

# Acquisition by 2 Agriculture Limited of the Burston and Radstock feed mills of ForFarmers UK Limited

## INITIAL ORDER MADE BY THE COMPETITION AND MARKETS AUTHORITY PURSUANT TO SECTION 72(2) OF THE ENTERPRISE ACT 2002 (THE ACT)

1. Whereas:
  - (a) the Competition and Markets Authority (**CMA**) has reasonable grounds for suspecting that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in 2 Agriculture Limited (**2 Agriculture**) and the Burston and Radstock feed mills of ForFarmers UK Limited (the **Target Sites**) ceasing to be distinct;
  - (b) the CMA is considering whether to make a reference under section 22 or 33 of the Act;
  - (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under sections 22 or 33 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference; and
  - (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.
2. Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Boparan Private Office Limited (**BPO**), Boparan Holdings Limited (**BHL**), Ranjit Singh Boparan, Baljinder Kaur Boparan and 2 Agriculture (together '**Boparan**'), as well as to ForFarmers N.V. and each of ForFarmers N.V.'s subsidiaries including ForFarmers UK Limited (together '**ForFarmers**') (the **Initial Order**).

## **1. COMMENCEMENT, APPLICATION AND SCOPE**

1. This Initial Order commences on the commencement date: 1 August 2024.
2. This Initial Order applies to Boparan and ForFarmers.
3. Notwithstanding any other provision of this Initial Order, no act or omission shall constitute a breach of this Initial Order, and nothing in this Initial Order shall oblige Boparan and ForFarmers to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date;
4. This Initial Order prevents the completion of any agreement or arrangement which transfers to Boparan (or a third party) the ownership or control of the Target Sites or of any of the contracts, licences or assets associated with the Target Sites.
5. This Initial Order also prevents Boparan and ForFarmers from engaging in interim action that could result in integration between Boparan and the Target Sites, and in the loss of competitive potential of the Target Sites.

## **2. PROHIBITION ON COMPLETION OR TRANSFER OF ASSETS UNTIL DETERMINATION OF PROCEEDING**

6. Except with the prior written consent of the CMA, Boparan and ForFarmers shall not, prior to final determination of any reference under sections 22 or 33 of the Act, take any action which would transfer the ownership of the Target Sites or of any of the contracts, licences or assets associated with the Target Sites.

## **3. INTERIM ACTION**

7. Except with the prior written consent of the CMA, Boparan and ForFarmers shall not, during the specified period, take any action which might prejudice a reference of the Transaction under section 22 or 33 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including:
  - (a) ForFarmers shall minimise as far as possible any risk of loss of competitive potential of the Target Sites; and
  - (b) Boparan and ForFarmers shall ensure that they take no action which might lead to the integration of the Boparan business with the Target Sites business, or which may otherwise impair the ability of the Target Sites business or the Boparan business to compete independently in any of the markets affected by the Transaction.

8. Further and without prejudice to the generality of paragraph 7(a) and subject to paragraph 3, ForFarmers shall at all times during the specified period take all necessary steps to ensure that, except with the prior written consent of the CMA:
- (a) the Target Sites business is maintained as a going concern and sufficient resources are made available for the development of the Target Sites business, on the basis of its pre-merger business plans;
  - (b) except in the ordinary course of business (which, for the avoidance of doubt, excludes preparing for the Transaction's completion) no customer volumes are transferred from the Target Sites to other ForFarmers facilities;
  - (c) except in the ordinary course of business, no significant changes are made to the organisational structure of, or the management responsibilities within, the Target Sites business;
  - (d) the nature, description, range and quality of goods or services (or both) supplied in the UK by the Target Sites business are maintained and preserved, except in the ordinary course of business;
  - (e) no changes are made to key staff of the Target Sites business; and
  - (f) all reasonable steps are taken to encourage all key staff to remain with the Target Sites business.

#### **4. COMPLIANCE**

9. Boparan and ForFarmers shall take all necessary steps to ensure that each of their subsidiaries comply with this Initial Order as if the Initial Order had been issued to each of them.
10. Boparan and ForFarmers shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by Boparan and ForFarmers and their subsidiaries with this Initial Order. In particular, on 15 August 2024 and subsequently every two weeks (or, where this does not fall on a working day, the first working day thereafter) the Chief Executive Officer of Boparan and ForFarmers or other persons of Boparan and ForFarmers as agreed with the CMA shall, on behalf of Boparan and ForFarmers, provide a statement to the CMA in the form set out in the Annex to this Initial Order confirming compliance with this Initial Order.
11. ForFarmers will provide to the CMA, with the same frequency as the statements referenced in paragraph 10 above, a summary of all customer volumes processed in the preceding two-week period and the year-to-date by the Target Sites. This summary will include an explanation of any instances where the Target Sites have lost customer volumes to other ForFarmers facilities.

12. At all times, ForFarmers shall actively keep the CMA informed of any material developments relating to the Target Sites business, which includes but is not limited to:
  - (a) details of key staff who leave or join the Target Sites business;
  - (b) any interruption of the Target Sites business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented them from operating in the ordinary course of business for more than 24 hours;
  - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Target Sites business including any substantial changes in customers' demand; and
  - (d) substantial changes in the Target Sites business' contractual arrangements or relationships with key suppliers.
13. If Boparan or ForFarmers have any reason to suspect that this Initial Order might have been breached they shall immediately notify the CMA and any monitoring trustee that Boparan or ForFarmers (or both) may be directed to appoint under paragraph 144.
14. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Initial Order, or do or refrain from doing any specified action in order to ensure compliance with the Initial Order. The CMA may vary or revoke any directions so given.
15. Boparan and ForFarmers shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Initial Order.

## 5. INTERPRETATION

16. The Interpretation Act 1978 shall apply to this Initial Order as it does to Acts of Parliament.
17. For the purposes of this Initial Order:

**'2 Agriculture'** means 2 Agriculture Limited, a company registered in England and Wales with company number SC156515;

**'the Act'** means the Enterprise Act 2002;

**'an affiliate'** of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

**'BHL'** means Boparan Holdings Limited, a company registered in England and Wales with company number 03558065;

**'Boparan'** refers to Ranjit Singh Boparan and Baljinder Kaur Boparan, as well as to each of the businesses they control, including, but not exclusively: BPO, BHL, and any of BPO or BHL's subsidiaries (including 2 Agriculture);

**'the Boparan business'** refers to the business carried on by the subsidiaries of BPO and BHL, as well as of any other legal entities controlled by Ranjit Singh Boparan and Baljinder Kaur Boparan;

**'BPO'** means Boparan Private Office Limited, a company registered in England and Wales with company number 13499409;

**'business'** has the meaning given by section 129(1) and (3) of the Act;

**'commencement date'** means the date of issue of this Initial Order;

**'control'** includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

**'the decisions'** means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 or 36 of the Act;

**'ForFarmers'** means ForFarmers N.V. and all its subsidiaries, including ForFarmers UK Limited. ForFarmers N.V. is a company registered in the Netherlands with trade register number 08159661;

**'Initial Order'** means this initial enforcement order made by the CMA on 1 August 2024 and addressed to Boparan and ForFarmers;

**'key staff'** means staff in positions of (i) executive or managerial responsibility or (ii) whose performance affects the viability of the business;

**'the ordinary course of business'** means matters connected to the day-to-day supply of goods or services (or both) by the Target Sites and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of the Target Sites and Boparan;

**'specified period'** means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

**'subsidiary'**, unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

**'the Target Sites'** means the ForFarmers feed mills located in Burston (IP22 5TJ) and Radstock (BA3 5TT);

**'the Target Sites business'** means the business carried on by the Target Sites as at the commencement date;

**'the Transaction'** means the Asset Purchase Agreements signed on 5 April 2024 for the transfer of the Target Sites to 2 Agriculture;

unless the context requires otherwise, the singular shall include the plural and vice versa.

**Jenny Sugiarto**  
**Director, Mergers**  
**1 August 2024**

# ANNEX 1: COMPLIANCE STATEMENT FOR BPO / BHL / RANJIT SINGH BOPARAN / BALJINDER KAUR BOPARAN / 2 AGRICULTURE

I [insert name] confirm on behalf of BPO / BHL / Ranjit Singh Boparan / Baljinder Kaur Boparan / 2 Agriculture that:

## 1. COMPLIANCE IN THE RELEVANT PERIOD

1. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) BPO / BHL / Ranjit Singh Boparan / Baljinder Kaur Boparan / 2 Agriculture have complied with the Initial Order made by the CMA in relation to the Transaction on 1 August 2024 (the **Initial Order**).
  - (b) BPO / BHL / Ranjit Singh Boparan / Baljinder Kaur Boparan / 2 Agriculture subsidiaries have also complied with this Initial Order.
2. Subject to paragraph 3 of the Initial Order, and except with the prior written consent of the CMA:
  - (a) No action has been taken by BPO / BHL / Ranjit Singh Boparan / Baljinder Kaur Boparan / 2 Agriculture that might prejudice a reference of the Transaction under section 22 or 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
    - (i) transfer the ownership to Boparan of the Target Sites or of any of the contracts, licences or assets associated with the Target Sites; or
    - (ii) lead to the integration of the Boparan business with the Target Sites business, or which may otherwise impair the ability of the Target Sites business or the Boparan business to compete independently in any of the markets affected by the Transaction.
  - (b) Except as listed in paragraph (c) below, there have been no material developments:
  - (c) [list of material developments]
3. BPO / BHL / Ranjit Singh Boparan / Baljinder Kaur Boparan / 2 Agriculture and their subsidiaries remain in full compliance with the Initial Order.

## 2. INTERPRETATION

4. Terms defined in the Initial Order have the same meaning in this compliance statement.

## 3. I UNDERSTAND THAT:

5. It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **finances, imprisonment for a term not exceeding two years, or both.**<sup>1</sup>
6. Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed.<sup>2</sup>

FOR AND ON BEHALF OF BPO / BHL / RANJIT SINGH BOPARAN / BALJINDER KAUR BOPARAN / 2 AGRICULTURE

Signature .....

Name .....

Title .....

Date .....

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<sup>1</sup> Section 117 of the Act.

<sup>2</sup> Section 94A of the Act.



# ANNEX 2: COMPLIANCE STATEMENT FOR FORFARMERS

I [insert name] confirm on behalf of ForFarmers that:

## 1. COMPLIANCE IN THE RELEVANT PERIOD

7. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) ForFarmers has complied with the Initial Order made by the CMA in relation to the Transaction on 1 August 2024 (the **Initial Order**).
  - (b) ForFarmers' subsidiaries have also complied with this Initial Order.
8. Subject to paragraph 3 of the Initial Order, and except with the prior written consent of the CMA:
  - (a) No action has been taken by ForFarmers that might prejudice a reference of the Transaction under section 22 or 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
    - (i) transfer the ownership of the Target Sites or of any of the contracts, licences or assets associated with the Target Sites; or
    - (ii) lead to the integration of the Boparan business with the Target Sites business, or which may otherwise impair the ability of the Target Sites business or the Boparan business to compete independently in any of the markets affected by the Transaction.
  - (b) the Target Sites business has been maintained as a going concern and sufficient resources have been made available for the development of the Target Sites business, on the basis of its pre-merger business plans;
  - (c) except in the ordinary course of business, no significant changes have been made to the organisational structure of, or the management responsibilities within, the Target Sites business;
  - (d) the nature, description, range and quality of goods or services (or both) supplied in the UK by the Target Sites business have been maintained and preserved, except in the ordinary course of business;
  - (e) except in the ordinary course of business (which, for the avoidance of doubt, excludes preparing for the Transaction's completion) no customer volumes have been transferred from the Target Sites to other ForFarmers facilities;

- (f) no changes have been made to key staff of the Target Sites business;
- (g) all reasonable steps have been taken to encourage all key staff to remain with the Target Sites business;
- (h) Except as listed in paragraph (i) below, there have been no:
  - (i) key staff that have left or joined the Target Sites business;
  - (ii) interruptions of the Target Sites business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours;
  - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Target Sites business; or
  - (iv) substantial changes in the Target Sites business' contractual arrangements or relationships with key suppliers.
- (i) [list of material developments]

9. ForFarmers and its subsidiaries remain in full compliance with the Initial Order and will continue actively to keep the CMA informed of any material developments relating to the Target Sites business in accordance with paragraph 12 of the Initial Order.

## 2. INTERPRETATION

10. Terms defined in the Initial Order have the same meaning in this compliance statement.

## 3. I UNDERSTAND THAT:

11. It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **finances, imprisonment for a term not exceeding two years, or both.**<sup>3</sup>

12. Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and

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<sup>3</sup> Section 117 of the Act.

outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed.<sup>4</sup>

FOR AND ON BEHALF OF FORFARMERS

Signature .....

Name .....

Title .....

Date .....

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<sup>4</sup> Section 94A of the Act.