dough products to retailers in France.

5.5.1.3.4. The Parties are close competitors

- (150) *First*, Vandemoortele and Délifrance both have large French production capacity, able to supply similar large volumes to retail. Vandemoortele has total sales for laminated dough products for retail of around [...] kT produced in [Vandemoortele's production plants supplying French retail customers]. ⁽¹⁶⁰⁾ Délifrance has total sales for laminated dough products of [...] kT produced in [Délifrance's production plants supplying French retail customers]. ⁽¹⁶¹⁾ These plants supply both the French market as well as other national markets. Relative to the size of the French market for laminated dough (retail), which is [...] kT, the Parties' total sales volumes produced in France is substantial and [ratio between the Parties' sales to retail customers in France].
- (151) *Second*, the Parties' respective customer base are retailers active at national level. For example, both Parties offer their laminated dough products to [Parties' retail customers for laminated dough in France], which operate at national level. ⁽¹⁶²⁾

⁽¹⁵⁴⁾ See for example Bridor's public announcement at the following link: LE DUFF Group is accelerating its global growth - LE DUFF Group.

⁽¹⁵⁵⁾ See Neuhauser's public announcement here: CP-Episens-NH-21-09-23-vdef.pdf.

⁽¹⁵⁶⁾ Market investigation questionnaire for competitors, responses to Question E.6.

⁽¹⁵⁷⁾ Minutes from a conference call of 18 July 2025 with a competitor; and minutes from a conference call of 15 July 2025 with a competitor.

⁽¹⁵⁸⁾ Market investigation questionnaire for competitors, responses to Question E.4.

⁽¹⁵⁹⁾ Market investigation questionnaire for competitors, responses to Question E.13; Market investigation questionnaire for customers, responses to Question E.4.

⁽¹⁶⁰⁾ Form CO, Annex 6.1-III-E - Production volumes by facility.

⁽¹⁶¹⁾ Ibidem.

⁽¹⁶²⁾ Form CO, Table 122.

- (152) *Third*, they both manufacture and supply laminated dough products to retailers in France. At product level, many of the products in the Parties' respective offering are also nearly identical. ⁽¹⁶³⁾ These products can moreover all be produced on the same production lines which both Délifrance and Vandemoortele operate respectively.
- (153) *Fourth*, the results of the market investigation also demonstrate that Vandemoortele and Délifrance compete closely. Indeed, with respect to the tender procedures ultimately won by Vandemoortele, the totality of customers submitted that Délifrance was competing in the same tender and considered as a potential alternative to Vandemoortele. ⁽¹⁶⁴⁾ Similarly, with respect to the tender procedures ultimately won by Délifrance, all responding customers submitted that Vandemoortele was competing in the same tenders and considered as a potential alternative to Délifrance. ⁽¹⁶⁵⁾ Overall, all responding customers submitted that they usually contact Vandemoortele and Délifrance (and Bridor) when looking for a supplier of laminated dough products. ⁽¹⁶⁶⁾
- (154) *Fifth*, the customer base of Vandemoortele and Délifrance also overlaps to a great extent, as they have [75-85%] of their top [...] customers in common.
- (155) In light of the above, the Commission considers that Vandemoortele and Délifrance are close competitors on the market for the manufacture and supply of laminated dough products to retailers in France.

5.5.1.3.5. Insufficient buyer power to counter Vandemoortele's market power

- (156) According to the Notifying Party, the French retail sector is consolidated with the top five retailers representing over 80% of the total laminated dough products volumes purchased in 2024. ⁽¹⁶⁷⁾ These retailers further represent [...] of the Parties' retail revenues in France potentially granting said customers the ability to counteract potential price increases. The results of the market investigation further indicate that few retailers make up a large portion of the volumes of laminated dough purchased for each manufacturer. Indeed, the majority of manufacturers submitted that less than five retailers accounted for the vast majority of their sales of laminated dough products to retailers in France. ⁽¹⁶⁸⁾
- (157) However, as discussed above, retailers have a very limited number of alternatives to Vandemoortele and Délifrance and therefore cannot credibly threaten to switch to an alternative supplier. This is further evidenced by the results of the market investigation. As mentioned in paragraph (135) above, the majority of retailers indicated that they found it very difficult to switch suppliers due to the absence of credible alternatives. ⁽¹⁶⁹⁾ Furthermore, the market investigation indicated that the competitors' factories are generally functioning at or close to full capacity, ⁽¹⁷⁰⁾ which makes the threat to switch to an alternative supplier is less likely.

⁽¹⁶³⁾ Form CO – Annex 6.2 – D – Parties sales in Italy and France (per product).

⁽¹⁶⁴⁾ Market investigation questionnaire to customers, response to Question E.8.1.

⁽¹⁶⁵⁾ Market investigation questionnaire to customers, response to Question E.8.2.

⁽¹⁶⁶⁾ Market investigation questionnaire to customers, response to Question E.8.

⁽¹⁶⁷⁾ Form CO, table 27.

⁽¹⁶⁸⁾ Market investigation questionnaire to competitors, response to Question E.12.

⁽¹⁶⁹⁾ Market investigation questionnaire to customers, response to Question E.9.

⁽¹⁷⁰⁾ Market investigation questionnaire for competitors, responses to Question E.4.

- (158) Starting in-house production of laminated dough products does not appear likely. Several retailers submitted that they would not be able to start producing their own products as the bakery sector is experiencing significant staff (bakers) shortages making it difficult to switch to in-house production. ⁽¹⁷¹⁾
- (159) Finally, the possibility for customers to sponsor entry is also not likely as the majority of customers consider it essential for a manufacturer to have a production facility in France and there is limited spare capacity currently available on French sites. ⁽¹⁷²⁾ Sponsoring new entry would therefore require the addition of new production lines or the building of new production facilities in France which, based on the results of the market investigation mentioned above, would take over two years to complete and cost over EUR 15 million. ⁽¹⁷³⁾
- (160) In light of the above, the Commission considers there is insufficient countervailing buyer power to prevent the Parties from significantly impeding competition post-Transaction.

5.5.1.4. Conclusion

- (161) In view of the Parties' large market shares, the limited number of competitors, the low spare capacity, the limited likelihood of entry or expansion, and the absence of significant buyer power, the Commission considers that the Transaction raises serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of laminated dough products to retailers in France.

5.5.2. *Manufacture and supply of laminated dough products to foodservice customers*

- (162) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of laminated dough products to foodservice customers in France.

5.5.2.1. Market shares

Table 4: Market share estimates for laminated dough products supplied to foodservice customers in France ⁽¹⁷⁴⁾

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délic France	[10-20%]-[10-20%]	[10-20%]-[10-20%]	[10-20%]-[10-20%]
Vandemoortele Group	[20-30%]-[30-40%]	[20-30%]-[30-40%]	[20-30%]-[30-40%]
Combined	[30-40%]-[40-50%]	[30-40%]-[40-50%]	[30-40%]-[40-50%]

Source: Annex 6.2-A to the Form CO.

5.5.2.2. The Notifying Party's views

- (163) The Notifying Party did not submit specific arguments related to the manufacture and supply of laminated dough products to foodservice customers in France.

⁽¹⁷¹⁾ Minutes from a call of 3 July 2025 with a customer.

⁽¹⁷²⁾ Market investigation questionnaire for competitors, responses to Question E. 5.

⁽¹⁷³⁾ Market investigation questionnaire for competitors, responses to Question E.6.

⁽¹⁷⁴⁾ Market shares are provided in ranges due to a methodological uncertainty as to whether the GIRA database includes, within the total market size, the [...]kT that Délic France supply to [...].

Instead, it referred to its submissions regarding the broader category of the manufacture and supply of “frozen morning goods” (which would include laminated dough products) to foodservice customers and explained that the same reasoning applied for the manufacture and supply of laminated dough products to foodservice customers. In this context, the Notifying Party submitted that there were no competition concerns regardless of the exact market definition for the following reasons. ⁽¹⁷⁵⁾

- (164) *First*, there will remain a large number of alternative suppliers available on the market post-Transaction. The Notifying Party submits that the market is highly competitive with multiple suppliers offering similar products such as Bridor, Neuhauser, Mademoiselle Desserts, Brioche Pasquier, Château Blanc, and Novepan. In addition, a number of competitors outside of France are also available to supply French foodservice customers and could easily enter the market.
- (165) *Second*, these competitors have available spare capacity and are further expected to increase their current production capabilities in the coming years. They would and will therefore be able to counter any price increase strategy by the Parties by mobilising their spare and future capacity.
- (166) *Third*, the Notifying Party submits that it does not compete closely with DéliFrance with respect to foodservice in France. Indeed, the Parties have different focuses with DéliFrance offering “French-style” products with a focus on foodservice and through a centralized production system while Vandemoortele has a broader range of products, a bigger retail footprint, and a decentralized business model. In addition, the Notifying Party highlights that the Parties have a limited number of overlapping customers with only one of their respective top five customers in common.
- (167) *Fourth*, foodservice customers enjoy significant buyer power. Indeed, the majority of foodservice customers are highly sophisticated wholesalers who are very price sensitive and purchase large volumes. These suppliers renegotiate regularly and tend to multisource. Other foodservice customers such as hotel chains and restaurants, also tend to renegotiate their contracts on an annual basis and multisource.
- (168) *Finally*, the Notifying Party submits that prices of products containing raw agricultural materials in France are highly regulated, which prevents the Parties from increasing prices significantly.

5.5.2.3. The Commission’s assessment

- (169) The Commission considers that the Transaction raises serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of laminated dough products to foodservice customers in France, for the following reasons.

⁽¹⁷⁵⁾ Form CO, paras. 466-490; 858.

5.5.2.3.1. High market shares and levels of concentration

- (170) The Parties' combined market shares have remained stable at around [30-40%]-[40-50%] over the past 3 years (see Table 4 above). Moreover, GIRA ⁽¹⁷⁶⁾ indicates that the Parties will be the number one player in France based on its overall turnover.
- (171) During its market investigation, the Commission contacted suppliers and potential suppliers on the market to assess their respective strengths and share of the market. In addition, the Commission contacted most foodservice customers active in France.
- (172) The results highlighted a highly concentrated market. As main players, the market investigation identified the Parties and Bridor, followed by other manufacturers such as Neuhauser and Mademoiselle Desserts. ⁽¹⁷⁷⁾
- (173) Foodservice customers in France confirmed this structure and submitted that they have limited alternative manufacturers other than the Parties. Vandemoortele, Délifrance, and Bridor were the most commonly listed suppliers with respect to laminated dough products in France followed by a distant fourth supplier (Neuhauser) and a large number of small players. ⁽¹⁷⁸⁾
- (174) In addition, competitors explained that the market was very consolidated and difficult to enter. One competitor explained that the Transaction would be a *"Combination between two of the largest players for butter based laminated dough. It will be very hard and complex to enter in the French and EU markets. There is not production capacity available in the market and the concentration among big players is very high (Bridor, VDM, Delifrance, Neuhauser)."* ⁽¹⁷⁹⁾
- (175) Accordingly, the majority of the responding foodservice customers and competitors indicated that the Transaction would have a negative impact on the price of laminated dough products in France. ⁽¹⁸⁰⁾
- (176) In light of the above, the Commission considers that, post-Transaction, there will be two suppliers (the Parties and Bridor) controlling a large share of the market. While there will be some smaller manufacturers available on the market post-Transaction, considering their size, they are unlikely to be viable alternatives and credibly constrain both the Parties and Bridor in such a concentrated market.

5.5.2.3.2. Insufficient out-of-market constraints

- (177) The geographic scope of the market for the manufacturing and supply of laminated dough products to foodservice customers is national. Nonetheless, as submitted by the Notifying Party, ⁽¹⁸¹⁾ several suppliers operate production facilities in neighbouring countries and as such, may be in a position to step-in to mitigate a potential price increase post-Transaction.

⁽¹⁷⁶⁾ Form CO - Annex 5.4 – F – GIRA Bake – off Bakery report for France, p.10.

⁽¹⁷⁷⁾ Market investigation questionnaire for competitors, responses to Question F.2; Market investigation questionnaire for customers, responses to Question F.2.

⁽¹⁷⁸⁾ Market investigation questionnaire to customers, response to Question F.2.

⁽¹⁷⁹⁾ Market investigation questionnaire to competitors, response to Question F.5.

⁽¹⁸⁰⁾ Market investigation questionnaire to customers, response to Question F.5; market investigation questionnaire to competitors, response to Question F.5.

⁽¹⁸¹⁾ Form CO, paras 416-419.

- (178) However, similarly to Section 5.5.1.3 above, the results of the market investigation, indicate that this is not the case. Indeed, the majority of competitors indicated that they supplied the French foodservice market with laminated dough products manufactured in their French facilities while the remaining competitors only supply minimal quantities from their facilities located outside of France (e.g. Spain and Portugal).⁽¹⁸²⁾ This means that the possibility for suppliers to step in should prices increase in France appears to be remote, in particular in light of the investments required to enter the market by setting up a local production facility.
- (179) The Parties' activities also illustrate the limited impact that out-of-country supply has on the market. Indeed, [...] of Délifrance's volumes supplied to France originate from its production facilities located in France and more than [...] of Vandemoortele's volumes supplied to French foodservice customers come from French facilities.⁽¹⁸³⁾ This is in line with the submissions of other market participants and confirms the very limited out-of-market constraint from manufacturers located outside of France.
- (180) Such minimal constraint is therefore insufficient to alter the dynamics of the market mentioned in paragraph (176) above.

5.5.2.3.3. Limited capacity and expansion available in the short to medium terms

- (181) The Notifying Party submitted that significant capacity was expected to become available on the market, but the results of the market investigation did not confirm this (see paragraphs (143) to (148)).
- (182) There is very limited spare capacity currently available and expansion plans are unlikely to materially change the structure of the market in the short to medium terms.⁽¹⁸⁴⁾
- (183) Thus, the available spare capacity and competitors' expansion plans are insufficient to prevent the Transaction from significantly impeding effective competition with respect to the manufacture and supply of laminated dough products to foodservice customers in France.

5.5.2.3.4. The Parties are close competitors

- (184) Vandemoortele and Délifrance both manufacture and supply laminated dough products to foodservice customers in France. At product level, many of the products in the Parties' respective offering are nearly identical.⁽¹⁸⁵⁾ These products can further all be produced on the same production lines which both Délifrance and Vandemoortele operate respectively.
- (185) Several internal documents show [information on the Parties' positioning vis-à-vis each other].⁽¹⁸⁶⁾⁽¹⁸⁷⁾

⁽¹⁸²⁾ Market investigation questionnaire to competitors, response to Question F.1.

⁽¹⁸³⁾ Form CO – Annex 8.1.4-D – Volume of laminated dough supplied in France and Italy by the Parties.

⁽¹⁸⁴⁾ Market investigation questionnaire for competitors, responses to Question E.5.

⁽¹⁸⁵⁾ Form CO – Annex 6.2 – D – Parties sales in Italy and France (per product).

⁽¹⁸⁶⁾ Annex 5.4-B-2 - [internal document of Délifrance], slide 8 and 24. Annex 5.4-B-4 - [internal document of Délifrance], slide 5. Vandemoortele_Délifrance - Annex 5.4-B-8 - [internal document of Délifrance], slide 7. Vandemoortele_Délifrance - Annex 5.4-B-9 - Competition Review February 2025, slide 5 and 9.

⁽¹⁸⁷⁾ Form CO, Annex 5.4-A-4, slide 2.

- (186) The results of the market investigation also demonstrate that Vandemoortele and DéliFrance compete closely with each other and with Bridor. In particular, the Parties and Bridor each operate substantial domestic production capacity in France from which they supply significant volumes nationwide. Moreover, the majority of competitors and customers rank DéliFrance, Vandemoortele, and Bridor at a comparable level with respect to their respective competitive offering taking into account price, quality, products offering, capacity, scale, and reliability, ⁽¹⁸⁸⁾ which confirms the existence of a close competitive relationship between the three entities.
- (187) Finally, the customer base of Vandemoortele and DéliFrance overlaps to a great extent with [55-65%] of their top [...] customers overlapping. ⁽¹⁸⁹⁾
- (188) In light of the above, the Commission considers that Vandemoortele and DéliFrance are close competitors on the market for the manufacture and supply of laminated dough products to foodservice customers in France.

5.5.2.3.5. Insufficient buyer power to counter Vandemoortele's market power

- (189) The French foodservice sector is not as concentrated as the retail sector. Indeed, as submitted by the Notifying Party, five foodservice customers represent less than 50% of the total sector, ⁽¹⁹⁰⁾ and the remainder of the market is very fragmented.
- (190) In addition, several foodservice customers have indicated that their supply contracts are usually concluded for multiple years at a time as they prefer to establish a long-term partnership with their supplier. ⁽¹⁹¹⁾ Switching supplier is therefore less frequent.
- (191) In any case, as discussed above in Section 5.5.2.3.1, foodservice customers have a very limited number of alternatives to Vandemoortele and DéliFrance and therefore could not credibly threaten to switch to an alternative supplier. This is even more so as alternative suppliers have low spare capacity, per the analysis at paragraph (183).
- (192) Finally, the possibility for customers to sponsor entry is also not particularly credible as sponsoring new entry would require the addition of new production lines or the building of new production facilities in France which, based on the results of the market investigation mentioned above, would take over two years to complete and costs over EUR 15 million. ⁽¹⁹²⁾
- (193) In light of the above, the Commission considers there is insufficient countervailing buyer power to prevent Vandemoortele from significantly impeding competition post-Transaction.

⁽¹⁸⁸⁾ Market investigation questionnaire to customers, response to Question F.2; market investigation questionnaire to competitors, response to Question F.2.

⁽¹⁸⁹⁾ Annex RFI-11 Q-7 "Parties sales to customers by production facility".

⁽¹⁹⁰⁾ Form CO para. 482.

⁽¹⁹¹⁾ Minutes from a conference call of 9 July 2025 with a customer (foodservice).

⁽¹⁹²⁾ Market investigation questionnaire for competitors, responses to Question E.6.

5.5.2.4. Conclusion

- (194) In view of the Parties large market share, the limited number of competitors, the low spare capacity, and the absence of significant buyer power, the Commission considers that the Transaction raises serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of laminated dough products to foodservice customers in France.

5.5.3. *Manufacture and supply of standard white bread to retailers*

- (195) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of standard white bread to retailers in France.

5.5.3.1. Market shares

- (196) According to GIRA, the Parties hold [50-60%] of the market for the manufacture and supply of standard white bread supplied to retail customers in France in 2024. Délifrance's share amounts to [0-5%], out of a total market size of [...]kT.
- (197) However, the Parties contested the reliability of the above total market size estimate and proposed a bottom – up approach based on the tendered volumes of some of the major French retailers, as well as an ad hoc report from Worldpanel commissioned by Vandemoortele and expert market insights.⁽¹⁹³⁾ Using this approach, the total market size would amount to [...]kT and lead the Parties' combined market share to drop to [30-40%] with Délifrance's share amounting to [0-5%].
- (198) Following a thorough analysis, the Commission considers that the Notifying Party's methodology consistently and robustly supports the proposed alternative market size of [...] kT. In particular, the Notifying Party effectively challenged the GIRA data by relying on duly substantiated tender volume information from two major French retailers, demonstrating that GIRA significantly overestimated their purchases of standard white bread products by reporting that these two retailers alone accounted for more than [...] of total purchases.⁽¹⁹⁴⁾ By contrast, the Parties' estimates based on a total market size of [...] kT are coherent with the observed market structure.
- (199) Given the substantial difference in market size captured through the evidenced bottom-up approach – contrary to the limited market size variation proposed in paragraphs (113) to (117) above regarding laminated dough products in France – the Commission considers it appropriate to rely on the Notifying Party's estimates for standard white bread supplied to retailers, which are as follows:

⁽¹⁹³⁾ Form CO – Annex 6.2-F-2 – France – market size estimate for standard white bread (retail).. Expert market insights include Kantar, Circana, Nielsen IQ and Lineaires.

⁽¹⁹⁴⁾ [Confidential information regarding the Parties' customers].

Table 5: Market share estimates for standard white bread supplied to retail customers in France

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délic France	[0-5%]	[0-5%]	[0-5%]
Vandemoortele Group	[30-40%]	[30-40%]	[40-50%]
Combined	[30-40%]	[40-50%]	[40-50%]

Source: Annex 6.2-A to the Form CO.

(200) The combined market share of the Parties is [30-40%] in 2024, with an increment of only [0-5%]. Regardless of the estimation method – whether based on GIRA’s analysis ([0-5%]) or the Notifying Party’s figures ([0-5%]) – Délic France’s market share remains limited and is not likely to materially affect the following competitive assessment and the structural dynamics of the industry.

5.5.3.2. The Notifying Party’s views

(201) The Notifying Party submits that the Transaction is unlikely to cause competition concerns in relation to the manufacture and supply of standard white bread to retail customers in France for the following reasons.

(202) *First*, market shares are below a threshold for concern set out in the Commission’s Horizontal Merger Guidelines at which competition concerns may typically be expected to arise in horizontal merger cases. The increment is also limited at [0-5%]. In any event, market shares present a static view that is not necessarily a useful indicator of competitiveness, as customers frequently re-issue tenders or renegotiate for significant amounts of purchase volumes and hence shares are rather volatile. ⁽¹⁹⁵⁾

(203) *Second*, post-transaction, there will remain a large number of competitors including Neuhauser ([20-30%]-[30-40%]), Menissee ([5-10%]-[10-20%]), Novepan ([5-10%]-[10-20%]) and numerous other smaller players. Moreover, major players in the industry recently completed or announced significant investments indicating that they will continue to exercise competitive pressure and there is sufficient capacity to supply. ⁽¹⁹⁶⁾

(204) *Third*, end-customers (consumers) are price-sensitive and retail clients enjoy significant buyer power due to the sector’s high level of concentration. They are well informed, source from more than one supplier, conduct regular benchmarking exercises and employ sophisticated procurement techniques. ⁽¹⁹⁷⁾

(205) *Fourth*, the Parties are not particularly close competitors, as they have different value propositions, product focuses, and business models. In addition, among the top [...] combined customers of the Parties for standard white bread in retail in France, customer overlap is limited to only [35-45% of] retailers. For [...] of these, the increment is very small – ranging from [...] kT to [...] kT – so these retailers would have no difficulty reallocating such minor volumes to alternative suppliers. ⁽¹⁹⁸⁾

⁽¹⁹⁵⁾ Form CO, paras 505-506.

⁽¹⁹⁶⁾ Form CO, paras 507-519.

⁽¹⁹⁷⁾ Form CO, paras 520-526.

⁽¹⁹⁸⁾ Form CO, paras 527-530.

- (206) *Fifth*, the affected market is characterized by absence of barriers to entry and expansion. Growing imports from countries such as Belgium, Germany, Italy, Spain and UK have further increased the market's exposure to foreign suppliers.

5.5.3.3. The Commission's assessment

- (207) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the market for the manufacture and supply of standard white bread to retail customers in France, for the following reasons.
- (208) *First*, although the Parties will have a market share of around [40-50%] in the market for the manufacture and supply of standard white bread supplied to retail customers in France, the increment contributed by Délifrance is very limited - only [0-5%] - which indicates that it plays a limited role in this affected market.
- (209) *Second*, as submitted by the Notifying Party, post-Transaction, there will remain a large number of competitors including Neuhauser ([20-30%]-[30-40%]), Meniszez ([5-10%]-[10-20%]), Novepan ([5-10%]-[10-20%]) and numerous other smaller players. ⁽¹⁹⁹⁾ The Notifying Party's submission seems consistent with the results of the Commission's market investigation. Indeed, customers identified several suppliers that will be able to meet their volume requirements of standard white bread products following the Transaction, including: Bridor, Europe des Pains, Lantmannen, Meniszez, Neuhauser, Novepan. ⁽²⁰⁰⁾
- (210) *Third*, Customers and competitors also consider that the competitive offering of Bridor, Neuhauser and Meniszez is comparable to that of the Parties or even better than Délifrance. ⁽²⁰¹⁾ Several competitors noted that they supply standard white bread products to retail customers in France, ⁽²⁰²⁾ confirming the customers' submission that they have several alternative suppliers available, predominantly based in France. ⁽²⁰³⁾
- (211) *Finally*, the vast majority of responding customers considered that the Transaction would either have no impact or a positive impact on the market for the manufacture and supply of standard white bread to retailers in France. ⁽²⁰⁴⁾
- (212) In light of the above, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of standard white bread to retail customers in France.

⁽¹⁹⁹⁾ Form CO, paras 507-519.

⁽²⁰⁰⁾ Responses to the Market Questionnaire for Customers, Question G.4.

⁽²⁰¹⁾ Responses to the Market Questionnaire for Customers, Question G.3.

⁽²⁰²⁾ Responses to the Market Questionnaire for Competitors, Question G.1.

⁽²⁰³⁾ Responses to the Market Questionnaire for Competitors, Question G.1.

⁽²⁰⁴⁾ Responses to the Market Questionnaire for Customers, Question G.4.

5.6. Horizontally affected markets in Germany

5.6.1. Manufacture and supply of laminated dough products to foodservice customers

- (213) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of laminated dough products to foodservice customers in Germany.

5.6.1.1. Market shares

Table 6: Market share estimates for laminated dough products supplied to foodservice customers in Germany

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délicfrance	[20-30%]	[10-20%]	[10-20%]
Vandemoortele Group	[10-20%]	[10-20%]	[20-30%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

5.6.1.2. The Notifying Party's views

- (214) The Notifying Party submits that no competition concerns arise with respect to the manufacture and supply of frozen morning goods (and all potential sub-segmentations) to foodservice customers including in Germany for the following reasons. ⁽²⁰⁵⁾
- (215) *First*, there are sufficient alternative suppliers active in each of the affected markets which can constrain the Parties post-Transaction. ⁽²⁰⁶⁾ In Germany, there are several market players with manufacturing sites which produce frozen morning goods (including laminated dough products), such as Aryzta, Bridor, Lantmännen Unibake and Baker & Baker. ⁽²⁰⁷⁾ Aryzta and Bridor have also recently expanded their production capacity in Germany for frozen morning goods, including laminated dough products. ⁽²⁰⁸⁾ In addition, the Notifying Party estimates that approximately [...] kT of production capacity is currently available across Europe for laminated dough products alone, and that significant investments have been made to expand capacity. ⁽²⁰⁹⁾ Since these products can be transported over distances of up to approximately [...] km, the Notifying Party argues that considerable production capacity will be available across each of the affected markets, including Germany. ⁽²¹⁰⁾
- (216) *Second*, customers enjoy significant buyer power as they can easily switch volumes from one supplier to another and therefore exert competitive pressure on suppliers. Specifically, the foodservice customer base in Germany tends to be

⁽²⁰⁵⁾ Form CO, para. 333 *et seq.*

⁽²⁰⁶⁾ Form CO, para. 335.

⁽²⁰⁷⁾ Form CO, para. 717.

⁽²⁰⁸⁾ Form CO, para. 920 and Table 91.

⁽²⁰⁹⁾ Form CO, para. 917 and para. 920.

⁽²¹⁰⁾ Form CO, para. 336.

fairly concentrated and characterised by large wholesalers which are able to negotiate low prices. ⁽²¹¹⁾

- (217) *Third*, the Parties are not particularly close competitors, as they have different value propositions, product focuses and business models in each of the affected markets. ⁽²¹²⁾

5.6.1.3. The Commission's assessment

- (218) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects on the market for the manufacture and supply of laminated dough products to foodservice customers in Germany, for the following reasons.

- (219) *First*, although the Parties will become the largest supplier of laminated dough products to foodservice customers in Germany with a market share of [30-40%], sufficient credible competitors will continue to constrain the Parties post-Transaction. These competitors are located in and out of Germany and include Aryzta (with [10-20%]-[20-30%] market share), Bridor and Wolf Butterback ([10-20%]-[10-20%] each), and Neuhauser, Lantmänner Unibake, and Europastry ([5-10%]-[10-20%] each). ⁽²¹³⁾

- (220) The results of the market investigation confirm this fragmented landscape as most customers indicated that there would remain sufficient alternative suppliers following the Transaction and that they could also procure their laminated dough products from outside of Germany. ⁽²¹⁴⁾ In addition, various competitors, both located in and out of Germany, noted that they offer laminated dough products to the foodservice sector in Germany, confirming the customers' submission that they have access to several alternative suppliers. ⁽²¹⁵⁾

- (221) *Finally*, the majority of customers and several competitors considered that the Transaction will have no impact on the market for the manufacture and supply of laminated dough products to foodservice customers in Germany. ⁽²¹⁶⁾

- (222) In light of the above, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of laminated dough products to foodservice customers in Germany.

5.7. Horizontally affected markets in Italy

5.7.1. *Manufacture and supply of standard white bread to retailers*

- (223) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of standard white bread to retailers in Italy.

⁽²¹¹⁾ Form CO, para. 1221.

⁽²¹²⁾ Form CO, para. 342.

⁽²¹³⁾ Market share estimates provided by the Parties in Annex 6.2-E to the Form CO.

⁽²¹⁴⁾ Responses to the Market Questionnaire for Customers, Question O.1-1.

⁽²¹⁵⁾ Responses to the Market Questionnaire for Competitors, Question O.1-1.

⁽²¹⁶⁾ Responses to the Market Questionnaire for Customers, Question O.1-3; Responses to the Market Questionnaire for Competitors, Question O.1-3.

5.7.1.1. Market shares

- (224) According to GIRA database, the Parties hold a combined [70-80%] market share in 2024 for standard white bread supplied to retailers in Italy, with Délifrance contributing to [10-20%] out of a total market size of [...]kT. ⁽²¹⁷⁾
- (225) However, the Parties contested the reliability of the above total market size estimate and proposed an alternative approach. The Parties contested GIRA's assumption that the penetration of standard white bread products out of the total frozen bread is the same across the two channels – retail and foodservice – and proposed an alternative split based on the Parties' data split and that of the biggest competitor. The changes of this approach led to a bigger market for 2024 with an alternative combined market share of [30-40%] – out of a total market size of [...] kT – with an increment from Délifrance of [5-10%].
- (226) After a thorough analysis, the Commission observes that the Parties' methodology is not appropriate to estimate the total market size for standard white bread products. This is because it is based on the Parties' own segment positioning – namely, a business more heavily focused on standard white bread than on other types of bread – which is not representative of overall market behaviour. In doing so, the Parties assumed that, because their frozen bread business relies primarily on standard white bread products rather than other bread products, the same would apply to other competitors. ⁽²¹⁸⁾ The Commission does not consider that this assumption is correct because there is evidence showing that several competitors in the industry focus exclusively, or to a greater extent, on other bread products rather than on standard white bread in Italy. ⁽²¹⁹⁾
- (227) To determine the market size, the Commission collected information about the volumes of standard white bread products effectively purchased by retail customers in Italy ⁽²²⁰⁾. The responses received from retailers representing around 30% of purchased volumes indicate that the Parties hold a combined market share of around [50-60%], with Délifrance accounting for approximately [5-10%].
- (228) As a result, the Parties' combined market shares are likely to be above 50%. Regardless of the precise market share figures adopted, they would not materially affect the assessment of the competitive dynamics in the industry, as the structural features of the market remain unchanged, as discussed in the following section.

5.7.1.2. The Notifying Party's views

- (229) *First*, as explained in paragraph (225) above, the Notifying Party submits that the market size for standard white bread is approximately [...] kT, resulting in a combined market share of 30% for the Parties, with a limited increment of [5-10%] contributed by Délifrance. ⁽²²¹⁾

⁽²¹⁷⁾ Annex 5.4-I - GIRA Bake-off Bakery database for 2024.

⁽²¹⁸⁾ As explained in para. (94), at sub-segment level, GIRA does not provide a breakdown between retail and foodservice and therefore it assumes that the split mirrors that of the corresponding broader main category. For frozen bread in Italy, GIRA indicates that 73% of volumes are sold to retail customers and that standard white bread products account for only 25% of the total frozen bread category. By contrast, the Parties submit that standard white bread products represent 66% of the total frozen bread category, which results in a significantly larger market size estimate.

⁽²¹⁹⁾ For example, minutes from a call of 17 October 2025 with a customer (retailer).

⁽²²⁰⁾ Responses to the Market Questionnaire for Customers, Question J.1.

⁽²²¹⁾ Form CO, para. 691; and, Paper on Standard White Bread – Italy (Retail) of 10 October 2025.

- (230) *Second*, retail customers do not require standard white bread to be manufactured in Italy, and as a result, imports are very common in this market. Local production and a “made in Italy” label are not implicit requirements for a company to be considered a credible supplier to Italian retailers. ⁽²²²⁾
- (231) Both Délifrance and Vandemoortele and other suppliers import standard white bread into Italy from other plants in Europe. In FY2023/24, [...] of Délifrance’s volumes of standard white bread sold to Italian retail were imported, approximately [...] of which was sourced from third parties with the remainder produced mainly in Délifrance’s facilities in [details on Délifrance’s production facilities]. ⁽²²³⁾
- (232) *Third*, Délifrance is not a systemically relevant supplier in the standard white bread retail segment in Italy. ⁽²²⁴⁾
- (233) *Fourth*, limited customer overlap in 2024 demonstrates that the Parties are not close competitors. The overlap amongst the top [...] customers in 2024 was limited to just [45-55%] customers and in all cases, Délifrance volumes were marginal ([confidential information on volumes supplied by Délifrance to customers in Italy]). None of these customers will have any difficulty in moving these volumes (and more) to other suppliers. [Confidential information on volumes supplied by Délifrance to customers in Italy]. ⁽²²⁵⁾
- (234) *Fifth*, the Parties will continue to face stiff competition from several other players, in particular from its largest rival, Panificio San Francesco. Many local players have a track record of winning volumes away from the Parties. Furthermore, large domestic and international players that are supplying standard white bread to the neighbouring foodservice channel (including Sammontana/Forno d'Asolo, La Lorraine, Baker, and San Giorgio) would readily supply standard white bread to retail customers if the Parties were to attempt to increase prices. ⁽²²⁶⁾
- (235) *Sixth*, the ability of customers to switch volumes to fresh bread additionally exerts competitive pressure on the Parties and other frozen standard white bread suppliers, as many retailers have in-house production capacities and use in-house baking as part of their marketing strategy for customers. This is particularly the case in Italy, where the penetration of fresh products is greater than 80% in retail bread supply. [Confidential information on Vandemoortele’s customers in Italy]. ⁽²²⁷⁾
- (236) Moreover, customers have significant buyer power, with Italian retailers typically multi-sourcing from various different suppliers. They regularly renegotiate or issue tenders, as evidenced by volume lost by the Parties to several rivals between 2023-2025. Moreover, the market is rapidly evolving. International tendering is on the increase (recent examples include [Parties’ customers]), and negotiations with national retailers is increasingly reflecting pressure from international suppliers from neighbouring markets. Their individual volumes are such that they could readily sponsor new market entry including from the large industrial suppliers that are not currently present in the retail channel. ⁽²²⁸⁾

⁽²²²⁾ Ibidem.

⁽²²³⁾ Ibidem.

⁽²²⁴⁾ Ibidem.

⁽²²⁵⁾ [Confidential information on volumes supplied by Délifrance to customers in Italy].

⁽²²⁶⁾ Ibidem.

⁽²²⁷⁾ Ibidem.

⁽²²⁸⁾ Ibidem.

5.7.1.3. The Commission's assessment

- (237) Vandemoortele appears to be one of the biggest players in Italy based on independent industry reports. ⁽²²⁹⁾ Further, Vandemoortele was ranked in terms of competitive offering as the number one on the market by both customers and competitors. ⁽²³⁰⁾ Other players were ranked lower in terms of competitive strength and include Panificio San Francesco, Bakery, Antico Forno della Romagna, Oropan, and Croigel. ⁽²³¹⁾
- (238) In addition, the evidence in relation to the presence of credible alternatives in and outside of Italy is mixed. For example, half of the responding customers considered they have sufficient alternatives for standard white bread, while the other half considered they did not. ⁽²³²⁾ On the competitive pressure from manufacturers outside of Italy, the market investigation shows that some customers procure standard white bread from outside of Italy. This seems to be in line with Vandemoortele's internal documentation, [confidential details on Vandemoortele's view on market dynamics]. ⁽²³³⁾ In contrast, competitors believe it important or essential to have local production facilities in Italy to compete effectively. ⁽²³⁴⁾
- (239) The market investigation also showed that competitors tend to be at full capacity or with low levels of spare capacity. ⁽²³⁵⁾ In addition, while some responding competitors have planned expansions of standard white bread, these tend to be outside of Italy and the market investigation did not confirm whether the new capacity would automatically come to Italy. ⁽²³⁶⁾
- (240) However, while Vandemoortele appears to be the clear leader in Italy and while feedback is mixed as to credible alternatives on the market, there is extensive evidence ⁽²³⁷⁾ that Délifrance's market share as shown in paragraph (224) above might not be representative of its size on the market. Délifrance's position in the EEA (including Italy) for standard white bread appears to have been diminishing over the years and this trend is expected to continue. The following elements support this finding in relation to Italy specifically.
- (241) *First*, Délifrance's internal documents show [confidential details on Délifrance's future plans].
- (242) [Confidential details on Délifrance's future plans]. ⁽²³⁸⁾

⁽²²⁹⁾ Form CO, Annex 5.4-G, GIRA Bake-off Bakery report for Italy, slide 17.

⁽²³⁰⁾ Market investigation questionnaire to competitors, response to Question J.10; and, Market investigation questionnaire to customers, response to Question J.6.

⁽²³¹⁾ Market investigation questionnaire to competitors, response to Question J.10; and, Market investigation questionnaire to customers, response to Question J.6.

⁽²³²⁾ Market investigation questionnaire to customers, response to Question J.5.

⁽²³³⁾ Form CO, Annex 9.1.I-I - Vandemoortele - Italy Business Review Report of 10 April 2025, slide 26.

⁽²³⁴⁾ Market investigation questionnaire to competitors, response to Question J.14; Market investigation questionnaire to customers, response to Question J.11.

⁽²³⁵⁾ Market investigation questionnaire to competitors, response to Question J.8.

⁽²³⁶⁾ Market investigation questionnaire to competitors, response to Question J.4.

⁽²³⁷⁾ This includes production data from Délifrance, internal documents and calls with Délifrance's management and business team.

⁽²³⁸⁾ Form CO, Annex 5.4-B-3, and Response to Question 1 of RFI 20. [Confidential details on Délifrance's future plans] (Form CO, Annex 5.4-B-5, and response to Question 1 of RFI 20, submitted on 26 November 2025).

(243) [Confidential details on Délifrance's future plans]. ⁽²³⁹⁾

(244) [Confidential details on Délifrance's future plans]. ⁽²⁴⁰⁾

Figure 5: Délifrance's internal document on classic bread

[Confidential details on Délifrance's future plans]

Source: Form CO, Annex 5.4-A-13

(245) [Confidential details on Délifrance's future plans]: ⁽²⁴¹⁾

Figure 6: Délifrance's production data for bread on the Liscate site

[Confidential details on Délifrance's future plans]

Source: Paper on Délifrance strategy in relation to standard white bread in Italy, para. 20.

(246) [Confidential details on Délifrance's future plans]. ⁽²⁴²⁾

(247) [Confidential details on Délifrance's future plans]. ⁽²⁴³⁾

(248) [Confidential details on Délifrance's future plans].

Table 7: Délifrance's sales of standard white bread in Italy

SWB Italy (Retail)	Sales (kT)			
	CY2025 ⁽²⁴⁴⁾	FY2023/24 ⁽²⁴⁵⁾	FY2022/23	FY2021/22
Total Italian production ⁽²⁴⁶⁾	[...]	[...]	[...]	[...]
Total imported production ⁽²⁴⁷⁾	[...]	[...]	[...]	[...]
Sourced from third parties ⁽²⁴⁸⁾	[...]	[...]	[...]	[...]
Total	[...]	[...]	[...]	[...]

Source: paper on Délifrance strategy in relation to standard white bread in Italy, para. 7

⁽²³⁹⁾ Annex - RFI -12-Q-3 - LD and FB prices and margins as submitted on 12 December 2025, and Form CO, Annex 9.1-V-D.

⁽²⁴⁰⁾ [Confidential details on Délifrance's future plans] as shown in Form CO, Annex 5.4-A-13, p. 105.

⁽²⁴¹⁾ [Confidential details on Délifrance's future plans] submitted on 20 November 2025, para. 20.

⁽²⁴²⁾ Annex RFI-20 Q1-B and response to Question 1 of RFI 20 submitted on 26 November 2025. Please see also Annex RFI-20 Q1-C.

⁽²⁴³⁾ Form CO, footnote 181, and Response to RFI 12 submitted on 7 November 2025 and re-submitted on 12 December 2025. [Confidential details on Délifrance's supply from third-party manufacturers] (Form CO, footnote 461).

⁽²⁴⁴⁾ Calendar Year, volume annualised based on Délifrance's sales for S1 2025 (paper on Délifrance strategy in relation to standard white bread in Italy, footnote 3).

⁽²⁴⁵⁾ Note that sales for Financial Year can slightly differ from the ones for the same Calendar Year.

⁽²⁴⁶⁾ [Information on Délifrance's plants].

⁽²⁴⁷⁾ [Information on Délifrance's plants].

⁽²⁴⁸⁾ [Information on Délifrance's sales in Italy] (Form CO, footnote 181, and Paper on Standard White Bread – Italy (Retail) of 10 October 2025).

- (249) *Fourth*, DéliFrance’s reduced presence is also reflected in its updated market shares for 2025, which went from [10-20%] to [5-10%] for Italy – following GIRA’s estimates – or from [5-10%] to [0-5%] following the market size results of the market investigation. ⁽²⁴⁹⁾
- (250) All these elements show that DéliFrance is not an important competitive force on the market given that, [confidential details on DéliFrance’s future plans].
- (251) On the basis of the above, the Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of standard white bread to retail customers in Italy.

5.7.2. *Manufacture and supply of laminated dough products to retailers*

- (252) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of laminated dough products to retailers in Italy.

5.7.2.1. Market shares

Table 8: Market share estimates for laminated dough products supplied to retail customers in Italy

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
DéliFrance	[5-10%]	[5-10%]	[0-5%]
Vandemoortele Group	[40-50%]	[40-50%]	[40-50%]
Combined	[50-60%]	[50-60%]	[40-50%]

Source: Annex Annex 5.4-I and Annex 6.2-A to the Form CO

- (253) The combined market share is [50-60%] in 2024 – out of a total market size of [...]kT – with an increment of [5-10%].
- (254) The Notifying Party contested the reliability of the above total market size estimate and proposed an alternative approach using Nielsen IQ data from an ad hoc study conducted for Vandemoortele. ⁽²⁵⁰⁾ The latter considers a bigger market size for 2024 with a combined market share of [30-40%] – out of a total market size of [...]kT – with an increment of [5-10%]. ⁽²⁵¹⁾
- (255) Following a thorough analysis, the Commission considers that the original market share estimates provided by GIRA are more appropriate. GIRA publishes one of the industry’s leading annual reports and draws on consistent and robust market intelligence accumulated over several years. Relying on this source ensures coherence in both the data and the definitions applied across the different product markets examined in this case. Furthermore, given the relatively small size of the laminated dough market in Italy – amounting to only a few dozen kT – minor variations of a few kT are difficult to interpret reliably.
- (256) Moreover, GIRA’s estimate of a combined market share of [50-60%] is consistent with the concerns expressed by customers and competitors during the market

⁽²⁴⁹⁾ Annex 5.4-I - GIRA Bake-off Bakery database for 2024; Market investigation questionnaire for competitors, responses to Question J.1.

⁽²⁵⁰⁾ Form CO – Annex 6.2-F-5 – NIQ Vandemoortele market sizing 2024 report.

⁽²⁵¹⁾ Form CO – Annex 6.2-A – Market shares overview.

investigation, as described in the following section. In light of this, the Commission considers the GIRA database to provide the most reliable basis for its assessment and will therefore rely on the GIRA data, as presented in Table 8.

5.7.2.2. The Notifying Party's views

- (257) The Notifying Party raised various arguments in relation to laminated dough products for retail customers in Italy. ⁽²⁵²⁾ These are summarised as follows ⁽²⁵³⁾:
- (258) *First*, laminated dough is a niche segment in the Italian retail market (amounting to only [...] kT) Based on this market size, the Parties' combined share on this basis would [30-40%] with a [5-10%] increment.
- (259) *Second*, the Parties are not close competitors. DéliFrance sells mainly butter-based French style products whereas the majority of Vandemoortele's products are mélange croissants (mainly margarine with a bit of butter) or specialties (e.g., maple pecan).
- (260) *Third*, there are various alternative suppliers on the market that can offer laminated dough products. On the one hand, the Notifying Party lists as domestic manufacturers Ferrero-Fresystem, Sammontana/Forno d'Asolo, San Giorgio and Jesol Dolce. On the other hand, there are also European industrial players (including Bridor, Gourmand Pastries, La Lorraine and Baker & Baker) active in Italy. These players are already present in the Italian foodservice channel and can readily supply to retail in response to any hypothetical increase in price. Competitors already in the market can readily match the Parties' total laminated dough retail volumes in Italy (i.e., below [...] kT in 2024). To support this, the Notifying Party submitted that Ferrero-Fresystem would have an estimated market share of [20-30%]-[20-30%], followed by Sammontana/Forno d'Asolo with [10-20%]-[10-20%], La Lorraine with [5-10%]-[10-20%], Baker & Baker with [5-10%]-[10-20%], Jesol Dolce with [0-5%]-[0-5%] and San Giorgio with [0-5%]-[0-5%] in 2024. ⁽²⁵⁴⁾
- (261) *Fourth*, there is no requirement to have manufacturing facilities in Italy. These products travel long distances, as shown by the Parties' internal data. Other foreign suppliers have established a strong and growing presence in Italy. Major international players such as Baker & Baker, La Lorraine, Gourmand Pastries, and Bridor have successfully entered and expanded in Italy, leveraging large-scale production sites across Europe to supply Italian customers competitively.
- (262) *Fifth*, DéliFrance is not systemically relevant. Its 2024 sales were less than [...] kT in total. As an example, the Notifying Party explains that, across the [...] of the top [...] customers where there is an overlap, the increment is "de minimis", with volumes below [...]kT.

⁽²⁵²⁾ The Commission notes that the Notifying Party also made a submission in relation to frozen morning goods for Italy as a broader market (Form CO, paras. 543 et seq.). For the purpose of the current summary, the Commission will only provide the elements raised by the Notifying Party in relation to laminated dough products specifically.

⁽²⁵³⁾ Form CO, paras. 594 et seq.

⁽²⁵⁴⁾ Table 2 of the Paper on Laminated Dough-based Frozen Morning Goods – Italy (retail), and Form CO, Table 54.

5.7.2.3. The Commission's assessment

5.7.2.3.1. High market shares and levels of concentration

- (263) Table 8 above shows that the Parties' combined market share amount to [50-60%] in 2024, which is at its highest compared to 2023 ([50-60%]) and 2022 ([40-50%]). Similarly to the findings for France, this consistently high market share over the years tends to indicate that Vandemoortele will hold market power post-Transaction. This is consistent with the Parties' estimates for the Transaction, indicating that they will be the number one player in Italy post-Transaction. ⁽²⁵⁵⁾
- (264) The Commission contacted the Parties' competitors and customers to assess their respective strengths on the market for laminated dough products in Italy for the retail channel. The market investigation provided the following results.
- (265) The market investigation showed that the market for laminated dough products in Italy is highly concentrated with at best four main players on this market: Vandemoortele, DéliFrance, Sammontana and Ferrero-Fresystem. Other players seem to be small or marginal, not matching the strength of the Parties or other two main players. ⁽²⁵⁶⁾
- (266) Feedback from customers, which listed Vandemoortele and Sammontana as the top two players, followed by DéliFrance and Ferrero-Fresystem in third and fourth position respectively, confirmed this finding. A customer replied, for example, that: *"Apart from VDM and Delifrance, who represent the 80% of this business, the other suppliers are too small or even local, to be a real alternative."* ⁽²⁵⁷⁾
- (267) Feedback from competitors is similar. They indicated that the combination takes place *"between the two of the largest players for butter based laminated dough"* and will lead to *"less choice for consumers"* giving Vandemoortele a *"dominant position meaning their ability to influence market pricing and choice is significant"*. ⁽²⁵⁸⁾
- (268) In light of the above, the Commission considers that, post-Transaction, Vandemoortele is likely to become the leading player, followed by Sammontana and Ferrero-Fresystem.

5.7.2.3.2. Vandemoortele and DéliFrance are close competitors

- (269) The market investigation did not support the Notifying Party's submission that Vandemoortele and DéliFrance are not close competitors. This is based on the following evidence.
- (270) *First*, the market investigation indicated that Vandemoortele and DéliFrance are considered as credible alternatives to each other. Customers considered that DéliFrance is an alternative to Vandemoortele, alongside Sammontana. Similarly, a majority of customers consider that Vandemoortele is an alternative to DéliFrance. ⁽²⁵⁹⁾ The other players (e.g. Ferrero-Fresystem) are seen to be as less close or credible.

⁽²⁵⁵⁾ Case M.11974 - Form CO - Annex 5.4-A-8 - [internal document of Vandemoortele].pptx.

⁽²⁵⁶⁾ Market investigation questionnaire to competitors, response to Question H.8; Market investigation questionnaire to customers, response to Question H.6.

⁽²⁵⁷⁾ Market investigation questionnaire for customers, response to Question H.7.

⁽²⁵⁸⁾ Market investigation questionnaire for competitors, response to Question H.15.1.

⁽²⁵⁹⁾ Market investigation questionnaire for customers, response to Question H.8.1. and H.8.2.

- (271) *Second*, the market investigation indicated that the Parties’ respective products are similar in nature and interchangeable. In particular, results indicate that butter-based croissants (produced by Délifrance) and “cornettis” (produced by Vandemoortele) are close substitute. ⁽²⁶⁰⁾ For example, a customer explained that “*in Italy cornetti and croissant are same articles*”. ⁽²⁶¹⁾
- (272) In light of the above, the Commission considers that Vandemoortele and Délifrance are close competitors on the market for the manufacture and supply of laminated dough products to retailers in Italy.

5.7.2.3.3. Insufficient out-of-market constraints

- (273) The geographic scope of the market for the manufacture and supply of laminated dough products to retailers is national. Nonetheless, as submitted by the Notifying Party, ⁽²⁶²⁾ several suppliers operate production facilities in neighbouring countries and as such could step in to mitigate a potential price increase post-Transaction.
- (274) On the one hand, all responding retail customers said that they procure less than 15% of their laminated dough products from outside of Italy. ⁽²⁶³⁾ This shows that customers will not procure most of their products from suppliers located outside of Italy and will rather purchase such products from players that are based within the country.
- (275) On the other hand, the market investigation established that a majority of competitors consider it important – if not essential – to have production facilities located in Italy to effectively compete in Italy. ⁽²⁶⁴⁾ Manufacturers of laminated dough products explain that: “*Having a production facility in Italy is important to compete effectively, as it allows closer alignment with retailer expectations and faster response to market needs. Localization also strengthens credibility with Italian consumers, who place high value on products made in Italy and prefer locally sourced, authentic offerings.*”; “*La presenza del sito produttivo in Italia permette di dare un maggior servizio al cliente*”. ⁽²⁶⁵⁾
- (276) The above shows that competitive constraints from manufacturers located outside of Italy are limited.

5.7.2.3.4. The merger eliminates an important competitive force

- (277) The Commission considers that Délifrance is an important competitive force, which will be removed from the market following the Transaction based on the following elements.
- (278) *First*, as evidenced above, Vandemoortele is the first player on the market, which is highly concentrated with four main players (including Délifrance). The Transaction will remove one of the four main players.
- (279) *Second*, based on evidence provided by the Parties, it appears that [45-55%] of the top [...] customers overlap indicating that Délifrance is a viable alternative to

⁽²⁶⁰⁾ Market investigation questionnaire for customers, response to Question H.14.

⁽²⁶¹⁾ Market investigation questionnaire for customers, response to Question H.14.3.

⁽²⁶²⁾ Market investigation questionnaire for customers, response to Question H.11.1.

⁽²⁶³⁾ Market investigation questionnaire for customers, response to Question H.11.

⁽²⁶⁴⁾ Market investigation questionnaire for competitors, response to Question H.12.

⁽²⁶⁵⁾ Market investigation questionnaire for competitors, response to Question H.12.1.

Vandemoortele for retailers. ⁽²⁶⁶⁾ This is also confirmed by responding customers, who listed Vandemoortele, Sammontana and DéliFrance as the manufacturers that they contract the most with. ⁽²⁶⁷⁾

- (280) *Third*, internal documents show that [confidential details on DéliFrance’s future plans]. ⁽²⁶⁸⁾

Figure 7: DéliFrance’s projected investments

[Confidential details on DéliFrance’s future plans]

Source: Form CO – Annex 5.4-A-13

- (281) [Confidential details on DéliFrance’s future plans]. The Transaction will effectively remove a player that has gained market share in the last years and is clearly refocusing its activities around laminated dough products for Italy.
- (282) In light of the above, the Commission considers that the Transaction will remove an importance competitive force on the market.

5.7.2.3.5. Conclusion

- (283) In light of the above elements, the Commission considers that the Transaction raises serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the market for the manufacture and supply of laminated dough products to retailers in Italy.

5.7.3. Manufacture and supply of laminated dough products to foodservice customers

- (284) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of laminated dough products to foodservice customers in Italy.

5.7.3.1. Market shares

Table 9: Market share estimates of laminated dough products supplied to foodservice customers in Italy

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
DéliFrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[20-30%]	[10-20%]	[10-20%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO.

⁽²⁶⁶⁾ Position Paper on Laminated Dough-based Frozen Morning Goods - Italy (Retail) submitted on 10 October 2025, and Form CO, Table 57.

⁽²⁶⁷⁾ Market investigation questionnaire for customers, response to Question H.8.

⁽²⁶⁸⁾ Form CO – Annex 5.4-A-13, p. 105; and, Paper on DéliFrance strategy in relation to Standard White Bread in Italy of 20 November 2025.

5.7.3.2. The Notifying Party's views

- (285) The Notifying Party submits that the Transaction is unlikely to cause competition concerns in relation to the manufacture and supply of laminated dough products to foodservice customers in Italy for the following reasons.
- (286) *First*, the market shares of the broader segment for frozen morning goods are moderate and, in any case, not a useful indicator of competitiveness. The Parties' combined shares in this market would amount to approximately 25-30% in volume post-transaction. The Notifying Party refers to the Horizontal Merger Guidelines to argue that this is well below the levels at which competition concerns may typically be expected to arise in horizontal merger cases, and only slightly above the "safe harbour" threshold of 25%, below which concentrations are typically presumed not to impede effective competition.⁽²⁶⁹⁾ Further, by reference to laminated dough products specifically, the Notifying Party argues that "*switching volumes from one supplier to another is easy and takes place frequently across products categories*", and that customer bases are concentrated, with a small number of customers often accounting for a significant proportion of the sales. As a result, the Notifying Party suggests that market shares do not fully reflect market dynamics.⁽²⁷⁰⁾
- (287) *Second*, post-transaction, there will remain many competitors with sufficient capacity to supply that will continue to exercise competitive pressure. Referring to the broader segment for frozen morning goods, the Notifying Party argues that the market is highly competitive and features major domestic and international competitors, as well as numerous small- and medium-sized undertakings ("SME"). In foodservice, the Notifying Party argues that competitive pressure is notably exercised by Sammontana/Forno d'Asolo and San Giorgio. Other suppliers who import frozen morning goods from neighbouring countries to foodservice customers in Italy include Bridor, Gourmand Pastries, La Lorraine, Lantmännen Unibake and Europastry, among others.⁽²⁷¹⁾ In addition, the Notifying party submits that capacity has been added (or will come on stream) in the coming years. Specifically referring to laminated dough products, the Notifying Party estimates that there is more than [...] kT of capacity currently available across Europe, and that significant investments have been made to expand capacity.⁽²⁷²⁾
- (288) *Third*, end-customers (i.e. consumers) are price-sensitive and foodservice customers enjoy significant buyer power. The foodservice sector for frozen morning goods in Italy is characterized by large and sophisticated wholesalers and buyer groups, which purchase large volumes, have extensive distribution networks and are highly price sensitive. This gives them a strong negotiation position towards industrial suppliers.⁽²⁷³⁾ In addition, wholesale customers tender and renegotiate their agreements with suppliers each year. They also source from at least two or three suppliers, making it easy to switch from one supplier to another. As a result, foodservice customers exert significant competitive pressure

⁽²⁶⁹⁾ Form CO, para. 631.

⁽²⁷⁰⁾ Form CO, para. 859.

⁽²⁷¹⁾ Form CO, paras. 634-636.

⁽²⁷²⁾ Form CO, para. 859.

⁽²⁷³⁾ Form CO, paras. 639-640.

on the Parties. ⁽²⁷⁴⁾ To support its argument, the Notifying Party provides a few examples of tenders lost by the Parties to other suppliers in recent years. ⁽²⁷⁵⁾

(289) *Fourth*, the Parties are not particularly close competitors for frozen morning goods, as they have different value propositions, product focuses and business models. In the foodservice sector, the Parties also have a different geographic reach because Délifrance imports its products. ⁽²⁷⁶⁾

(290) *Fifth*, there are low barriers to entry and expansion and considerable import and export flows in the broader segment for frozen morning goods. Competition in the segment for frozen morning goods in Italy is further increasing through new entry, M&A activity, new production lines, and increase in imports. ⁽²⁷⁷⁾ Entering the foodservice sector in Italy is even easier than entering the retail sector because foodservice customers operate at a smaller scale than retailers, making it easier for small suppliers to enter the market without needing to make extensive investments. In addition, margins in foodservice tend to be higher than in retail. This gives suppliers an incentive to shift volumes from retail to foodservice. ⁽²⁷⁸⁾

5.7.3.3. The Commission's assessment

(291) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the market for the manufacture and supply of laminated dough products to foodservice customers in Italy, for the following reasons.

(292) *First*, the Parties' combined market share with respect to the manufacture and supply of laminated dough products to foodservice customers in Italy amounted to [30-40%] in 2024. In addition, sufficient credible competitors will continue to constrain the Parties post-Transaction. According to the market share data provided by the Notifying Party, there are other competitors on the market with notable market presence including: Sammontana/Forno d'Asolo ([20-30%]-[30-40%]), Bridor ([10-20%]-[10-20%]), Ferrero-Fresystem ([5-10%]-[10-20%]), Unilever ([5-10%]-[10-20%]) and San Giorgio ([5-10%]-[10-20%]). ⁽²⁷⁹⁾ The Notifying Party's submission is consistent with the results of the Commission's market investigation. Customers identified several suppliers that will be able to meet their volume requirements of laminated dough products following the Transaction, including: San Giorgio, Bridor, Sammontana/Forno d'Asolo, Europastry and Lantmännen Unibake. ⁽²⁸⁰⁾ Customers and competitors also consider that the competitive offering of Sammontana/Forno d'Asolo, Bridor and San Giorgio is comparable to that of the Parties. ⁽²⁸¹⁾ In addition, several competitors noted that they supply laminated dough products to foodservice customers in Italy, confirming the customers' submission that they have several alternative suppliers available. ⁽²⁸²⁾

⁽²⁷⁴⁾ Form CO, paras. 644-646.

⁽²⁷⁵⁾ Form CO, para. 647.

⁽²⁷⁶⁾ Form CO, paras. 650-651.

⁽²⁷⁷⁾ Form CO, para. 652.

⁽²⁷⁸⁾ Form CO, para. 653.

⁽²⁷⁹⁾ Market share estimates provided by the Parties in Annex 6.2-E to the Form CO.

⁽²⁸⁰⁾ Responses to the Market Questionnaire for Customers, Question I.3.

⁽²⁸¹⁾ Responses to the Market Questionnaire for Customers, Question I.2.

⁽²⁸²⁾ Responses to the Market Questionnaire for Competitors, Question I.1.

- (293) *Second*, suppliers have little incentive to redirect their activity from serving the foodservice sector to supplying the retail sector. Competitors feedback confirmed that the margins in foodservice are up to 10-20% higher compared to retail. ⁽²⁸³⁾ Consequently, competitors who participated in the market investigation indicated that they would only change their focus to retail if supplying the retail sector would become (nearly) as profitable as supplying foodservice customers. ⁽²⁸⁴⁾ As one supplier noted: *“If retail was more commercially attractive, we would be able to serve this sector. Currently as we have no domestic production we are only able to compete where the channel allows higher margins. So until margins increase in retail we will not approach or serve [the retail sector]”*. ⁽²⁸⁵⁾ Several competitors even stated that they would not change their focus to retail under any circumstances. ⁽²⁸⁶⁾ Consequently, the competitive landscape in the foodservice sector in Italy for laminated dough products appears to be sufficiently robust as competitors have little incentive to exit the market post-Transaction.
- (294) *Third*, the Commission’s market investigation confirmed that imports are relevant when procuring laminated dough products in Italy. Indeed, most competitors who supply the Italian foodservice sector do so from production facilities located in other countries, such as Belgium, France and Spain. ⁽²⁸⁷⁾
- (295) *Fourth*, the majority of foodservice customers consider the impact of the Transaction on the market for laminated dough products in Italy to be either positive or neutral (in terms of pricing, access to products, quality or innovation). ⁽²⁸⁸⁾ The same view is held by a majority of competitors. ⁽²⁸⁹⁾
- (296) In view of the foregoing, the Transaction is unlikely to give rise to serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of laminated dough products to foodservice customers in Italy.
- 5.7.4. *Manufacture and supply of fried dough products to retailers*
- (297) The Transaction gives rise to a horizontally affected market with respect to the manufacture and supply of fried dough products to retailers in Italy.

⁽²⁸³⁾ Responses to the Market Questionnaire for Competitors, Question I.4.

⁽²⁸⁴⁾ Responses to the Market Questionnaire for Competitors, Question I.3.

⁽²⁸⁵⁾ Responses to the Market Questionnaire for Competitors, Question I.3.1.

⁽²⁸⁶⁾ Responses to the Market Questionnaire for Competitors, Question I.3.

⁽²⁸⁷⁾ Responses to the Market Questionnaire for Competitors, Question I.1-1.

⁽²⁸⁸⁾ Responses to the Market Questionnaire for Customers, Question I.4.

⁽²⁸⁹⁾ Responses to the Market Questionnaire for Competitors, Question I.5.

5.7.4.1. Market shares

Table 10: Market share estimates for fried dough products supplied to retailers in Italy

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[5-10%]	[5-10%]	[5-10%]
Vandemoortele Group	[30-40%]	[30-40%]	[30-40%]
Combined	[30-40%]	[40-50%]	[30-40%]

Source: Annex 6.2-A to the Form CO.

5.7.4.2. The Notifying Party's views

- (298) The Notifying Party did not submit arguments specific to the manufacture and supply of fried dough products to retailers in Italy. However, it provided several arguments regarding the broader Italian retail market for frozen morning goods that apply also for fried dough products.
- (299) *First*, frozen morning goods are a niche segment in the Italian retail market, with a total market size of only approximately [...] kT in 2024, out of which fried dough products account for only around [...] kT. ⁽²⁹⁰⁾
- (300) *Second*, the segment for frozen morning goods in Italy is highly competitive with multiple suppliers offering similar products, including Fresystem, Sammontana/Forno d'Asolo, Baker & Baker and San Giorgio. ⁽²⁹¹⁾ In addition, there are several suppliers that import frozen morning goods to Italy from neighbouring countries, such as Bridor, Gourmand Pastries, La Lorraine and Europastry. This shows the competitive constraint that imports exert on the Parties. ⁽²⁹²⁾
- (301) *Third*, retail customers enjoy significant buyer power in the broader segment for frozen morning goods ⁽²⁹³⁾ as the retail channel in Italy is concentrated, with the top 10 retailers for frozen morning goods representing approximately [...] of the Parties' total sales in 2024 ⁽²⁹⁴⁾. In addition, they are also becoming increasingly vertically integrated, reducing their dependence on external suppliers. ⁽²⁹⁵⁾
- (302) *Finally*, the Parties are not particularly close competitors for fried dough products specifically as they share only [35-45%] of their top [...] largest ⁽²⁹⁶⁾ retail customers. ⁽²⁹⁷⁾

⁽²⁹⁰⁾ Form CO, Annex 6.2-F-5.

⁽²⁹¹⁾ Form CO, para. 549.

⁽²⁹²⁾ Form CO, para. 550.

⁽²⁹³⁾ Form CO, para. 556.

⁽²⁹⁴⁾ Form CO, para. 559.

⁽²⁹⁵⁾ Form CO, para. 558.

⁽²⁹⁶⁾ Based on sales volume.

⁽²⁹⁷⁾ Annex 9.2-V to the Form CO.

5.7.4.3. The Commission's assessment

- (303) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the market for the manufacture and supply of fried dough products to retailers in Italy, for the following reasons.
- (304) *First*, while the Parties have a combined market share of [30-40%] in 2024 in the Italian market for fried dough products for retail, the market investigation has confirmed that there will remain sufficient credible competitors on the market post – Transaction. ⁽²⁹⁸⁾ Moreover, the Italian fried dough products market represents only around [...] kT in total sales volume, making it a niche market and limiting the effectiveness of any hypothetical output reduction by the Parties, as such reductions could be easily offset by active or potential competitors.
- (305) *Second*, fried dough products represent a segment with a particularly strong and accelerating rate of penetration and expansion in Italy, exceeding that observed in other comparable frozen morning goods segments, such as laminated dough products. ⁽²⁹⁹⁾ This sustained growth increases the segment's attractiveness leading to a dynamic competitive structure, with several active competitors already present and credible opportunities for additional entry. Such conditions further constrain the ability of the Parties to engage in potential anticompetitive strategies, as any attempt to reduce output or increase prices could be rapidly countered by competitors seeking to capture incremental demand in a growing and attractive niche.
- (306) *Third*, the Commission's market investigation confirmed that imports are relevant when procuring fried dough products in Italy. A number of suppliers indicated that they could supply fried dough products from production facilities located outside the country. ⁽³⁰⁰⁾ This was confirmed by retailer customers, with several stating that they procure such products from outside Italy. ⁽³⁰¹⁾ As a result, the Parties will be constrained by both local producers and producers active outside of Italy.
- (307) *Finally*, the vast majority of customers consider the impact of the Transaction on the market for fried dough products in Italy to be either positive or neutral (in terms of pricing, access to products, quality or innovation). ⁽³⁰²⁾ The same view is held by several competitors. ⁽³⁰³⁾
- (308) In view of the foregoing, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for the manufacture and supply of fried dough products to retailers in Italy.

⁽²⁹⁸⁾ Responses to the Market Questionnaire for Customers, Question L.1-1.

⁽²⁹⁹⁾ Form CO - Annex 5.4-G - GIRA Bake-off Bakery report for Italy, slide 46.

⁽³⁰⁰⁾ Responses to the Market Questionnaire for Competitors, Question L.1-2.

⁽³⁰¹⁾ Responses to the Market Questionnaire for Customers, Question L.1-2.

⁽³⁰²⁾ Responses to the Market Questionnaire for Customers, Question L.1-3.

⁽³⁰³⁾ Responses to the Market Questionnaire for Competitors, Question L.1-3.

5.7.5. Manufacture and supply of frozen savoury snacks

- (309) The Transaction gives rise to horizontally affected markets with respect to the manufacture and supply of frozen savoury snacks to retailers and with respect to the manufacture and supply of frozen savoury snacks to foodservice customers. Given that the same considerations apply to both markets, the Commission will provide its consolidated views on both markets together.

5.7.5.1. Market shares

Table 11: Market share estimates for frozen savoury snacks in Italy (retail)

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[0-5%]	[0-5%]	[0-5%]
Vandemoortele Group	[30-40%]	[30-40%]	[30-40%]
Combined	[30-40%]	[30-40%]	[40-50%]

Source: Annex 6.2-A to the Form CO

Table 12: Market share estimates for frozen savoury snacks in Italy (foodservice)

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[20-30%]	[20-30%]	[20-30%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

5.7.5.2. The Notifying Party's views

- (310) The Notifying Party submits that the Transaction is unlikely to cause competition concerns in relation to the manufacture and supply of frozen savoury snacks to retailers and to foodservice customers in Italy for the following reasons.
- (311) *First*, the Parties' combined market shares amount to [30-40%] in retail and to [30-40%] in foodservice. ⁽³⁰⁴⁾ In retail specifically, the increment is very limited, resulting in an HHI delta of [...]. ⁽³⁰⁵⁾
- (312) *Second*, there will remain a large number of competitors with sufficient capacity to supply that will continue to exercise competitive pressure, for example: Tossini, Antico Forno Della Romagna / Glaxi Pane, Target Bakery, and Bakery SpA for the retail market, and Sammontana/ Forno d'Asolo, Antico Forno della Romagna and Target Bakery for the foodservice market. ⁽³⁰⁶⁾Competitive

⁽³⁰⁴⁾ Form CO, para. 796.

⁽³⁰⁵⁾ Form CO, para. 776.

⁽³⁰⁶⁾ Form CO, paras. 778-780, and 799-800.

pressure is also exercised by suppliers that import from neighbouring countries. ⁽³⁰⁷⁾

- (313) *Third*, the Parties are not particularly close competitors, due to differences in product portfolios, sales channel focus and a different business model. ⁽³⁰⁸⁾
- (314) *Fourth*, end-customers (consumers) are price sensitive, and both retail and foodservice customers enjoy significant buyer power. ⁽³⁰⁹⁾
- (315) *Fifth*, the Italian market for frozen savoury snacks (retail and foodservice) is characterised by an absence of barriers to entry and expansion as well as considerable import and export flows. ⁽³¹⁰⁾

5.7.5.3. The Commission's assessment

- (316) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the market for the manufacture and supply of frozen savoury snacks to retailers and foodservice customers in Italy, for the following reasons.
- (317) *First*, while the Parties have a combined market share of [30-40%] and [30-40%] in the Italian markets for frozen savoury snack for retail and foodservice customers respectively, the market investigation confirmed that there will remain sufficient credible competitors on these markets post-Transaction. ⁽³¹¹⁾ In addition, several competitors noted that they offer frozen savoury snacks to retailers and foodservice customers in Italy, confirming the customers' submissions that they have several alternative suppliers available. ⁽³¹²⁾
- (318) *Second*, the Commission's market investigation confirmed that imports are relevant when procuring frozen savoury snacks in Italy, for both retail and foodservice customers. A number of suppliers indicated that they could supply frozen savoury snacks from production facilities located outside the country. ⁽³¹³⁾ This was confirmed by retailers and foodservice customers, with several stating that they procure such products from outside Italy. ⁽³¹⁴⁾ As a result, the Parties will be constrained by both local producers and producers active outside of Italy.
- (319) *Third*, most customers consider the impact of the Transaction on the retail and foodservice markets for frozen savoury snacks in Italy to be neutral (in terms of pricing, access to products, quality or innovation). ⁽³¹⁵⁾ The same view is held by several competitors. ⁽³¹⁶⁾
- (320) In view of the foregoing, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the market for frozen savoury snacks to retailers in Italy.

⁽³⁰⁷⁾ Form CO, paras. 781-782, and 801.

⁽³⁰⁸⁾ Form CO, paras. 790, and 807-808.

⁽³⁰⁹⁾ Form CO, paras. 784-785, and 803.

⁽³¹⁰⁾ Form CO, paras. 791, and 809-810.

⁽³¹¹⁾ Responses to the Market Questionnaire for Customers, Question L.1-1.

⁽³¹²⁾ Responses to the Market Questionnaire for Competitors, Question L.1-1.

⁽³¹³⁾ Responses to the Market Questionnaire for Competitors, Question L.1-2.

⁽³¹⁴⁾ Responses to the Market Questionnaire for Customers, Question L.1-2.

⁽³¹⁵⁾ Responses to the Market Questionnaire for Customers, Question L.1-3.

⁽³¹⁶⁾ Responses to the Market Questionnaire for Competitors, Question L.1-3.

5.8. Horizontally affected markets in the Netherlands

5.8.1. Manufacture and supply of laminated dough products

- (321) The Transaction gives rise to horizontally affected markets with respect to the manufacture and supply of laminated dough products to retailers and with respect to the manufacture and supply of laminated dough products to foodservice customers in the Netherlands. Given that the same considerations apply to both markets, the Commission will provide its consolidated views on both markets together.

5.8.1.1. Market Shares

Table 13: Market share estimates for laminated dough products supplied to retailers in the Netherlands

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[10-20%]	[10-20%]	[10-20%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

Table 14: Market share estimates for laminated dough products supplied to foodservice customers in the Netherlands

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délifrance	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[20-30%]	[20-30%]	[20-30%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

5.8.1.2. The Notifying Party's views

- (322) The Notifying Party submits that no competition concerns arise with respect to the manufacture and supply of frozen morning goods (and all potential sub-segmentations) to retail and foodservice customers in the Netherlands for the following reasons. ⁽³¹⁷⁾
- (323) *First*, market shares do not accurately reflect market dynamics as they fluctuate significantly due to frequent retendering processes of customers. ⁽³¹⁸⁾

⁽³¹⁷⁾ Form CO, paras. 814 et seq.

⁽³¹⁸⁾ Form CO, para. 859.

- (324) *Second*, many competitors with sufficient capacity to supply currently exercise competitive pressure and will continue to do so post-transaction. The market is highly competitive, with multiple suppliers in and out of the Netherlands offering similar products including Europastry, Lantmännén Unibake and Gourmand Pastries ⁽³¹⁹⁾, and significant capacity is expected to be added in the coming years. ⁽³²⁰⁾
- (325) *Third*, the retail channel in the Netherlands is concentrated, with the two largest retailers accounting for more than 50% of the market ⁽³²¹⁾. In addition, switching is easy, and retailers regularly threaten to switch suppliers. ⁽³²²⁾
- (326) *Finally*, Vandemoortele is not a particularly close competitor to Délifrance, as they have different value propositions, product focuses and business models. ⁽³²³⁾

5.8.1.3. The Commission's assessment

- (327) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the market for the manufacture and supply of laminated dough products in the Netherlands whether supplied to retailers or foodservice customers, for the following reasons.
- (328) The Parties' combined market shares with respect to the manufacture and supply of laminated dough products to both the retail and foodservice channels in the Netherlands fluctuated between [30-40%] and [30-40%] in the past three calendar years. In addition, several other suppliers exercise a competitive constraint on the Parties, such as Lantmännén Unibake ([10-20%]-[10-20%] of the market), Wouter de Graaf ([10-20%]-[10-20%] of the market), Europastry ([10-20%]-[10-20%] of the market) and Bridor ([5-10%]-[10-20%] of the market). ⁽³²⁴⁾
- (329) In addition, a number of alternative suppliers located in neighbouring countries are also active in the Netherlands and provide credible alternatives to in-country supply. Indeed, most competitors who participated in the market investigation indicated that they can supply laminated dough products to the retail and foodservice sectors in the Netherlands from production facilities located abroad. ⁽³²⁵⁾ In addition, several customers confirmed that they procure these products from outside of the Netherlands. ⁽³²⁶⁾
- (330) The market investigation further confirmed this competitive landscape. Most customers indicated that they would have sufficient alternative suppliers after the Transaction. ⁽³²⁷⁾ One wholesaler stated during the Commission's prenotification inquiries: *"(...) there are sufficient alternative suppliers available in the Netherlands for every different type of product within the frozen bakery market in the foodservice sector"* ⁽³²⁸⁾. A retailer explained that *"(...) it has several alternative suppliers available with respect to laminated dough products"* ⁽³²⁹⁾.

⁽³¹⁹⁾ Form CO, para. 823.

⁽³²⁰⁾ Form CO para. 859, which relates to production capacity for laminated dough products.

⁽³²¹⁾ Form CO, para. 828.

⁽³²²⁾ Form CO, paras. 831-832.

⁽³²³⁾ Form CO, paras 833-834.

⁽³²⁴⁾ Annex 6.2-E to the Form CO.

⁽³²⁵⁾ Responses to the Market Questionnaire for Competitors, Question P.1-2.

⁽³²⁶⁾ Responses to the Market Questionnaire for Customers, Question P.1-2.

⁽³²⁷⁾ Responses to the Market Questionnaire for Customers, Question P.1-1.

⁽³²⁸⁾ Minutes from a call of 30 September 2025 with a customer (wholesaler).

⁽³²⁹⁾ Minutes from a call of 2 October 2025 with a customer (retailer).

Several competitors confirmed that they supply laminated dough products to retailers and foodservice customers in the Netherlands. ⁽³³⁰⁾

(331) Finally, the vast majority of customers and several competitors considered that the Transaction will have no impact on the market for the manufacture and supply of laminated dough products to the retail and foodservice channels in the Netherlands. ⁽³³¹⁾

(332) In view of the foregoing, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the markets for the manufacture and supply of laminated dough products to retailers and to foodservice customers in the Netherlands.

5.9. Horizontally affected markets in Poland

5.9.1. Manufacture and supply of laminated dough products

(333) The Transaction gives rise to horizontally affected markets with respect to the manufacture and supply of laminated dough products to retailers and with respect to the manufacture and supply of laminated dough products to foodservice customers. Given that the same considerations apply to both markets, the Commission will provide its consolidated views on both markets together.

5.9.1.1. Market Shares

Table 15: Market share estimates for laminated dough products (retail) in Poland

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délic France	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[20-30%]	[10-20%]	[10-20%]
Combined	[30-40%]	[30-40%]	[20-30%]

Source: Annex 6.2-A to the Form CO

Table 16: Market share estimates for laminated dough products (foodservice) in Poland

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délic France	[10-20%]	[10-20%]	[10-20%]
Vandemoortele Group	[20-30%]	[10-20%]	[10-20%]
Combined	[30-40%]	[20-30%]	[10-20%]

Source: Annex 6.2-A to the Form CO

⁽³³⁰⁾ Responses to the Market Questionnaire for Competitors, Question P.1-1.

⁽³³¹⁾ Responses to the Market Questionnaire for Customers, Question P.1-3; Responses to the Market Questionnaire for Competitors, Question P.1-3.

5.9.1.2. The Notifying Party's views

- (334) The Notifying Party submits that no competition concerns arise with respect to the manufacture and supply of frozen morning goods (and all potential sub-segmentations) for both retailers and foodservice customers in Poland for the following reasons.
- (335) *First*, the retail and foodservice markets for laminated dough products in Europe are highly competitive. ⁽³³²⁾ This is particularly the case in Eastern Europe, where production costs are lower. ⁽³³³⁾ In Poland specifically, there are various market players with manufacturing sites which produce frozen morning goods, including Aryzta, La Lorraine and Lantmännen Unibake. ⁽³³⁴⁾
- (336) *Second*, [...] of DéliFrance's sales of laminated dough-based products ([...] kT) to the retail channel in Poland are made [information on DéliFrance's customers]. DéliFrance had [information on DéliFrance's customers] in Poland ([information on DéliFrance's customers]). [Customer] also accounted for [...] of Vandemoortele's sales in laminated dough in Poland in 2024. Thus, the loss of [Customer] as a customer would decrease Vandemoortele's post-merger market share in the segment in Poland from [20-30%] to [10-20%], and DéliFrance's share from [10-20%] to [0-5%]. ⁽³³⁵⁾
- (337) *Third*, in relation to the foodservice channel, the increment brought about by the Transaction would be limited. ⁽³³⁶⁾ In Poland in particular, DéliFrance only sold [...] kT of laminated dough products to the foodservice sector in 2024. ⁽³³⁷⁾
- (338) Finally, (i) customers can easily switch volumes, (ii) the Parties are not close competitors ⁽³³⁸⁾, (iii) customers enjoy strong countervailing buyer power in each of the affected markets ⁽³³⁹⁾, and (iv) there are no barriers to entry and expansion. ⁽³⁴⁰⁾

5.9.1.3. The Commission's assessment

- (339) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the markets for the manufacture and supply of laminated dough products to retailers and to foodservice customers in Poland, for the following reasons.
- (340) *First*, market shares in both the retail and foodservice markets have been moderate across the past three years, slightly above 30% in 2024.
- (341) *Second*, the market investigation indicates that imports are relevant for both the retail and foodservice markets. A majority (retail and foodservice) competitors confirmed that they can supply laminated dough products from production facilities outside of Poland. ⁽³⁴¹⁾ Most customers in the retail market indicated that they source laminated dough products from outside of the country, whereas

⁽³³²⁾ Form CO, para. 855.

⁽³³³⁾ Form CO, para. 351 and para. 384.

⁽³³⁴⁾ Form CO, para. 955 and Table 95.

⁽³³⁵⁾ Form CO, para. 859 (iv).

⁽³³⁶⁾ Form CO, para. 855.

⁽³³⁷⁾ Form CO, para. 859.

⁽³³⁸⁾ Form CO, para. 342.

⁽³³⁹⁾ Form CO, paras. 338 and 339.

⁽³⁴⁰⁾ Form CO, para. 343.

⁽³⁴¹⁾ Responses to the Market Questionnaire for Competitors, Question Q.1-2.

this seems to be more limited for customers active in the foodservice market. ⁽³⁴²⁾ However, there were also some customers in foodservice who confirmed that they procure laminated dough products from outside of Poland. ⁽³⁴³⁾

(342) *Third*, most customers stated that they have sufficient alternatives suppliers and believe the Transaction will have a neutral or positive impact on the supply of these products in Poland (in terms of pricing, access to products, quality or innovation). ⁽³⁴⁴⁾

(343) In view of the foregoing, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as in relation to the markets for the manufacture and supply of laminated dough products to retail and foodservice customers in Poland.

5.10. Horizontally affected markets in Portugal

5.10.1. Manufacture and supply of laminated dough products

(344) The Transaction gives rise to horizontally affected markets with respect to the manufacture and supply of laminated dough products to retailers and with respect to the manufacture and supply of laminated dough products to foodservice customers. Given that the same considerations apply to both markets, the Commission will provide its consolidated views on both markets together.

5.10.1.1. Market Shares

Table 17: Market share estimates for laminated dough products supplied to retailers in Portugal

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délic France	[5-10%]	[5-10%]	[5-10%]
Vandemoortele Group	[20-30%]	[20-30%]	[20-30%]
Combined	[30-40%]	[30-40%]	[30-40%]

Source: Annex 6.2-A to the Form CO

Table 18: Market share estimates for laminated dough products supplied to foodservice customers in Portugal

Supplier	Estimated market shares (by volume)		
	2024	2023	2022
Délic France	[5-10%]	[5-10%]	[5-10%]
Vandemoortele Group	[20-30%]	[20-30%]	[20-30%]
Combined	[30-40%]	[30-40%]	[20-30%]

Source: Annex 6.2-A to the Form CO

⁽³⁴²⁾ Responses to the Market Questionnaire for Customers, Question Q.1-2.

⁽³⁴³⁾ Responses to the Market Questionnaire for Customers, Question Q.1-2.

⁽³⁴⁴⁾ Responses to the Market Questionnaire for Customers, Question Q.1-2.

5.10.1.2. The Notifying Party's views

- (345) The Notifying Party submits that the Transaction is not going to raise any competition concerns in relation to the manufacture and supply of laminated dough products to retailers and foodservice customers in Portugal for the following reasons.
- (346) *First*, the demand for laminated dough products is very small (below [...] kT for retail and foodservice combined), which makes it easier for competitors to compensate for any hypothetical reduction in the quantity supplied by the merging parties. ⁽³⁴⁵⁾
- (347) *Second*, Délifrance only supplies products indirectly in Portugal through the joint-venture with Gergran – which also sells other suppliers' frozen bakery products in Portugal. ⁽³⁴⁶⁾
- (348) *Third*, both Parties' sales in this segment are very limited, with no more than [...] kT, respectively. None of the Parties has domestic production facilities for laminated dough products in Portugal and the Parties face strong competition from other Iberian suppliers such as Europastry, Monbake, Panamar, Pastisart, Panidor (acquired by Bridor in 2022) and Panike. ⁽³⁴⁷⁾

5.10.1.3. The Commission's assessment

- (349) The Commission considers that the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it as a result of horizontal non-coordinated effects in relation to the markets for the manufacture and supply of laminated dough products to retailers and to foodservice customers in Portugal, for the following reasons.
- (350) *First*, market shares were moderate during the past three years, slightly above 30%. Moreover, Délifrance's represented only [5-10%] of the total market during the last three years.
- (351) *Second*, the Commission's market investigation confirmed that imports are relevant when procuring laminated dough products in Portugal. Indeed, most customers indicated that they source laminated dough products from outside of the country. ⁽³⁴⁸⁾ A majority of competitors stated that they can supply such products from production facilities located outside of Portugal. ⁽³⁴⁹⁾
- (352) *Third*, although customer feedback on the availability of alternative suppliers is mixed, the majority of customers believe the Transaction will have a neutral or positive impact on the supply of these products in Portugal (in terms of pricing, access to products, quality or innovation). ⁽³⁵⁰⁾
- (353) In conclusion, the Transaction is unlikely to raise serious doubts as to its compatibility with the internal market or a substantial part of it in relation to the markets for the manufacture and supply of laminated dough products to retailers and to foodservice customers in Portugal.

⁽³⁴⁵⁾ Form CO, para. 859 (iv).

⁽³⁴⁶⁾ Ibidem.

⁽³⁴⁷⁾ Ibidem.

⁽³⁴⁸⁾ Responses to the Market Questionnaire for Customers, Question R.1-2.

⁽³⁴⁹⁾ Responses to the Market Questionnaire for Competitors, Question R.1-2.

⁽³⁵⁰⁾ Responses to the Market Questionnaire for Customers, Question R.1-2.

6. COMMITMENTS

- (354) The Transaction raises serious doubts as to its compatibility with the internal market or a substantial part of it with respect to the following markets: (i) the production and supply of frozen laminated dough products to retail customers in France, (ii) the production and supply of frozen laminated dough products to foodservice customers in France and (iii) the production and supply of frozen laminated dough products to retail customers in Italy.

6.1. Framework for the assessment of the commitments

- (355) Where a notified concentration raises serious doubts as to its compatibility with the internal market or the functioning of the EEA agreement, the parties may modify the notified concentration so as to remove the grounds for the serious doubts identified by the Commission with a view to having it declared compatible with the internal market pursuant to Article 6(1)(b) in conjunction with Article 6(2) of the Merger Regulation.
- (356) As set out in the Commission Notice on Remedies, ⁽³⁵¹⁾ commitments have to eliminate the Commission's competition concerns entirely and they have to be comprehensive and effective from all points of view. ⁽³⁵²⁾ In Phase I, commitments offered by the parties can only be accepted where the competition problem is readily identifiable and can easily be remedied. The competition problem therefore needs to be so straightforward and the remedies so clear-cut that it is not necessary to enter into an in-depth investigation and that the commitments are sufficient to clearly rule out serious doubts within the meaning of Article 6(1)(c) of the Merger Regulation. ⁽³⁵³⁾
- (357) In assessing whether or not the commitments proposed by the parties would restore effective competition, the Commission considers all relevant factors, including the type, scale and scope of the proposed commitments judged by reference to the structure and particular characteristics of the market in which the competition concerns arise, including the position of the Parties and other players on the market. ⁽³⁵⁴⁾
- (358) In order for the commitments to comply with those principles, they must be capable of being implemented effectively within a short period of time. ⁽³⁵⁵⁾ The Commission must determine with the requisite degree of certainty, at the time of its decision, that they will be fully implemented and that they are likely to maintain effective competition in the market. ⁽³⁵⁶⁾
- (359) As regards the form of acceptable commitments, the Merger Regulation leaves discretion to the Commission as long as the commitments meet the requisite standards. Structural commitments, in particular divestitures, will meet the conditions set out above only in so far as the Commission is able to conclude with the requisite degree of certainty, at the time of its Decision, that it will be possible to implement them and that it will be likely that the new commercial structures

⁽³⁵¹⁾ Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004 (2008/C 267/01), (the "Commission Notice on Remedies"), paragraph 9.

⁽³⁵²⁾ Commission Notice on Remedies, paragraphs 9 and 81.

⁽³⁵³⁾ Commission Notice on Remedies, paragraph 81.

⁽³⁵⁴⁾ Commission Notice on Remedies, paragraph 12.

⁽³⁵⁵⁾ Commission Notice on Remedies, paragraph 9.

⁽³⁵⁶⁾ Commission Notice on Remedies, paragraph 10.

resulting from them will be sufficiently workable and lasting to ensure that effective competition will be maintained. ⁽³⁵⁷⁾ Divestiture commitments are often the most effective way to eliminate competition concerns.

- (360) The divested activities must consist of a viable business that, if operated by a suitable purchaser, can compete effectively with the Parties on a lasting basis and that is divested as a going concern. The divested business must include all the assets which contribute to its current operation or which are necessary to ensure its viability and competitiveness and all personnel which is currently employed or which is necessary to ensure the business' viability and competitiveness. ⁽³⁵⁸⁾
- (361) The intended effects of a divestiture will only be achieved if and once the business to divest is transferred to a suitable purchaser. The potential of a business to attract a suitable purchaser is an important element of the Commission's assessment of the appropriateness of the proposed commitment. ⁽³⁵⁹⁾
- (362) In order to ensure that the business is divested to a suitable purchaser, the commitments have to include general (and sometimes case-specific) purchaser criteria. This will allow the Commission to conclude that the divestiture of the business to a specific purchaser will likely remove the competition concerns identified.

6.2. Commitments submitted by the Parties

6.2.1. Initial Commitments

- (363) On 19 November 2025, the Commission informed the Parties of the serious doubts regarding the markets for (i) the production and supply of frozen laminated dough products to retail customers in France, (ii) the production and supply of frozen laminated dough products to foodservice customers in France and (iii) the production and supply of frozen laminated dough products to retail customers in Italy arising from the preliminary assessment of the Transaction during a “State of Play” meeting.
- (364) On 27 November 2025, the Parties submitted a first set of commitments in order to render the concentration compatible with the internal market (“Initial Commitments”).
- (365) As per the Initial Commitments, the Parties offered to divest the plants operated today by DéliFrance in Avignon and Béthune, together with additional assets, agreements and employees, to a suitable purchaser (the “Purchaser”). Specifically, the Parties committed to divest the assets, rights and personnel necessary for the production and supply of laminated dough products in France for the retail and foodservice channels and in Italy for the retail channel (together the “Divestment Business”). Under the Initial Commitments, the Divestment Business consisted in the transfer of the following assets to the Purchaser:
 - (a) The Avignon and Béthune plants, including all necessary assets, equipment and regulatory approvals;

⁽³⁵⁷⁾ Commission Notice on Remedies, paragraph 10.

⁽³⁵⁸⁾ Commission Notice on Remedies, paragraphs 23-25.

⁽³⁵⁹⁾ Commission Notice on Remedies, paragraph 47.

- (b) Agreements related to the operation of the plants and to the supply and sale of laminated dough products to retail and foodservice customers in France and to retail customers in Italy, subject to required third-party consents;
 - (c) Employees (including key personnel) assigned to these plants; and
 - (d) Other assets, personnel, contracts and rights related to the sale and supply of laminated dough products in the relevant geographies.
- (366) According to the Parties, the Divestment Business was suitable to address the competition concerns in the production and supply of laminated dough products to retail and foodservice customers in France and to retail customers in Italy. The Divestment Business included production assets, tangible and intangible assets, personnel, contracts, and other rights dedicated to the production and supply of laminated dough products, located at the Avignon and Béthune plants in France, with a combined production capacity of approximately [40-50]-[40-50] kT.
- (367) The Parties noted that this capacity and the actual production volume of the Divestment Business exceeded the volumes currently supplied by Délifrance to retail and foodservice customers in France ([20-30] kT in total, of which [10-20] kT in retail and [10-20] kT in foodservice) and to retail customers in Italy ([0-5] kT), thereby covering the entirety of the increment brought about by the Transaction ([20-30] kT in total). The Parties also stated that by enabling the transfer of relevant customer relationships, the Divestment Business would allow the Purchaser to take over Délifrance's current position in the markets of concern.
- (368) Accordingly, the Parties considered that the Divestment Business immediately created a viable competitor in relation to the supply of laminated dough products to retail and foodservice customers in France and to retail customers in Italy, and that pre-merger levels of competition would be preserved.
- (369) In addition, the Parties entered into related commitments, inter alia regarding the separation of the Divestment Business from the Parties, the preservation of the viability, marketability and competitiveness of the Divestment Business, including the appointment of a monitoring trustee and, if necessary, a divestiture trustee.

6.2.2. *Results of the market test of the Initial Commitments*

- (370) On 1 December 2025, the Commission launched a market test of the Initial Commitments. s. On 8 December 2025, the Commission communicated to the Parties the feedback received by the market test respondents.
- (371) The results of the market test indicated that, overall, the sale of Délifrance's Avignon and Béthune plants to a suitable purchaser would in principle be sufficient to remove the competition concerns raised by the Transaction. Indeed, the majority of both competitors and customers that took a position indicated that the Commitments would remove the competition concerns in respect of the markets for the production and supply of laminated dough products in France for

the retail⁽³⁶⁰⁾ and foodservice channels⁽³⁶¹⁾ and in Italy for the retail channel.⁽³⁶²⁾

- (372) With regard, in particular, to the provision by the Parties of Transitional Service Agreements⁽³⁶³⁾ for up to [...] at the request of the Purchaser for the viability of the Divestment Business, respondents noted that these “[...] *provide an important bridge for the purchaser*” and that “[T]hey appear adequate for short-term continuity, allowing the purchaser to operate the plants immediately after closing.”⁽³⁶⁴⁾
- (373) Respondents to the market test, however, identified some aspects that should be added to the Initial Commitments, and which can be summarized as follows:
- (374) *First*, the key personnel should include also the joint personnel, that is involved in commercial, sales and customer-facing activities in both France and Italy.⁽³⁶⁵⁾
- (375) *Second*, the Initial Commitments did not provide for the transfer of the distribution agreements (i.e. contracts with logistics/trucking companies that deliver laminated dough products to final customers from the Avignon and Béthune plants) currently in place to the Purchaser. As such, the Parties’ customers and competitors who expressed a view in the market test raised concerns. Many of them indicated in particular that distribution agreements should be included in the Divestment Business in order to ensure the immediate viability and competitiveness of the Divestment Business.⁽³⁶⁶⁾ In particular, a competitor of the Parties in Italy explained that distribution networks “*are essential to compete effectively, especially in the frozen bakery sector where the distribution networks should be specialised to ensure frozen-chain distribution*” and that there is significant “*reliance of laminated-dough products on timely and temperature-controlled deliveries*”.⁽³⁶⁷⁾
- (376) *Third*, market test respondents were asked whether securing additional warehousing capacity, especially in relation to the Avignon plant, which has limited on-site warehouse capacity, is necessary in order to ensure the Divestment Business’ immediate viability. The majority of them responded that additional

⁽³⁶⁰⁾ Replies to Questionnaire to Competitors - Remedies Market Test, question C.A.1; Replies to Questionnaire to Customers - Remedies Market Test, question C.A.1.

⁽³⁶¹⁾ Replies to Questionnaire to Competitors - Remedies Market Test, question C.A.2; Replies to Questionnaire to Customers - Remedies Market Test, question C.B.1.

⁽³⁶²⁾ Replies to Questionnaire to Competitors - Remedies Market Test, question C.B.1; Replies to Questionnaire to Customers - Remedies Market Test, question C.C.1.

⁽³⁶³⁾ I.e., the services agreements concerning a. HR, training and payroll support; b. manufacturing support; c. Procurement support; d. IT support; e. finance and accounting functions support; f. facility and maintenance services; g. product development and marketing support; h. production, technical, regulatory and quality planning, management and control services (e.g. ad-hoc troubleshooting support, permit/licence assistance, and certain quality control support); and i. logistics, procurement, warehousing and other services relating to the supply chain of laminated dough products and other frozen morning goods manufactured at the Avignon Plant and the Béthune Plant to retail and foodservice customers in France and retail customers in Italy, to the extent needed, and to the extent these services are necessary for the viability of the Divestment Business, if reasonably required, subject to discussion with the Purchaser, and as these transitional services agreements are described in Annex 5 of the Commitments.

⁽³⁶⁴⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question D.D.2.2.

⁽³⁶⁵⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question D.E.B.1.1.

⁽³⁶⁶⁾ Replies to Questionnaire to Competitors - Remedies Market Test, questions D.D.3 and D.D.3.1; Replies to Questionnaire to Customers - Remedies Market Test, questions D.D.3 and D.D.3.1.

⁽³⁶⁷⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question B.2.1; Reply to Questionnaire to Competitors - Remedies Market Test, question D.D.3.1.

warehousing is clearly necessary and that it might be difficult for the Purchaser to secure it in a timely manner. ⁽³⁶⁸⁾ As one competitor explained “[A] *buyer with existing storage infrastructure or established relationships with frozen-warehouse providers may face fewer constraints, whereas a purchaser without such capabilities might encounter greater difficulties*”. ⁽³⁶⁹⁾ As such, the Parties should include additional warehousing capacity (including with third-party providers) in the Divestment Business at the option of the Purchaser.

- (377) *Fourth*, the majority of the Parties’ competitors indicated that the transfer of a logistics network (i.e. systems for planning, management, and control of the internal flow of materials and components) is necessary to ensure the Divestment Business’ immediate viability and competitiveness. A logistics network should, thus, be included in the Initial Commitments along with the Divestment Business at the option of the Purchaser, ⁽³⁷⁰⁾ given that such a network is “*fundamental to run the business properly*”. ⁽³⁷¹⁾
- (378) *Fifth*, market test respondents expressed concerns in relation to the guarantees offered to the Purchaser which would ensure the immediate viability of the Divestment Business. In particular, market test participants highlighted that customers of laminated dough products require requalification in order to assess the adequacy of the supplier and/or production site and their compliance with production standards, when a supplier or production site changes. ⁽³⁷²⁾ As one competitor of the Parties mentioned “[M]inimum volume guarantees for a limited period, [will] ensur[e]ing steady utilisation of both plants during the transition”. ⁽³⁷³⁾ As such, a guaranteed off-take agreement of laminated dough products between the Parties and the Purchaser for a limited period of time should be added to the Initial Commitments, until the required customer supply agreements, which will ensure satisfactory production volumes, are properly put in place with the Purchaser.
- (379) The market test also probed whether there should be specific purchaser criteria in order to ensure the viability and competitiveness of the Divestment Business. The majority of respondents indicated that the Purchaser should be an industrial player with experience in the production and supply of frozen bakery goods. ⁽³⁷⁴⁾

6.2.3. Final Commitments

- (380) Following the result of the market test of the Initial Commitments, the Commission communicated to the Parties a summary of the observations made by respondents. The Commission also informed the Parties that it considers some of the observations justified and amendments to the Initial Commitments necessary in order to remedy the concerns raised.

⁽³⁶⁸⁾ Replies to Questionnaire to Competitors - Remedies Market Test, questions D.D.4 and D.D.4.1.

⁽³⁶⁹⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question D.D.4.2.

⁽³⁷⁰⁾ Replies to Questionnaire to Competitors - Remedies Market Test, question D.D.5.

⁽³⁷¹⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question D.D.5.1.

⁽³⁷²⁾ Replies to Questionnaire to Competitors - Remedies Market Test, questions D.B.1 and D.B.1.1; Replies to Questionnaire to Customers - Remedies Market Test, questions D.B.1 and D.B.1.1.

⁽³⁷³⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question D.A.4.1.

⁽³⁷⁴⁾ Reply to Questionnaire to Competitors - Remedies Market Test, question E.2; Reply to Questionnaire to Competitors - Remedies Market Test, question D.D.3.2; Replies to Questionnaire to Customers - Remedies Market Test, question E.2.

- (381) To address the observations made by the Commission as a result of the market test, the Parties offered the Final Commitments on 16 December 2025, which:
- (a) Include as part of the Key Personnel ⁽³⁷⁵⁾, as the term is defined and detailed in the Final Commitments, the major manager-level commercial and client-facing personnel of DéliFrance for retail and foodservice customers in France and for retail customers in Italy;
 - (b) Provide for the transfer, at the option of the Purchaser, any existing distribution agreements and arrangements with transportation service providers in relation to the distribution of laminated dough products produced by the Avignon and Béthune plants to retail and foodservice customers in France and to retail customers in Italy. To the extent any such agreements cannot be transferred by Closing, the Parties shall provide transitional services under a Transitional Services Agreement for a period of up to [...], extendable by an additional [...] at the request of the Purchaser;
 - (c) Provide for the transfer of all relevant warehousing and logistics agreements and arrangements used to operate the Avignon Plant and the Béthune Plant for a functioning warehousing and logistics network in relation to the production of laminated dough products in the Avignon and Béthune plants, at the option of the Purchaser. To the extent any such agreements cannot be transferred by Closing, the Parties shall provide transitional services under a Transitional Services Agreement for a period of up to [...], extendable by an additional [...] at the request of the Purchaser;
 - (d) Include an offtake agreement, at the request of the Purchaser, whereby the Parties commit to purchase up to [...] from the Avignon Plant and the Béthune Plant for a period of [...] from Closing;
 - (e) Include an offtake agreement, whereby the Parties commit to purchase up to [...] kT per year of laminated dough products from the Avignon Plant and the Béthune Plant for a period of [...] from Closing at the request of the Purchaser.

7. ASSESSMENT OF THE COMMITMENTS

7.1. Suitability of the Final Commitments to remove serious doubts

- (382) DéliFrance's production plants in Avignon and Béthune, including all production assets, tangible and intangible assets, personnel, contracts, and other rights dedicated to the production and supply of laminated dough products, would have a combined production capacity of approximately [40-50]-[40-50] kT, which exceeds the volumes currently supplied by DéliFrance to retail and foodservice customers in France ([20-30] kT in total, of which [10-20] kT in retail and [10-20] kT in foodservice) and to retail customers in Italy ([0-5] kT). The carve-out of the Divestment Business from the Parties, therefore, constitutes a

⁽³⁷⁵⁾ Key Personnel, as defined in Section A. of the Commitments, includes all personnel necessary to maintain the viability and competitiveness of the Divestment Business, as listed in the Schedule to the Commitments, including the Hold Separate Manager (i.e. the person appointed by the Parties for the Divestment Business to manage the day-to-day business under the supervision of the Monitoring Trustee).

straightforward and clear-cut structural remedy generally suitable to clearly rule out serious doubts within the meaning of Article 6(1)(c) of the Merger Regulation.

- (383) Through the divestiture of the Divestment Business, the Commitments will remove the entire overlap resulting from the Transaction in relation to the Parties' overlapping activities in the production and supply of laminated dough products to retail and foodservice customers in France and to retail customers in Italy.
- (384) The Commission considers that, following the amendments, the Commitments address the concerns raised during the market test and that, as such, the Final Commitments of 16 December 2025 are suitable to entirely remove the competition concerns raised by the Transaction.

7.2. Viability and attractiveness of the Divestment Business

- (385) The Divestment Business is profitable, with a turnover of EUR [...] million (Avignon) and EUR [...] million (Béthune), and an EBITDA of EUR [...] million and EUR [...] million in FY 2024/25 respectively. The respective EBITDA margins are [...] and [...], with a combined EBITDA margin of [...] for both plants in the Divestment Business. The overall EBITDA margin for Délifrance's laminated dough business, which consists of the [...] plants listed in Recital (150), is [...].⁽³⁷⁶⁾ Furthermore, of Délifrance's [...] laminated dough-producing plants, Béthune and Avignon rank [...] for past (past three years) capital expenditure relative to output, as well as [...] for planned (coming five years) capital expenditure. The past capital expenditure relative to output of the Béthune and Avignon plants is [...] EUR/tonne, compared to a past capital expenditure relative to output for all of Délifrance's plants of [...] EUR/tonne. The planned capital expenditure relative to output of the Béthune and Avignon plants is [...] EUR/tonne, compared to a past capital expenditure relative to output for all Délifrance's plants of [...] EUR/tonne.⁽³⁷⁷⁾ Therefore, the plants included in the Divestment Business are [...] of Délifrance's overall laminated dough business.
- (386) The market test confirmed the viability and attractiveness of the two production plants.⁽³⁷⁸⁾ Concretely, the vast majority of the market test respondents who replied in this regard confirmed that the Divestment Business is viable and would allow a suitable purchaser to compete effectively and on a lasting basis for the production and supply of frozen laminated dough products to retail and foodservice customers in France⁽³⁷⁹⁾ and to retail customers in Italy.⁽³⁸⁰⁾
- (387) In particular, the transfer of current customer supply contracts to the Purchaser as well as the Parties' commitment, for a period of [...] from Closing, to purchase [...] of the current volumes of laminated dough products produced in the Avignon and Béthune plants will ensure the Divestment Business' immediate viability. Additionally, the offtake agreement at the option of the Purchaser by the Parties for [...] of laminated dough products per year, which were previously supplied by

⁽³⁷⁶⁾ Form RM, Tables 11 and 12.

⁽³⁷⁷⁾ Parties' responses to the Commission's Request for Information 22, Annex RFI-22 Q-1(b) and Annex RFI-22 Q-2 (1).

⁽³⁷⁸⁾ Replies to Questionnaire to Competitors - Remedies Market Test, question E.1; Replies to Questionnaire to Customers - Remedies Market Test, question E.1.

⁽³⁷⁹⁾ Replies to Questionnaire to Customers - Remedies Market Test, question D.A.A.1; Replies to Questionnaire to Customers - Remedies Market Test, question D.A.B.1; Replies to Questionnaire to Competitors - Remedies Market Test, question D.A.A.1.

⁽³⁸⁰⁾ Replies to Questionnaire to Customers - Remedies Market Test, question D.A.C.1; Replies to Questionnaire to Competitors - Remedies Market Test, question D.A.B.1.

Délifrance to [a sister company in Délifrance's group], will further ensure that the Divestment Business quickly operates at sufficient production capacity.

- (388) Moreover, the additional Key Personnel added in the Final Commitments will ensure that the Divestment Business will remain able to independently participate in upcoming tender procedures and bid for future retail and foodservice customers in France and retail customers in Italy.
- (389) In addition, the inclusion of the distribution agreements currently in place, along with the necessary logistics network and sufficient warehousing capacity as added by the Final Commitments increases the attractiveness of the Divestment Business for the potential purchaser and will help to ensure the immediate viability of the Divestment Business in the event that the Purchaser faces difficulties in securing the provision of these services.
- (390) Based on the results of the market test, and following the Parties' amendments in the Final Commitments, the Commission considers that the scope of the Divestment Business is sufficient to ensure its viability and competitiveness. This is further confirmed by the fact that [a significant number of] companies active in the frozen bakery goods sector all over Europe have expressed a preliminary interest in acquiring the Divestment Business. ⁽³⁸¹⁾

7.3. Purchaser criteria

- (391) The Commitments require that (i) the Purchaser is independent of and unconnected to the Parties, (ii) the Purchaser has the financial resources, but also proven expertise (qualified as "proven expertise in the frozen bakery products sector"), ability and incentive to maintain and develop the Divestment Business as a viable and active competitive force, and (iii) the divestment of the Divestment Business is unlikely to create prima facie competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed. ⁽³⁸²⁾
- (392) The Commission considers these requirements sufficient and in accordance with the market test responses. In particular, and taking into account the responses to the market test, the Commission considers that the purchaser criteria contained in the Commitments, as taken from the standard model for divestiture commitments and supplemented by the additional criterion that the purchaser shall already have expertise in the frozen bakery products sector in the EEA, are adequate to sufficiently ensure the suitability of the Purchaser.

7.4. Conclusion

- (393) For the reasons outlined above, the Final Commitments entered into by the Parties are sufficient to eliminate the serious doubts as to the compatibility of the Transaction with the internal market or a substantial part of it in relation to the manufacture and supply of laminated dough products to retail and foodservice customers in France and retail customers in Italy.

⁽³⁸¹⁾ Buyer's log, Rabobank, submitted by the Notifying Party on 3.12.2025; and also Replies to Questionnaire to Competitors - Remedies Market Test, question E.5.

⁽³⁸²⁾ Final Commitments, paragraph 18.

8. CONDITIONS AND OBLIGATIONS

- (394) Pursuant to the second subparagraph of Article 6(2) of the Merger Regulation, the Commission may attach to its decision conditions and obligations intended to ensure that the undertakings concerned comply with the commitments they have entered into vis-à-vis the Commission with a view to rendering the concentration compatible with the internal market.
- (395) The fulfilment of the measures that give rise to the structural change of the market is a condition, whereas the implementing steps which are necessary to achieve this result are generally obligations on the parties. Where a condition is not fulfilled, the Commission's decision declaring the concentration compatible with the internal market is no longer applicable. Where the undertakings concerned commit a breach of an obligation, the Commission may revoke the clearance decision in accordance with Article 6(3) of the Merger Regulation. The undertakings concerned may also be subject to fines and periodic penalty payments under Articles 14(2) and 15(1) of the Merger Regulation.
- (396) The commitments in sections B and C (and the respective Schedule) of the Annex constitute conditions attached to this decision, as only through full compliance therewith can the structural changes in the relevant markets be achieved. The other commitments set out in the Annex constitute obligations, as they concern the implementing steps which are necessary to achieve the modifications sought in a manner compatible with the internal market.

9. CONCLUSION

- (397) For the above reasons, the Commission has decided not to oppose the notified operation as modified by the Final Commitments and to declare it compatible with the internal market and with the functioning of the EEA Agreement, subject to full compliance with the conditions in sections B and C of the Final Commitments annexed to the present decision and with the obligations contained in the other sections of the said commitments. This decision is adopted in application of Article 6(1)(b) in conjunction with Article 6(2) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Teresa RIBERA
Executive Vice-President

Case M.11974 – VANDEMOORTELE / DÉLIFRANCE

COMMITMENTS TO THE EUROPEAN COMMISSION

Pursuant to Article 6(2), *if Phase I Commitments* of Council Regulation (EC) No 139/2004 (the ‘**Merger Regulation**’), Vandemoortele NV (‘**Vandemoortele**’) and Délifrance SA (‘**Délifrance**’) (together the ‘**Parties**’ and each a ‘**Party**’, respectively) hereby enter into the following commitments (the ‘**Commitments**’) vis-à-vis the European Commission (the ‘**Commission**’) with a view to rendering Vandemoortele’s proposed acquisition of 100% of the shares in and thereby sole control over Délifrance and all its Affiliated Undertakings (the ‘**Concentration**’) compatible with the internal market and the functioning of the EEA Agreement.

This text shall be interpreted in light of the Commission’s decision pursuant to Article 6(1)(b) of the Merger Regulation to declare the Concentration compatible with the internal market and the functioning of the EEA Agreement (the ‘**Decision**’), in the general framework of European Union law, in particular in light of the Merger Regulation, and by reference to the Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004 (the ‘**Remedies Notice**’)¹.

Section A. Definitions

1. For the purpose of the Commitments, the following terms shall have the following meaning:

Affiliated Undertakings: undertakings controlled by the Parties and/or by the ultimate parents of the Parties, whereby the notion of control shall be interpreted pursuant to Article 3 of the Merger Regulation and in light of the Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the ‘*Consolidated Jurisdictional Notice*’).

APA(s): asset purchase agreement(s) to be entered into between Vandemoortele, on behalf of Délifrance, and the Purchaser.

Assets: the assets that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business as indicated in Section B, paragraph 5 and described more in detail in the Schedule.

Avignon Plant: production plant located at 643 Rue Sainte-Geneviève, 84000 Avignon, France (plot numbers [...], [...], [...]), owned and operated by Délifrance.

[illegible]

Closing: the transfer of the legal title to the Divestment Business to the Purchaser.

¹ For completeness it is noted that Commission Regulation (EC) No 802/2004 has been replaced by Commission Regulation (EC) 914/2023.

Closing Period: the period of [...] from the approval of the Purchaser and the terms of sale by the Commission.

Confidential Information: any business secrets, know-how, commercial information not in the public domain, or any other information of a proprietary nature that is not in the public domain.

Conflict of Interest: any conflict of interest that impairs the Trustee's objectivity and independence in discharging its duties under the Commitments.

Customer Relationships: All customer contracts, agreements and relationships with the Retail and Foodservice customers of Délifrance for LD products in France (excluding for the avoidance of doubt GMP-related contracts, agreements and relationships) as well as Retail customers for LD products in Italy. These customer contracts, agreements and relationships correspond to approx. [20-30] kT.

Délifrance: Délifrance S.A., a limited liability company (*société anonyme*) organized and existing under the laws of France, having its registered address at 99, rue Mirabeau, 94200 Ivry-sur-Seine, France, and with registered number 313 167 173.

Divestment Business: the business or businesses as defined in Section B and in the Schedule which the Parties commit to divest.

Divestiture Trustee: one or more natural or legal person(s) who is/are approved by the Commission and appointed by the Parties and who has/have received from the Parties the exclusive Trustee Mandate to sell the Divestment Business to a Purchaser at no minimum price.

Effective Date: the date of adoption of the Decision.

First Divestiture Period: the period of [...] from the Effective Date.

GMP: Grands Moulins de Paris, a company in the group of the Seller in the Concentration.

Hold Separate Manager: the person appointed by the Parties for the Divestment Business to manage the day-to-day business under the supervision of the Monitoring Trustee.

ICC: International Chamber of Commerce.

LD Products: Frozen Morning Goods based on laminated dough, including but not limited to croissants, pains au chocolat, etc.

Key Personnel: all personnel necessary to maintain the viability and competitiveness of the Divestment Business, as listed in the Schedule, including the Hold Separate Manager.

Monitoring Trustee: one or more natural or legal person(s) who is/are approved by the Commission and appointed by the Parties, and who has/have the duty to monitor the Parties' compliance with the conditions and obligations attached to the Decision.

Parties: Vandemoortele and Délifrance.

Party: Vandemoortele or Délifrance, respectively.

Personnel: all staff currently employed by the Divestment Business, including staff seconded to the Divestment Business, shared personnel as well as the additional personnel listed in the Schedule.

Purchaser: the entity approved by the Commission as acquirer of the Divestment Business in accordance with the criteria set out in Section D.

Purchaser Criteria: the criteria laid down in paragraph 18 of these Commitments that the Purchaser must fulfil in order to be approved by the Commission.

Schedule: the schedule to these Commitments describing the Divestment Business in more detail.

Seller in the Concentration: the legal or natural person currently controlling the undertaking that is the target of the Concentration, if applicable.

Supply Contracts: Supply Agreements related to the Divestment Business, as detailed in Annex 2j-1 of the Schedule.

Transferring Agreements: all contracts, agreements, leases, commitments and understandings related to the operation of the plants included in the Divestiture Business (e.g., utilities, subscriptions, and other types of services) that will be transferred to the Purchaser.

Transitional Offtake Agreement: Offtake agreement related to the Divestment Business, as detailed in Annex 2k of the Schedule.

Trustee(s): the Monitoring Trustee and/or the Divestiture Trustee as the case may be.

Trustee Divestiture Period: the period of [...] from the end of the First Divestiture Period.

Vandemoortele: Vandemoortele NV, a limited liability company (*société anonyme*) organized and existing under the laws of Belgium, having its registered address at Ottergemsesteenweg-Zuid 816, 9000 Ghent, Belgium, and with registered number 0429.977.343.

Warehousing, Logistics and Transportation Agreements: Warehousing, logistics and transportation agreements related to the Divestment Business as detailed in Annex 2j-2 of the Schedule.

2. Should issues arise relating to the interpretation of terms listed in paragraph 1 of these Commitments or terms not defined, the Commission will retain the interpretation that is the most favourable for an effective implementation of the Commitments.

Section B. The commitment to divest and the Divestment Business

Commitment to divest

3. In order to maintain effective competition, the Parties commit to divest, or procure the divestiture of the Divestment Business as a going concern to a purchaser and on terms of sale approved by the Commission in accordance with the procedure described in paragraph 19 of these Commitments. To carry out the divestiture, the Parties commit to find a purchaser and to enter into a final binding sale and purchase agreement for the sale of the Divestment Business within the First Divestiture Period. If the Parties have not entered into such an agreement at the end of the First Divestiture Period, the Parties shall grant the Divestiture Trustee an exclusive mandate to sell the Divestment Business in accordance with the procedure described in paragraph 32.
4. The Parties shall be deemed to have complied with this commitment if they fulfil the following conditions:
 - (a) a final binding sale and purchase agreement has been entered into by the Parties by the end of the First Divestiture Period or by the Divestiture Trustee by the end of the Trustee

Divestiture Period, and the Commission approves the Purchaser and the terms of sale as being consistent with the Commitments in accordance with the procedure described in paragraph 19; and

- (b) the Closing of the sale of the Divestment Business to the Purchaser takes place within the Closing Period on the basis of the transaction documents approved by the Commission without any modification, unless explicitly approved by the Commission.

Structure and definition of the Divestment Business

5. The Divestment Business consists of certain production facilities , as well as assets, personnel, contracts, and other rights (as further detailed in the Schedule). The legal and functional structure of the Divestment Business as operated to date is described in the Schedule. The Divestment Business, described in more detail in the Schedule, includes the transfer of all assets and staff that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business, in particular:
 - (a) all tangible and intangible assets (including products under development and related rights, intellectual property rights, and know how);
 - (b) all licences, permits and authorisations issued by any governmental organisation for the benefit of the Divestment Business;
 - (c) all contracts, leases, commitments and customer orders of the Divestment Business; all customer, credit and other records of the Divestment Business; all cooperation agreements with third parties; and
 - (d) all personnel.
6. In addition, the Divestment Business includes the benefit, for a transitional period of up to one year after Closing, which may be extended by up to six (6) additional months if reasonably required (unless detailed otherwise in the Schedule) and on terms and conditions equivalent to those at present afforded to the Divestment Business or at cost (whichever is more advantageous to the Divestment Business), of all current arrangements under which Délifrance or its Affiliated Undertakings supply products or services to the Divestment Business or of any other current or new arrangements which are necessary for the viability of the Divestment Business, as detailed in the Schedule, unless otherwise agreed with the Purchaser and with the approval of the Commission. Strict firewall procedures shall be adopted so as to ensure that any competitively sensitive information related to, or arising from, such supply arrangements (for example, product roadmaps) will not be shared with, or passed on to, anyone outside the operations carried out by the Divestment Business.

Section C. Related commitments

Preservation of viability, marketability and competitiveness

7. From the Effective Date until Closing, the Parties shall preserve or procure the preservation of the economic viability, marketability and competitiveness of the Divestment Business, in

accordance with good business practice, and shall minimise as far as possible any risk of loss of the competitive potential of the Divestment Business. In particular the Parties undertake:

- (a) not to carry out any action that might have a significant adverse impact on the value, management, viability or competitiveness of the Divestment Business or that might alter the nature and scope of activity, or the industrial or commercial strategy or the investment policy of the Divestment Business;
- (b) to make available, or procure to make available, sufficient financial and other resources needed for the development of the Divestment Business, including the development of pipeline products or services where relevant, on the basis of the continuation of the existing business plans;
- (c) to take all reasonable steps, or procure that all reasonable steps are being taken, to assist the Divestment Business in the process of IT migration and/or IT separation until the full process is completed.
- (d) to the extent the Divestment Business includes any licences, permits and authorisations issued by any governmental organisation or any other third party/parties for the benefit of the Divestment Business, to take all reasonable steps, or procure that all reasonable steps are being taken, to obtain consent from any governmental organisation or any other third party/parties for all required licences, permits and authorisations;
- (e) to take all reasonable steps, or procure that all reasonable steps are being taken, including appropriate incentive schemes, to encourage all Key Personnel to remain with the Divestment Business, and not to solicit or move any Personnel to Délifrance's remaining business. Incentives schemes should not be linked to the sale of the Divestment Business within a certain period or to the sale price of the Divestment Business. Where, nevertheless, individual members of the Key Personnel exceptionally leave the Divestment Business, the Parties shall provide a reasoned proposal to replace the person or persons concerned to the Commission and the Monitoring Trustee. The Parties must be able to demonstrate to the Commission that the replacement is well suited to carry out the functions exercised by those individual members of the Key Personnel. The replacement shall take place under the supervision of the Monitoring Trustee, who shall report to the Commission.

Hold-separate obligations

- 8. The Parties commit, from the Effective Date until Closing, to keep, or procure to keep, the Divestment Business separate from the business(es) the Parties are retaining and to ensure that unless explicitly permitted under these Commitments:
 - (i) management and staff of the business retained by the Parties have no involvement in the Divestment Business;
 - (ii) the Key Personnel and Personnel of the Divestment Business have no involvement in any business retained by the Parties and do not report to any individual outside the Divestment Business.
- 9. Until Closing, the Parties shall assist the Monitoring Trustee in ensuring that the Divestment Business is managed as a distinct and saleable entity separate from the business(es) which the

Parties are retaining. Immediately after the adoption of the Decision, the Parties shall appoint a Hold Separate Manager. The Hold Separate Manager shall be part of the Key Personnel. If the Hold Separate Manager is not the head of the Divestment Business at the time of the submission of the Commitments, the appointment should occur in agreement with the Commission. The Hold Separate Manager shall manage the Divestment Business independently and in the best interest of the business with a view to ensuring its continued economic viability, marketability and competitiveness and its independence from the businesses retained by the Parties. The Hold Separate Manager shall closely cooperate with and report to the Monitoring Trustee and, if applicable, the Divestiture Trustee. The Parties shall ensure that the Hold Separate Manager is available for an initial call with the Monitoring Trustee and the Commission, as well as to discuss any significant matter at the request of the Monitoring Trustee or the Commission during his/her mandate. The Monitoring Trustee or the Commission can discuss any matter relevant for the implementation of the Commitments with the Hold Separate Manager without the presence or explicit agreement of representatives of the Parties. The Hold Separate Manager should provide all information requested by the Commission, including confidential information.

10. Any replacement of the Hold Separate Manager shall be subject to the procedure laid down in paragraph 7(e) of these Commitments. The Commission may, after having heard the Parties, require the Parties to replace the Hold Separate Manager. The Hold Separate Manager shall not be employed by the Parties or their affiliated undertakings for a period of two years after Closing.

Ring-fencing obligations

11. The Parties shall implement, or procure to implement, all necessary measures to ensure that they do not, after the Effective Date, obtain any Confidential Information relating to the Divestment Business and that any such Confidential Information obtained by the Parties before the Effective Date will be eliminated and not be used by the Parties. This includes measures vis-à-vis the Parties' appointees on the supervisory board and/or board of directors of the Divestment Business. In particular, the participation of the Divestment Business in any central information technology network shall be severed to the extent possible, without compromising the viability of the Divestment Business. All personnel in the Parties' remaining business who have had access to Confidential Information relating to the Divestment Business shall sign non-disclosure agreements preventing them from using or disclosing any such information. To that effect, within three weeks of the Effective Date, the Parties shall provide a detailed work plan on the implementation of the ring-fencing measures to the Monitoring Trustee for its review. The Parties may obtain or keep information relating to the Divestment Business which is reasonably necessary for the divestiture of the Divestment Business or the disclosure of which to the Parties is required by law.

Transitional obligations

12. Until the end of the term of the relevant obligations, the Parties shall fulfil and respect their obligations under any and all of the agreements between the Parties and the Purchaser, as detailed in the Schedule.

Non-solicitation obligation

13. The Parties undertake, subject to customary limitations, not to solicit, and to procure that Affiliated Undertakings do not solicit, the Key Personnel transferred with the Divestment Business for a period of two years after Closing.

Non-reacquisition obligation

14. In order to maintain the structural effect of the Commitments, the Parties shall, for a period of 10 years after Closing, not acquire, whether directly or indirectly, the possibility of exercising influence (as defined in paragraph 43 of the Remedies Notice, footnote 3) over the whole or part of the Divestment Business, unless, following the submission of a reasoned request from the Parties showing good cause and accompanied by a report from the Monitoring Trustee (as provided in paragraph 55 of these Commitments), the Commission finds that the structure of the market has changed to such an extent that the absence of influence over the whole or part of Divestment Business is no longer necessary to render the Concentration compatible with the internal market.

Due diligence-related obligations

15. In order to enable potential purchasers to carry out a reasonable due diligence of the Divestment Business, the Parties shall provide them with the confidential version (or a meaningful non-confidential version) of the Commitments, subject to customary confidentiality assurances and dependent on the stage of the divestiture process, provide potential purchasers with:
 - (a) sufficient information as regards the Divestment Business;
 - (b) sufficient information relating to the Personnel and allow them reasonable access to the Personnel.

Reporting obligations

16. The Parties shall submit written reports in English on potential purchasers of the Divestment Business and developments in the negotiations with such potential purchasers to the Monitoring Trustee no later than 10 days after the end of every month following the Effective Date (or otherwise at the Monitoring Trustee's request). The Parties shall submit a list of all potential purchasers having expressed interest in acquiring the Divestment Business to the Commission and the Monitoring Trustee at each and every stage of the divestiture process, as well as a copy of all the offers made by potential purchasers within five days of their receipt.
17. The Parties shall inform the Monitoring Trustee on the preparation of the data room documentation and the due diligence procedure and shall submit a copy of any information

memorandum to the Monitoring Trustee before sending the memorandum out to potential purchasers.

Section D. The Purchaser

18. In order to be approved by the Commission, the Purchaser must fulfil the following criteria:
- (a) The Purchaser shall be independent of and unconnected to the Parties and its/their Affiliated Undertakings (this being assessed having regard to the situation following the divestiture). In addition, the Purchaser should not be the Seller in the Concentration nor any of its Affiliated Undertakings.
 - (b) The Purchaser shall have the financial resources to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors. In particular, the Purchaser shall not be excessively leveraged, shall have sufficient equity and profitability, shall have a turnover significantly larger than the turnover of the Divestment Business, shall have sufficient means to finance the acquisition of the Divestment Business and the execution of its business plan, including investments.
 - (c) The Purchaser shall also have proven expertise in the Frozen Bakery Products sector, and the ability and incentive to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors.
 - (d) The acquisition of the Divestment Business by the Purchaser must neither be likely to create, in light of the information available to the Commission, *prima facie* competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed. In particular, the Purchaser must reasonably be expected to obtain all necessary approvals from the relevant regulatory authorities for the acquisition of the Divestment Business.
19. The final binding sale and purchase agreement (as well as ancillary agreements) relating to the divestment of the Divestment Business shall be conditional on the Commission's approval. When the Parties have reached an agreement with a purchaser, they shall submit a fully documented and reasoned proposal, including a copy of the final agreement(s), within one week to the Commission and the Monitoring Trustee. For the approval, the Parties must be able to demonstrate – and the Commission shall verify - that the purchaser fulfils the Purchaser Criteria and that the Divestment Business is being sold in a manner consistent with the Commission's Decision and the Commitments including their objective to bring about a lasting structural change in the market. The Commission may approve the sale of the Divestment Business without one or more of the Assets or parts of the Personnel, or by substituting one or more Assets or parts of the Personnel with one or more different assets or different personnel, if this does not affect the implementation of the Commitments and the viability and competitiveness of the Divestment Business after the sale, taking account of the Purchaser.
20. Any change to the final binding sale and purchase agreement (as well as ancillary agreements) taking place after the Commission's approval referred to in the previous paragraph shall be approved by the Commission, following consultation of the Monitoring Trustee.

Section E. Trustee

I. Appointment procedure

21. The Parties shall appoint a Monitoring Trustee to carry out the functions specified in these Commitments for a Monitoring Trustee. The Parties commit not to close the Concentration before the appointment of a Monitoring Trustee.
22. If the Parties have not entered into a binding sale and purchase agreement regarding the Divestment Business one month before the end of the First Divestiture Period or if the Commission has rejected a purchaser proposed by the Parties at that time or thereafter, the Parties shall appoint a Divestiture Trustee. The appointment of the Divestiture Trustee shall take effect upon the commencement of the Trustee Divestiture Period.
23. The Trustee shall:
 - (a) at the time of appointment, be independent of the Parties, the Seller in the Concentration, and their Affiliated Undertakings;
 - (b) possess the necessary qualifications to carry out its mandate, for example have sufficient relevant experience as an investment banker or consultant or auditor;
 - (c) neither have nor become exposed to a Conflict of Interest;
 - (d) demonstrate sufficient capacity and resources to take on the Trustee role with all the obligations that the role entails, including to report regularly to the Commission;
 - (e) have a sufficient presence in the EU/EEA, and sufficient expertise in the relevant EU/EEA countries covered by the Commitments.
24. The Trustee shall be remunerated by the Parties in a way that does not impede the independent and effective fulfilment of its mandate. In particular, where the remuneration package of a Divestiture Trustee includes a success premium linked to the final sale value of the Divestment Business, such success premium may only be earned if the divestiture takes place within the Trustee Divestiture Period.

Proposal by the Parties

25. No later than one week after the Effective Date, the Parties shall submit the names of at least three natural or legal persons whom the Parties propose to appoint as the Monitoring Trustee to the Commission for approval and a list of two or more persons, who can be the same as the persons proposed as Monitoring Trustee, whom the Parties proposes to appoint as Divestiture Trustee to the Commission for approval. The proposal shall contain sufficient information for the Commission to verify that the persons proposed as Trustee fulfil the requirements set out in paragraph 23 and shall include:

- (a) the full terms of the proposed mandate, which shall include all provisions necessary to enable the Trustee to fulfil its duties under these Commitments; and
- (b) the outline of a work plan which describes how the Trustee intends to carry out its assigned tasks.

Approval or rejection by the Commission

26. The Commission shall have the discretion to approve or reject the proposed Trustee(s) and to approve the proposed mandate subject to any modifications it deems necessary for the Trustee to fulfil its obligations. If only one name is approved, the Parties shall appoint or cause to be appointed the person or persons concerned as Trustee, in accordance with the mandate approved by the Commission. If more than one name is approved, the Parties shall be free to choose the Trustee to be appointed from among the names approved. The Trustee shall be appointed within one week of the Commission's approval, in accordance with the mandate approved by the Commission.

New proposal by the Parties

27. If all the proposed Trustees are rejected, the Parties shall submit the names of at least two more natural or legal persons within one week of being informed of the rejection, in accordance with paragraphs 21 and 26 of these Commitments.

Trustee nominated by the Commission

28. If all further proposed Trustees are rejected by the Commission, the Commission shall nominate a Trustee, whom the Parties shall appoint, or cause to be appointed, in accordance with a trustee mandate approved by the Commission.

II. Functions of the Trustee

29. The Trustee shall assume its specified duties and obligations in order to ensure compliance with the Commitments. The Commission may, on its own initiative or at the request of the Trustee or the Parties, give any orders or instructions to the Trustee in order to ensure compliance with the conditions and obligations attached to the Decision.

Duties and obligations of the Monitoring Trustee

30. The Monitoring Trustee shall:

- (a) propose in its first report to the Commission a detailed work plan describing how it intends to monitor compliance with the obligations and conditions attached to the Decision;
- (b) oversee, in close co-operation with the Hold Separate Manager, the on-going management of the Divestment Business with a view to ensuring its continued economic viability, marketability and competitiveness and monitor compliance by the Parties with the conditions and obligations attached to the Decision. To that end the Monitoring Trustee shall:
 - (i) monitor the preservation of the economic viability, marketability and competitiveness of the Divestment Business, and the keeping separate of the Divestment Business from the business retained by the Parties, in accordance with paragraphs 7, 8 and 9 of these Commitments;
 - (ii) monitor that the Parties make(s) available sufficient resources for the Divestment Business to develop, including for the development of pipeline products or services where relevant (including to reach completion, approval or registration of pipeline products or services), based on the continuation of existing business plans and relevant milestones or of any other future or ongoing projects that are important for the viability of the Divestment Business to the extent that there are any support obligations from the Parties;
 - (iii) to the extent that the Commitments include transitional agreements or the obligation to supply certain inputs, products or services, the Trustee shall monitor the strict compliance with the terms approved and inform the Commission promptly of any changes or compliance problems during the term of such agreements;
 - (iv) supervise the management of the Divestment Business as a distinct and saleable entity, in accordance with paragraphs 9 to 11 of these Commitments;
 - (v) with respect to Confidential Information:
 - determine all necessary measures to ensure that the Parties do not after the Effective Date obtain any Confidential Information relating to the Divestment Business,
 - in particular strive for the severing of the Divestment Business' participation in a central information technology network to the extent possible, without compromising the viability of the Divestment Business,
 - make sure that any Confidential Information relating to the Divestment Business obtained by the Parties before the Effective Date is eliminated and will not be used by the Parties, and
 - decide whether such information may be disclosed to or kept by the Parties as the disclosure is reasonably necessary to allow the Parties to carry out the divestiture or as the disclosure is required by law;

- (vi) monitor the splitting of assets and the allocation of Personnel between the Divestment Business and the Parties or Affiliated Undertakings;
- (c) propose to the Parties such measures as the Monitoring Trustee considers necessary to ensure the Parties' compliance with the conditions and obligations attached to the Decision, in particular the maintenance of the full economic viability, marketability or competitiveness of the Divestment Business, the holding separate of the Divestment Business and the non- disclosure of competitively sensitive information;
- (d) review and assess potential purchasers as well as the progress of the divestiture process and verify that, dependent on the stage of the divestiture process:
 - (i) potential purchasers receive sufficient and correct information relating to the Divestment Business and the Personnel in particular by reviewing, if available, the data room documentation, the information memorandum and the due diligence process, and by ensuring their access to a confidential version (or a meaningful non-confidential version) of the Commitments, and
 - (ii) potential purchasers are granted reasonable access to the Personnel and Key Personnel;
- (e) act as a contact point for any requests by third parties, in particular potential purchasers, in relation to the Commitments;
- (f) provide to the Commission, sending the Parties a non- confidential copy at the same time, a written report within 15 days after the end of every month that shall cover the operation and management of the Divestment Business as well as the splitting of assets and the allocation of Personnel so that the Commission can assess whether the business is held in a manner consistent with the Commitments and the progress of the divestiture process as well as potential purchasers. The Parties shall neither receive nor comment on draft reports that the Monitoring Trustee prepares for the purposes of reporting to the Commission;
- (g) promptly report in writing to the Commission, sending the Parties a non-confidential copy at the same time, if it concludes on reasonable grounds that the Parties is failing to comply with these Commitments. The Parties shall neither receive nor comment on draft reports that the Monitoring Trustee prepares for the purposes of reporting to the Commission;
- (h) promptly report in writing to the Commission as soon as it becomes aware of potential exposure to a Conflict of Interest appearing after its appointment, including if it becomes aware of any potential lack of independence or Conflict of Interest with any purchaser participating in the sale process;
- (i) to the extent that the Commitments include transitional services agreements, support for projects under development, or the obligation to supply certain inputs, products or services, assess that these obligations are satisfactorily reflected in the sale and purchase agreement and other transaction documents, and inform the Commission promptly of any deviation from the terms included in the Commitments or approved by the Commission or any dispute as to the compliance with such terms during the full duration of the agreement;
- (j) promptly report in writing to the Commission risks of degradation of the value or operation of the Divestment Business, or risks that the Purchaser does not or is not able

to carry out or maintain investments that are essential for the viability of the Divestment Business;

- (k) within two weeks after receipt of the documented proposal referred to in paragraph 19 of these Commitments, submit to the Commission, sending the Parties a non-confidential copy at the same time, a reasoned opinion as to the suitability and independence of the proposed purchaser and the viability of the Divestment Business after the sale and as to whether the Divestment Business is sold in a manner consistent with the conditions and obligations attached to the Decision, in particular, if relevant, whether the Sale of the Divestment Business without one or more Assets or not all of the Personnel affects the viability of the Divestment Business after the sale, taking account of the proposed purchaser;
 - (l) remain throughout the term of the Commitments a point of contact for the Parties, potential purchasers, the Purchaser, the Commission and any other interested third party, in case of issues arising from the implementation and monitoring of the Commitments, including by producing *ad hoc* reports upon request of the Commission;
 - (m) contact potential purchasers that submitted a bid for the Divestment Business and ask for relevant information;
 - (n) assume the other functions assigned to the Monitoring Trustee under the conditions and obligations attached to the Decision.
31. If the Monitoring and Divestiture Trustee are not the same legal or natural persons, the Monitoring Trustee and the Divestiture Trustee shall cooperate closely with each other during and for the purpose of the preparation of the Trustee Divestiture Period in order to facilitate each other's tasks.

Duties and obligations of the Divestiture Trustee

32. Within the Trustee Divestiture Period, the Divestiture Trustee shall sell at no minimum price the Divestment Business to a purchaser, provided that the Commission has approved both the purchaser and the final binding sale and purchase agreement (and ancillary agreements) as in line with the Commission's Decision and the Commitments in accordance with paragraphs 18 and 19 of these Commitments. The Divestiture Trustee shall include in the sale and purchase agreement (as well as in any ancillary agreements) such terms and conditions as it considers appropriate for an expedient sale in the Trustee Divestiture Period. In particular, the Divestiture Trustee may include in the sale and purchase agreement such customary representations and warranties and indemnities as are reasonably required to effect the sale. The Divestiture Trustee shall protect the legitimate financial interests of the Parties, subject to the Parties' unconditional obligation to divest at no minimum price (including at a negative price if considered appropriate and reasonably required) in the Trustee Divestiture Period.
33. In the Trustee Divestiture Period (or otherwise at the Commission's request), the Divestiture Trustee shall provide the Commission with a comprehensive monthly report written in English on the progress of the divestiture process. Such reports shall be submitted within 15 days after

the end of every month with a simultaneous copy to the Monitoring Trustee and a non-confidential copy to the Parties.

III. Duties and obligations of the Parties

34. The Parties shall provide and shall cause their advisors to provide the Trustee with all such co-operation, assistance and information as the Trustee may reasonably require to perform its tasks. The Trustee shall have full and complete access to any of the Parties' or the Divestment Business' books, records, documents, management or other personnel, facilities, sites and technical information necessary for fulfilling its duties under the Commitments and the Parties and the Divestment Business shall provide the Trustee upon request with copies of any document. The Parties and the Divestment Business shall make available to the Trustee one or more offices on their premises and shall be available for meetings in order to provide the Trustee with all information necessary for the performance of its tasks.
35. The Parties shall provide the Monitoring Trustee with all managerial and administrative support that it may reasonably request on behalf of the management of the Divestment Business. This shall include all administrative support functions relating to the Divestment Business which are currently carried out at headquarters level. The Parties shall provide and shall cause its advisors to provide the Monitoring Trustee, on request, with the information submitted to potential purchasers, in particular give the Monitoring Trustee access to the data room documentation and all other information granted to potential purchasers in the due diligence procedure. The Parties shall inform the Monitoring Trustee on possible purchasers, submit lists of potential purchasers at each stage of the selection process, including the offers made by potential purchasers at those stages, and keep the Monitoring Trustee informed of all developments in the divestiture process.
36. The Parties shall grant or procure Affiliated Undertakings to grant comprehensive powers of attorney, duly executed, to the Divestiture Trustee to effect the sale (including ancillary agreements), the Closing and all actions and declarations which the Divestiture Trustee considers necessary or appropriate to achieve the sale and the Closing, including the appointment of advisors to assist with the sale process. Upon request of the Divestiture Trustee, the Parties shall cause the documents required for effecting the sale and the Closing to be duly executed.
37. The Parties shall indemnify the Trustee and its employees and agents (each an '*Indemnified Party*') and hold each Indemnified Party harmless against, and hereby agrees that an Indemnified Party shall have no liability to the Parties for, any liabilities arising out of the performance of the Trustee's duties under the Commitments, except to the extent that such liabilities result from the wilful default, recklessness, gross negligence or bad faith of the Trustee, its employees, agents or advisors.
38. At the expense of the Parties, the Monitoring Trustee may appoint advisors (in particular for corporate finance or legal advice), subject to the Parties' approval (this approval not to be unreasonably withheld or delayed) if the Monitoring Trustee considers the appointment of such

advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Monitoring Trustee are in line with business practice. Should the Parties refuse to approve the advisors proposed by the Monitoring Trustee the Commission may approve the appointment of such advisors instead, at the expense of the Parties, after having heard the Parties. Only the Trustee shall be entitled to issue instructions to the advisors. Paragraph 37 of these Commitments shall apply *mutatis mutandis*. In the Trustee Divestiture Period, the Divestiture Trustee may use advisors who served the Parties during the Divestiture Period if the Divestiture Trustee considers this in the best interest of an expedient sale. At the expense of the Parties, the Divestiture Trustee may appoint advisors (in particular for corporate finance or legal advice), without the Parties' approval if the Divestiture Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Divestiture Trustee are in line with business practice.

39. The Parties agree that the Commission may share Confidential Information proprietary to the Parties with the Trustee. The Trustee shall not disclose such information and the principles contained in Article 17(1) and (2) of the Merger Regulation apply *mutatis mutandis*.
40. The Parties agree that the contact details of the Monitoring Trustee are published on the website of the Commission's Directorate-General for Competition, and they shall inform interested third parties, in particular any potential purchasers, of the identity and the tasks of the Monitoring Trustee. The Parties agree that the contact details of the Divestiture Trustee are published on the website of the Commission's Directorate-General for Competition upon the commencement of the Trustee Divestiture Period begins.
41. For a period of 10 years from the Effective Date the Commission may request all information from the Parties that is reasonably necessary to monitor the effective implementation of these Commitments.

IV. Replacement, discharge and reappointment of the Trustee

42. If the Trustee ceases to perform its functions under the Commitments or for any other good cause, including for failure to comply with the requirements in paragraph 23:
 - (a) the Commission may, after hearing the Trustee and the Parties, require the Parties to replace the Trustee; or
 - (b) the Parties may, with the prior approval of the Commission, replace the Trustee.
43. If the Trustee is removed according to paragraph 42 of these Commitments, the Trustee may be required to continue in its function until a new Trustee is in place to whom the Trustee has effected a full hand over of all relevant information. The new Trustee shall be appointed in accordance with the procedure referred to in paragraphs 21-28 of these Commitments.

44. Unless removed according to paragraph 42 of these Commitments, the Trustee shall cease to act as Trustee only after the Commission has discharged it from its duties after all the Commitments with which the Trustee has been entrusted have been implemented. However, the Commission may at any time require the reappointment of the Monitoring Trustee if it subsequently appears that the relevant remedies might not have been fully and properly implemented.

Section F. Interpretation of the Commitments

45. In case of a conflict between the wording of the text of the present Commitments and the contractual instruments executed by the Parties, the Purchaser or any other party for the purposes of implementing the Commitments, the wording of the Commitments shall prevail, without prejudice to the fact that the interpretation of the Commitments shall take into account the solution that is more favourable to the Divestment Business. Deviations from the Commitments in such contractual instruments are only valid if they have been expressly approved by the Commission. A clause implementing this paragraph should be included in the contractual instruments executed by the Parties.

Section G. Dispute Resolution Procedure

46. The following dispute resolution procedure applies in case of conflict between the Parties and the Purchaser in relation to the Commitments.
47. The Parties and the Purchaser shall appoint a panel of experts (the '*Experts*'). This panel shall comprise:
- (a) one expert appointed jointly by the Parties;
 - (b) one expert appointed by the Purchaser; and
 - (c) one expert appointed by the two experts appointed under (a) and (b) provided that if they fail to appoint the third expert within 15 working days from their appointment, either the Parties or the Purchaser may request the Monitoring Trustee to appoint the third expert, provided that each person so appointed shall be independent of the Parties and the Purchaser, and a suitably qualified and experienced expert.
48. The process shall be conducted in private and shall be confidential but under supervision of the Monitoring Trustee. The language of the process shall be English.
49. The Experts shall act on the following basis:
- (a) the Experts shall act fairly and impartially;
 - (b) each party shall submit to the Experts its brief and its submission in relation to the matter in dispute within 5 working days of the Experts' appointment;

- (c) the Experts shall decide the procedure to be followed within 5 working days of their appointment, which may be the Rules for the Administration of Expert Proceedings of the International Chamber of Commerce (“ICC”);
 - (d) the Parties and the Purchaser shall assist and provide documentation as the Experts reasonably requires to consider the matters referred to them;
 - (e) decisions of the Experts shall be based on majority votes of the panel;
 - (f) the Experts’ determination in relation to any matter referred to them shall be given within a maximum period of one month of the Experts’ appointment;
 - (g) the Experts’ determination in relation to any matter referred to them shall (save for manifest error or fraud) be final and binding on the Parties and the Purchaser;
 - (h) any challenge to the Experts’ determination shall be made in the courts of Ghent (Belgium);
 - (i) each party shall carry out the actions required to comply with the obligations set out in the Experts’ determination in relation to any matter pursuant referred to them within any time-limits specified by the Experts; and
 - (j) the Experts shall determine how and by whom the costs of the determination in relation to any matter referred to it including the fees and expenses of the Experts are to be paid.
50. The Commission shall be allowed and enabled to participate in all stages of the dispute resolution procedure by:
- (a) receiving all written submissions (including documents and reports, *etc.*) made by the Parties and the Purchaser to the procedure;
 - (b) receiving all documents exchanged by the Experts with the Parties and the Purchaser to the procedure;
 - (c) filing any written submissions; and
 - (d) being present at the hearing(s) and being allowed to ask questions.
51. The Experts shall forward, or shall order the Parties and the Purchaser to forward, the documents mentioned to the Commission without delay. The Monitoring Trustee shall receive copies of:
- (a) all submissions made by the Parties and the Purchaser in relation to the matters they wish to have resolved by the Experts, on the day when these have been submitted to the Experts;
 - (b) all other documentation provided by the Parties and the Purchaser, on the day when these have been submitted to the Experts; and
 - (c) the determination made by the Experts, on the day when the determination has been provided to the Parties and the Purchaser.
52. This dispute resolution procedure is without prejudice to any other rights and remedies that may be available to the Parties and the Purchaser as the case may be in respect of any breach of the transaction documents. This procedure is also without prejudice to any Commission decision related to the compliance of the Parties with the Commitments.

Section H. The review clause

53. The Commission may extend the time periods foreseen in the Commitments in response to a request from the Parties or, in appropriate cases, on its own initiative. Where the Parties request an extension of a time period, they shall submit a reasoned request to the Commission no later than one month before the expiry of that period, showing good cause. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Parties. Only in exceptional circumstances shall the Parties be entitled to request an extension within the last month of any period.
54. The Commission may further, in response to a reasoned request from the Parties showing good cause waive, modify or substitute, in exceptional circumstances, one or more of the undertakings in these Commitments. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non- confidential copy of the report to the Parties. The request shall not have the effect of suspending the application of the undertaking and, in particular, of suspending the expiry of any time period in which the undertaking has to be complied with.

Section I. Entry into force

55. The Commitments shall take effect upon the date of adoption of the Decision.

Signatory 1

Name: [...]

Organisation: [...]

Position: [...]

Address: [...]

Phone number: [...]

E-Mail: [...]

*e-signed***Signatory 2**

Name: [...]

Organisation: [...]

Position: [...]

Address: [...]

Phone number: [...]

E-Mail: [...]

e-signed

Signed 16 December 2025 in Brussels, Belgium

.....

duly authorised for and on behalf of Vandemoortele NV

[Signed]

Signed 16 December 2025 in London, United Kingdom

.....

duly authorised for and on behalf of Délifrance

[Signed]

SCHEDULE

1. The Divestment Business as operated to date has the following legal and functional structure: The Divestment Business consists of production assets (i.e., production facilities, land, and equipment) located in Avignon and Béthune in France, dedicated to the production and supply of laminated dough-based Frozen Morning Goods (**‘LD Products’**) as well as other Frozen Bakery Products, as well as assets, personnel, contracts, and other rights related to the sale and supply of such products to Retail and Foodservice customers in France and to Retail customers in Italy.
2. In accordance with paragraph 6 of these Commitments, the Divestment Business includes, but is not limited to:
 - (a) The assets comprising the production plant located at 643 Rue Sainte-Geneviève, 84000 Avignon, France (plot numbers [...], [...], [...]) (**‘Avignon Plant’**), at which LD Products are produced and which is currently owned by Délifrance, and operated by a number of employees which are employed by Délifrance, and which has all required regulatory approvals and permits necessary to produce LD Products, as more particularly described in **Annex 2a**;
 - (b) the assets comprising the production plant located at 1657 Rue Jules Guesde, 62122 Labeuvrière, France (registration plot numbers [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...], [...]) (**‘Béthune Plant’**), at which LD Products and other types of Frozen Bakery Products are produced and which is currently owned by Délifrance, and operated by a number of employees which are employed by Délifrance, and which has all required regulatory approvals and permits necessary to produce LD Products and other types of Frozen Bakery Products, as more particularly described in **Annex 2b**;
 - (c) all tangible and certain intangible assets including intellectual property rights (other than trademarks and other rights expressly excluded below), and IT systems used to operate the Avignon Plant and the Béthune Plant;
 - (d) the regulatory permits in relation to the Avignon Plant and the Béthune Plant, as per **Annex 2d**;
 - (e) the contracts, agreements, leases, commitments and understandings related to the operation of these plants (**“Transferring Agreements”**) that are listed in **Annex 2e**;
 - (f) all customer, credit and other records related to the Customer Relationships. The Customer Relationships will be transferred to the Divestment Business according to the mechanism set out in **Annex 2j-3**. The current main customers of LD products of the Avignon Plant and the Béthune Plant, respectively, are listed in **Annex 2f** as an indication;
 - (g) all books, records, correspondence, files and other documents held in any medium used to operate the Avignon Plant and the Béthune Plant;
 - (h) the Personnel (including Key Personnel) listed in **Annex 2h**; at the reasonable request of the Monitoring Trustee, the Parties shall consider the appointment of additional Key Personnel without delaying or withholding the appointment unreasonably;

- (i) inventory, including:
 - any raw material products on site and in progress of being delivered at the time of Closing;
 - all finished goods stock on site and in the progress of being delivered to customers at the time of Closing; and
 - all spare parts stock present on site at the time of Closing relating to the factory equipment;
 - (j) Supply Agreements and Warehousing, Logistics and Transportation Agreements related to the Divestment Business (see **Annex 2j-1 (Supply Agreements)** and **Annex 2j-2 (Warehousing, Logistics and Transportation Agreements)**)
 - (k) customer contracts, agreements and relationships with transferring Retail and Foodservice customers of Délifrance for LD products in France as well as Retail customers for LD products in Italy, according to the mechanism set out in **Annex 2j-3 (Customer Relationships)**; and
 - (l) a transitional offtake mechanism allowing the Purchaser to sell certain volumes to the Parties for a period of [...], as further detailed in **Annex 2k (Transitional Offtake Agreement)**.
3. The Divestment Business shall not include:
- (a) Any trade secrets, know-how, customer data or other confidential information or intellectual property rights (including but not limited to any trademarks or patents) that are not necessary for the successful operation of the Divestment Business;
 - (b) Any personnel in the operations of Délifrance including in finance, HR, legal, and IT personnel, other than the Personnel listed in **Annex 2h**.
 - (c) Any IT systems that are used by Délifrance (including any CRM systems, accounting or finance tools, administrative or back-office platforms, related services, and any agreements or contracts supporting these functions) apart from the IT software installed in and integrated into the machines and equipment used in the production of LD Products and other types of Frozen Bakery Products at the Avignon Plant and the Béthune Plant.
 - (d) The Délifrance brand or the right to sell products using the name of Délifrance, as well as any registered names, service marks, domain names, trade names, trade dress, corporate names, logos, and other identifiers incorporating or associated with Délifrance.
 - (e) Any logistics network or assets and any warehouse facilities or assets (except for such warehouse capacity located at the Avignon Plant or Béthune Plant, which will transfer to the Purchaser as part of such plant and the warehousing, logistics and transportation agreements listed in Annex 2j-2).
 - (f) Inventory considered to be non-transferrable, if any;
 - (g) Receivables with respect to the Customer Relationships.
 - (h) In the event that materials to be transferred include information that is confidential to the Parties' retained business and not relevant for the Divestment Business, the information shall be redacted subject to Monitoring Trustee oversight.
4. If there is any asset or personnel which is not covered by paragraph 2 of this Schedule but which contribute to the current operation (and are not excluded pursuant to paragraph 3 of this

Schedule) or are necessary to ensure the viability and competitiveness of the Divestment Business, that asset, personnel or adequate substitute will be offered to potential purchasers.

5. For any excluded assets, personnel or contracts pursuant to paragraph 3, as well as non-transferrable assets, personnel or contracts pursuant to paragraph 4, to the extent necessary for the viability of the Divestment Business, the Parties will provide appropriate TSAs as further specified in **Annex 5**.
6. The divestment of the Divestment Business will be effected by way of an asset transfer in accordance with French law whereby the relevant Délifrance group company being the direct owner of the relevant asset or party to the contract to be transferred will (where applicable) split and transfer such asset or contract, etc. or use its best efforts to transfer such contract, subject to obtaining all relevant third-party consents and in accordance with the nature and terms of such directly to the Purchaser or a wholly-owned subsidiary and/or an entity under common control of the Purchaser, as further detailed in **Annex 6**.

Annex 2a – The Avignon plant

1. The Avignon Plant is located at 643 Rue Sainte-Geneviève, 84000 Avignon, France (plot numbers [...], [...], [...]). It is a fully-invested production plant for LD Products which complies in all material respects with the regulatory requirements needed to produce LD Products in France.

Key attributes include:

- (a) Avignon is a well-invested site, with recent upgrades to the production line completed in 2025, with ample space in and surrounding the facility for further expansions.
 - (b) Skilled workforce, specialised in the production of LD Products, with stable labour relations.
 - (c) Strategic location in South-East France, ensuring logistical proximity to major retail customers.
 - (d) A dedicated and specialised production line for LD Products (e.g. pain au chocolat, pain aux raisins, suisses, chaussons, torsades).
 - (e) Full certification under all relevant EU and UK food safety and quality standards.
 - (f) A high-performing, seven-day operational line with an annual capacity of [10-20] kT, producing approximately [...] million units, currently operating at [...] utilisation, on the basis of the budgeted volumes for FY 2025/2026.
 - (g) Strong financial performance, generating an annual contribution margin of approximately EUR [...] million in FY 2024/2025.
2. At Closing, LD Products can be produced at the Avignon Plant, and the Avignon Plant will comprise all equipment and capacity to handle the production, freezing, packaging and labelling of LD Products for supply to Retail and Foodservice customers in France and Retail customers in Italy.
3. The Avignon Plant includes:
 - (a) Approximately [...] sqm of land with a building size of [...] sqm;
 - (b) Warehouse space directly located at the Avignon Plant, comprising of storage space of [...] sqm;
 - (c) One production line and related equipment for the production of LD Products, including [...] and other LD Products such as [...], etc;
 - (d) [...] employees, including [...] interim FTEs.

Annex 2b – The Béthune Plant

1. The Béthune Plant is located at 1657 Rue Jules Guesde, 62122 Labeuvrière, France (registration plot numbers [...], [...]), owned and operated by Délifrance SA. It is a fully-invested production plant for LD Products and other types of Frozen Bakery Products which complies in all material respects with the regulatory requirements needed to produce LD Products and other types of Frozen Bakery Products in France.

Key attributes include:

- (a) Béthune is a well-invested site, with a large footprint of [...] sqm, on a total area of [...] sqm.
 - (b) Skilled workforce, specialised in the production of LD Products and other types of Frozen Bakery Products, with stable labour relations.
 - (c) Strategic location in Northern France, ensuring logistical proximity to major retail customers.
 - (d) Two production lines dedicated to LD Products (e.g. croissant, chocolate roll, cinnamon roll, torsade).
 - (e) Full certification under all relevant EU and UK food safety and quality standards.
 - (f) Two high-performing, seven-day operational lines with an annual capacity of [20-30]-[20-30] kT (one line with [...] kT and another with [...] kT), currently operating at [...] utilisation, on the basis of the budgeted capacity and volumes for FY 2025/2026.²
 - (g) Strong financial performance, generating an annual contribution margin of approximately EUR [...] million in FY 2024/2025.
2. At Closing, LD Products and other types of Frozen Bakery Products can be produced at the Béthune Plant, and the Béthune Plant will comprise all equipment and capacity to handle the production, freezing, packaging and labelling of LD Products for supply to Retail and Foodservice customers in France and Retail customers in Italy.
3. The Béthune Plant includes:
 - (a) A land area of 40,000 sqm, hosting a total production area of [...] sqm with a footprint of [...] sqm;
 - (b) Warehouse space directly located at the Béthune Plant, including the ongoing installation of a cold room with a capacity of [...] pallets (increasing total stockage capacity to [...] pallets);
 - (c) Two production lines dedicated to LD Products (e.g. [...]).
 - (d) [...] employees on permanent contracts, along with [...] interim FTEs and [...] apprentice.

² Délifrance notes that total capacity of the Béthune plant to produce laminated dough-based products can vary from year to year depending on planned downtime for maintenance and capital investment, unplanned downtime to equipment breakdowns, equipment improvements leading to increased production efficiency and product mix changes as the capacity is subject to the product mix and the organization.

Annex 2d – Regulatory permits

1. The Divestiture Business comprises all regulatory permits, registrations, environmental approvals, hygiene and food-safety certifications and certifications and other authorisations required under applicable French and EU legislation to operate the Avignon Plant and the Béthune Plant and manufacture frozen bakery products.
2. To the extent that certain permits or registrations are non-transferable or require re-notification or re-registration, the Parties will provide the Purchaser with all information and documentation reasonably necessary to assist the Purchaser in obtaining such authorisations without undue delay.
3. Subject to notification of the change in ownership to the relevant food certification bodies (BRC, IFS), the transfer of the plants to the Purchaser is not expected to affect the validity of these certifications or to delay the transfer of Customer Relationships to the Purchaser.

Annex 2e – Transferring Agreements

1. The Divestiture Business comprises all contracts, agreements, leases, commitments and understandings related to the operation of the Avignon and Béthune plants (i.e., utilities, subscriptions, and other types of services).
2. The Parties undertake to use best efforts prior to Closing to obtain consent to the assignment or transfer of relevant contracts, agreements, leases, commitments and understandings related to the operation of the Avignon and Béthune plants to the extent consent would be required for such assignment or transfer. To the extent that this has not been possible prior to Closing, the Parties will continue to make best efforts for a period of [...] from Closing. If and for as long consent has still not been obtained, (i) the Parties will, to the extent legally permissible and not in breach of the relevant agreement, operate the relevant agreement in the interest, at the reasonable instruction for the account and at the benefit and risk of the Purchaser, and will forward to the Purchaser as soon as reasonably practicable upon receipt, any benefits received by it to the extent that they relate to that agreement; and (ii) the Purchaser shall as subcontractor, perform all the obligations of Délifrance under such agreement to be discharged after Closing, acting reasonably. If the relevant agreement does not permit this relationship or if it is not legally permissible, the Parties and the Purchaser agree to use their best efforts to achieve an alternative solution by which the Purchaser shall receive the benefit of the relevant agreement and assume the associated obligations.

Annex 2f – Main customers of the plants included in the Divestment Business

Avignon Plant

- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]

Béthune Plant

- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]
- [...]

Annex 2h – Personnel and Key Personnel of the Divestment Business

1. The Personnel include personnel across key functions, including [...] FTEs in joint functions (“**Joint Personnel**”), as well as [...] FTEs in case of the Avignon Plant and [...] FTEs in case of the Béthune Plant. A total of [...] FTEs will be transferred to the Purchaser upon Closing.
2. The transferring personnel resources are set out below across functions:

Table 1 – Joint Personnel

Function	Total Transfer FTE
France	
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
Italy	
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
[sales personnel title]	[...]
Total	[...]

Table 2 – Personnel specific to Avignon Plant

Function	Total Transfer FTE
Production	[...]
Maintenance	[...]
Logistics	[...]
Quality Control	[...]
Safety	[...]
Human Resources	[...]
Finance	[...]
Total	[...]

Table 3 – Personnel specific to Béthune Plant

Function	Total Transfer FTE
Production	[...]
Maintenance	[...]
Logistics	[...]
Quality Control	[...]
Safety	[...]
Human Resources	[...]
Finance	[...]
Methods Continuous Improvement	[...]
Total	[...]

3. To the extent not already included in the above, the Purchaser will be assumed to be able to absorb centralized sales and marketing functions, back-office functions and other centralized functions including but not limited to legal, HR, etc. and no such employees will transfer. If necessary, at the option of the Purchaser, TSAs will be offered for certain support functions for a transitory period.
4. The following are considered Key Personnel:

Table 4 – Key Personnel (Joint Functions)

Function	Total Transfer FTE	Name of FTE
[...]		
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]

Table 5 – Key Personnel of the Avignon Plant

Function	Total Transfer FTE	Name of FTE
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]	[...]	[...]

Table 6 – Key Personnel of the Béthune Plant

Function	Total Transfer FTE	Name of FTE
[...]		
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]		
[...]	[...]	[...]
[...]	[...]	[...]

Annex 2j-1 – Supply contracts for the Divestment Business

1. The Parties undertake to use best efforts prior to Closing to obtain consent to the assignment or transfer of relevant supply agreements related to the production of LD Products and other Frozen Morning Goods at the Avignon Plant and the Béthune Plant. To the extent that this has not been possible prior to Closing, the Parties will continue to make best efforts for a period of [...] from Closing. If and for as long as consent has not been obtained, (i) the Parties will, to the extent legally permissible and not in breach of the relevant supply agreement, operate the relevant supply agreement in the interest, at the reasonable instruction for the account and at the benefit and risk of the Purchaser, and will forward to the Purchaser as soon as reasonably practicable upon receipt, any benefits received by it to the extent that they relate to that supply agreement; and (ii) the Purchaser shall as subcontractor, perform all the obligations of Délifrance under such supply agreement to be discharged after Closing, acting reasonably. If the relevant supply agreement does not permit this relationship or if it is not legally permissible, the Parties and the Purchaser agree to use their best efforts to achieve an alternative solution by which the Purchaser shall receive the benefit of the relevant supply agreement and assume the associated obligations.
2. For any supply agreement which pertains to both the Divestment Business and the retained business of the Parties, the Parties and the Purchaser will cooperate to enable the Purchaser to enter into a new agreement in respect of the relevant part of the supply agreement that relates to the Divestment Business, on or before Closing on substantially the same terms. The Parties undertake to use best efforts to obtain all necessary third-party consents where applicable; and to the extent any such third-party consent could not be obtained by Closing, the Parties will, as appropriate, support the Purchaser to put in place alternative arrangements.
3. Any indirect supply agreements relating to local site services (such as e.g. site exterior maintenance) will be transferred with the site.
4. In summary, supplier contracts related to raw materials, utilities, maintenance, facility services and consumables required by the Avignon Plant or the Béthune Plant will be transferred to the Purchaser through the following three different models:
 - (a) With respect to existing suppliers who serve only the Divestment Business (rather than also serving the non-Divestment Business) and have entered into framework agreements with Délifrance, the current framework agreements will be transferred to the Purchaser, and relevant information of the supplier (e.g. suppliers, contacts and reference prices for new offers) will be shared with the Purchaser.
 - (b) With respect to those existing suppliers who serve both the Divestment Business and non-Divestment Business and, with respect to the raw materials, have entered into framework agreements with Délifrance, the current sharing framework agreements would not be transferred to the Purchaser. Instead, Délifrance will assist the Purchaser to enter new contracts with such suppliers and share with the Purchaser relevant information of the supplier (e.g. contacts and reference prices for new offers).
 - (c) With respect to those existing suppliers with whom Délifrance has not entered into any framework agreement but instead Délifrance only places orders on demand, no contracts will be transferred to Purchaser. Instead, relevant information of the supplier (e.g. contacts and reference prices for new offers) will be shared with the Purchaser.

Annex 2j-2 – Warehousing, Logistics and Transportation Agreements

1. Warehousing, Logistics and Transportation Agreements to be transferred to the Divestment Business, shall include the following:
 - (a) Warehousing and Logistics Agreements: Existing arrangements with the following warehousing and logistics services providers in [warehouse locations in Italy] and [warehouse locations in France], to the extent that they are necessary for the operation of the Divestment Business:
 - [Third party logistics operators]
 - [Third party logistics operators]
 - (b) Transportation Agreements: any existing arrangements with transportation service providers necessary for the Customer Relationships, including in particular:

Table 7 – Transportation Agreements

Departure	Destination	Transporters
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]
[plant/warehouse]	[warehouse/customer]	[third party logistics operator]

- Contact details of as well as any existing arrangements with the following transport services providers used for deliveries from warehouses to Retail and Foodservice customers in France:

of the agreement that relates to the Divestment Business, on or before Closing on substantially the same terms.

3. The Parties undertake to use best efforts to obtain all necessary third-party consents where applicable.
4. In relation to Warehousing and Logistics Agreements, to the extent any third-party consent referred to in point (2) could not be obtained by Closing, the Parties will support the Purchaser to put in place alternative arrangements, or, at the request of the Purchaser, for a period of [...] as from Closing, which can be extended with an additional period of [...] at the request of the Purchaser:
 - (a) the Parties will, to the extent legally permissible and not in breach of the relevant agreement, operate the relevant part of the agreement for the capacity required by the Purchaser for the Divestment Business in the interest, at the reasonable instruction for the account and at the benefit and risk of the Purchaser, and will forward to the Purchaser as soon as reasonably practicable upon receipt, any benefits received by it to the extent that they relate to that agreement; and
 - (b) the Purchaser shall as subcontractor, perform all the obligations of Délifrance under such agreement in relation to the relevant part of the agreement for the capacity required by the Purchaser for the Divestment Business to be discharged after Closing, acting reasonably.

If the relevant agreement does not permit this relationship or if it is not legally permissible, the Parties and the Purchaser agree to use their best efforts to achieve an alternative solution by which the Purchaser shall receive the benefit of the relevant agreement and assume the associated obligations.

5. In relation to Transportation Agreements, to the extent any third-party consent referred to in point (2) could not be obtained by Closing, the Parties will support the Purchaser to put in place alternative arrangements, or, at the request of the Purchaser, for a period of [...] as from Closing, which can be extended with an additional period of [...] at the request of the Purchaser:
 - (a) the Parties will, to the extent legally permissible and not in breach of the relevant agreement, operate the relevant part of the agreement for the transport services required by the Purchaser for the Divestment Business in the interest, at the reasonable instruction for the account and at the benefit and risk of the Purchaser, and will forward to the Purchaser as soon as reasonably practicable upon receipt, any benefits received by it to the extent that they relate to that agreement; and
 - (b) the Purchaser shall as subcontractor, perform all the obligations of Délifrance under such agreement in relation to the relevant part of the agreement for the transport services required by the Purchaser for the Divestment Business to be discharged after Closing, acting reasonably.

If the relevant agreement does not permit this relationship or if it is not legally permissible, the Parties and the Purchaser agree to use their best efforts to achieve an alternative solution by which the Purchaser shall receive the benefit of the relevant agreement and assume the associated obligations.

Annex 2j-3 – Customer Relationships

1. The Parties undertake to use best efforts to transfer the Customer Relationships to the Purchaser.
2. To facilitate a smooth transfer at Closing, the Parties undertake to use best efforts to ensure that the Customer Relationships will have been reorganized by or before Closing so as to ensure that the Customer Relationships will be served by the Avignon Plant and the Béthune Plant at Closing.
3. Some of the existing customer contracts, agreements and relationships related to the supply of LD Products are based on informal ad hoc agreements with purchase orders being placed on the basis of standard terms and conditions of either Délifrance or the customer. Such existing customers, will, at the latest at Closing, and under supervision of the Monitoring Trustee be notified of the change of supplier as far as the supply of LD Products manufactured by the Divestment Business is concerned.
4. In case third-party consents or new arrangements or agreements are required (such as in case of carve out of centralised contracts, agreements or relationships), the Parties undertake to use best efforts to obtain all necessary third-party consents where applicable or to assist, under supervision of the Monitoring Trustee, in putting in place any new supply arrangement or agreement between the Purchaser and the customer for the supply of the volumes of LD Products manufactured by the Divestment Business under conditions that are at least economically equivalent to those applicable to the Divestment Business immediately prior to Closing.
5. In each case, the Parties shall ensure that the Purchaser benefits from a binding transfer or carve out (for centralized contracts) insofar they relate to the Divestment Business and that the transfer or carve out is directly enforceable by the Purchaser.
6. If it is established at any time during the process that the sum of the LD Product volumes transferred to the Divestment Business in accordance with the foregoing would not reach [a sufficient amount of volume to address the overlap] of LD Products by the time of Closing, the Parties undertake to use best efforts to transfer to the Divestment Business or the Purchaser additional volumes of LD Products under Vandemoortele customer contracts, agreements or relationships with such customers in France or Italy in order to reach this threshold at Closing or within the proceeding [...].
7. All customer lists, customer orders, customer records and credit records in relation to the transferred Customer Relationships that are material and/or necessary to the Divestment Business to the extent they are capable of being assigned will be transferred to the Purchaser.
8. For a period of [...] from Closing, the Parties undertake not to actively canvass, solicit or approach any customer of the Divestment Business for the LD Products manufactured by the Divestment Business having at any time within the year preceding Closing been a customer of the Divestment Business for LD Products, for the purposes of selling LD products that are of the same type as or similar to these LD Products, unless such customers are at the same time also customers of the Parties in relation to such products.
9. This obligation shall not preclude the Parties from engaging, dealing, responding to (including responding to requests for tenders) or supplying to any customer, on an unsolicited (passive) basis any time from Closing, LD Products, if following Closing the Parties are requested to do so by such customers (subject to the non-solicitation clause as set out above).
10. Furthermore, this obligation shall not prevent the Parties from actively or passively selling, marketing, distributing and engaging with customers (subject to the non-solicitation clause as

set out above) of all other products than LD Products that are part of the Parties' retained business or any reasonable extension or development of any such business and production and/or manufacturing activities in relation to the Parties' retained business.

Annex 2k – Transitional Offtake Agreement

1. To provide the Purchaser of the Divestment Business a degree of stability and business continuity from the outset, the Parties agree to the following mechanism:
 - (a) At the request of the Purchaser, the Parties commit to agree an offtake of up to [...] of the total production from the Avignon Plant and the Béthune Plant for a period of [...] from Closing.
 - (b) The Parties commit to agree to purchase up to an aggregate of [...] per year from the Avignon Plant and the Béthune Plant for a period of [...] from Closing at the request of the Purchaser (volumes can be negotiated and the Purchaser will have the option to reduce volumes during the period).
 - (c) Purchases made pursuant to paragraphs (a) and (b) will be made at [information on pricing of transitional offtake arrangement].

In line with the entire cost structure methodology set out in the contract under which Délifrance sells Frozen Bakery Products to [a customer of Délifrance], [information on pricing mechanism].
2. This mechanism will be reflected in the Term Sheet to be agreed upon with the Purchaser, as well as the final agreements.

Annex 5 – Transitional Services Agreements

1. To the extent necessary for the viability of the Divestment Business, the Parties will provide appropriate TSAs for the benefit of the Purchaser for a maximum of [...], which may be extended by up to [...] if reasonably required, subject to discussion with the Purchaser, covering the areas below.
2. Services will be provided at the option of the Purchaser, with option for the Purchaser to terminate services early if no longer needed, subject to reasonable advance notice.
3. Services may include, in respect of the production of LD Products and other Frozen Morning Goods manufactured at the Avignon Plant and the Béthune Plant, transitional:
 - a. HR, training and payroll support;
 - b. Manufacturing support;
 - c. Procurement support;
 - d. IT support;
 - e. Finance and accounting functions support;
 - f. Facility and maintenance services;
 - g. Product development and marketing support;
 - h. Production, technical, regulatory and quality planning, management and control services (e.g. ad-hoc troubleshooting support, permit/licence assistance, and certain quality control support); and
 - i. Logistics, procurement, warehousing and other services relating to the supply chain of LD Products and other Frozen Morning Goods manufactured at the Avignon Plant and the Béthune Plant to Retail and Foodservice customers in France and Retail customers in Italy to the extent needed.
4. Transitional services will be performed by the Parties or their subcontractors in compliance with applicable law on a best-efforts basis and will substantially be of the same quality and performed in the same manner (including nature, standard, timeliness, quality, volumes, etc.) as services were performed during the twelve-month period prior to Closing.
5. The Parties and the Purchaser will cooperate in good faith for the purpose of the supply and implementation of the transitional services in view of the orderly and efficient transition to the Purchaser by the end of the scheduled service term for the relevant transitional service. Steering committee to monitor and manage the transitional services.
6. The services will be provided by the Parties to the Purchaser on terms and conditions equivalent to those at present afforded to the Divestment Business or at cost (whichever is more advantageous to the Divestment Business).
7. Customary provisions will be included in transitional services agreements in line with market practice on omitted services, data protection/IT security, limitations of liability, confidentiality, etc.

Annex 6 – Proposed transaction structure for the transfer of the Divestment Business

1. Sale and purchase of the Avignon Plant and the Béthune Plant, including all tangible and certain intangible assets, as well as all employees (as listed in **Annex 2h**), will be effected pursuant to the terms and conditions of one or several purchase agreement(s) to be entered into between Vandemoortele, on behalf of Délifrance, and the Purchaser and, with respect to the real estate assets currently owned by Délifrance, one or several notarial deed(s) for the transfer of such real estate assets.
2. Further details on the transaction structure and any related agreements will be determined at a later stage, subject to discussions with the Purchaser.