

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

Consent under section 72(3C) of the Enterprise Act 2002 (the ‘Act’) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (‘CMA’) on 3 November 2021.

Completed acquisition by Boparan Private Office, via Amber REI Holdings Limited, of Banham Poultry (2018) Limited (the ‘Acquisition’).

We refer to your submissions of 17 December 2021 and 21 December 2021 requesting that the CMA consents to derogations from the Initial Enforcement Order of 3 November 2021 (the ‘**Initial Order**’). Unless otherwise stated, the terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Boparan and Banham (together the ‘**Parties**’) are required to hold separate the Banham business from any of the businesses of Boparan and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, the CMA consents to the Parties carrying out the following actions, in respect of the specific paragraphs:

1. Paragraphs 5(c) and 5(i) – recruitment of [REDACTED]

Banham submits that [REDACTED]. Banham therefore submits that it would be in the best interests of Banham to recruit [REDACTED].

The CMA consents to a derogation from paragraphs 5(c) and 5(i) of the Initial Order to permit Banham to [REDACTED], and to recruit [REDACTED].

The CMA consents to the above strictly on the understanding that:

- (a) Banham will recruit [X] as soon as practicable.
- (b) Banham has [X] which has the necessary expertise, experience and capacity to assume [X] responsibilities on an interim basis.
- (c) The [X] will have the necessary experience and expertise to assume the role.
- (d) The grant of this derogation will not affect the viability of the Banham business.
- (e) The grant of this derogation will not result in any integration between the Banham business and the Boparan businesses.
- (f) The grant of this derogation will not prevent any remedial action which the CMA may need to take regarding the Acquisition.

2. Paragraphs 5(c) and 5(i) – changes to the structure of the [X], as well as to [X]

The CMA understands that [X] at Banham, has decided to leave despite numerous steps, including financial and non-financial incentives, taken by Banham to encourage [X] to remain with the business.

Banham submits that the [X] roles are no longer required, and that the Banham factory can operate effectively [X].

Banham further submits that the Banham factory does not require [X]. Prior to [X], there was only a [X]. While there was a [X]. Accordingly, [X] responsibilities were in practice carried out by others, [X]. Since [X], Banham has [X]. Banham additionally submits that the [X] have sufficient capacity between them to assume the responsibilities [X].

Banham submits that this change is in the best interests of Banham not only due to the cost saving but because it will enable the [X] to have [X].

The CMA also understands that the [X] at Banham has resigned. Due to pre-completion changes, the [X] role comprises fewer responsibilities than when [X]. Banham submits that [X]. Another individual will be recruited [X].

The CMA consents to a derogation from paragraphs 5(c) and 5(i) of the Initial Order to permit the above strictly on the basis that:

- (a) Banham will have sufficient staff available with the necessary experience and expertise to absorb the responsibilities of any departing staff, and will carefully assess on an ongoing basis the need for new staff to be appointed. The grant of this derogation will therefore not affect the viability or competitive capability of the Banham business.
- (b) The new candidates recruited will have the necessary experience and expertise to assume their roles.
- (c) The grant of this derogation will not result in any integration between the Banham business and the Boparan businesses.
- (d) The grant of this derogation will not prevent any remedial action which the CMA may need to take regarding the Acquisition.

Yours sincerely,

Alex Hazell

Assistant Director, Mergers

21 December 2021