

# ACQUISITION BY GREENCORE GROUP PLC OF BAKKAVOR GROUP PLC

## UNDERTAKINGS GIVEN BY GREENCORE GROUP PLC TO THE COMPETITION AND MARKETS AUTHORITY PURSUANT TO SECTION 73 OF THE ENTERPRISE ACT 2002

### Whereas:

- (a) On 15 May 2025, Greencore Group plc (**Greencore**) announced a proposed cash and share offer for the entire issued and to be issued share capital of Bakkavor Group plc (**Bakkavor**) (the **Transaction**) such that Greencore and Bakkavor would, if the Transaction proceeds, cease to be distinct for the purposes of the Enterprise Act 2002 (the **Act**);
- (b) Under section 33(1) of the Act the Competition and Markets Authority (**CMA**) has a duty to refer a relevant merger situation for a Phase 2 investigation where it believes that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, would result in the creation of a relevant merger situation that may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services;
- (c) Under section 73 of the Act the CMA may, instead of making such a reference and for the purpose of remedying, mitigating or preventing the substantial lessening of competition concerned or any adverse effect which may have resulted from it or may be expected to result from it, accept undertakings to take such action as it considers appropriate, from such of the parties concerned as it considers appropriate. In particular, the CMA shall have regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (d) As set out in the CMA's decision of 27 October 2025 (the **Decision**), the CMA believes that, in the absence of appropriate undertakings, it would be under a duty to refer the Transaction for a Phase 2 investigation;
- (e) The CMA considers that the undertakings given below by Greencore are appropriate to remedy, mitigate or prevent the substantial lessening of competition, or any adverse effect which may result from the Transaction, as specified in the Decision;

- (f) Prior to the acceptance of these undertakings by the CMA, Greencore entered into a legally binding agreement of [date] to divest the Divestment Business as a going concern to a Proposed Purchaser on terms approved by the CMA. This agreement was conditional only on formal CMA approval of the Proposed Purchaser and acceptance by the CMA of these undertakings. This agreement includes a warranty that the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business as part of a viable and active business in competition with Greencore and other competitors in the supply of own-label chilled sauces.

NOW THEREFORE Greencore hereby gives to the CMA the following undertakings for the purpose of remedying, mitigating or preventing the substantial lessening of competition, or any adverse effect which has or may have resulted from it or may be expected to result from it.

## **1. EFFECTIVE DATE OF THE UNDERTAKINGS**

- 1.1 These undertakings shall take effect from the date that, having been signed by Greencore, they are accepted by the CMA.

## **2. DIVESTMENT OF THE DIVESTMENT BUSINESS**

- 2.1 Greencore shall ensure that the completion of the divestment of the Divestment Business to the Proposed Purchaser contemplated by the agreement referred to in recital (f) of these undertakings takes place within a period not exceeding one month from the date these undertakings take effect, or two weeks from completion of the Transaction, whichever is earlier.
- 2.2 Greencore shall use all reasonable endeavours to ensure the transfer of Key Staff with the divestment of the Divestment Business.
- 2.3 In the event that Greencore fails to complete the divestment of the Divestment Business in accordance with paragraphs 2.1 and 2.2 above, the CMA may require Greencore to divest the Divestment Business as a going concern at no minimum price to a purchaser or purchasers approved by the CMA.

## **3. APPROVAL OF PURCHASER AND TERMS OF DIVESTMENT**

- 3.1 For the purposes of the CMA approving a Proposed Purchaser and the terms of the divestment of the Divestment Business in accordance with these undertakings, Greencore shall, save as required or permitted by the CMA, satisfy the CMA that:

- (a) the acquisition by the Proposed Purchaser of the Divestment Business, on the terms set out above, remedies, mitigates or prevents the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it, or may be expected to result from it, in particular having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (b) the Proposed Purchaser is independent of and unconnected to Greencore and the Group of Interconnected Bodies Corporate to which Greencore belongs and any Associated Person or Affiliate of Greencore or such Group of Interconnected Bodies Corporate;
- (c) the Proposed Purchaser has the financial resources, expertise (including the managerial, operational and technical capability), incentive and intention to maintain and operate the Divestment Business as a viable and active business in competition with Greencore and other competitors in the supply of own-label chilled sauces market from the date of completion of the divestment of the Divestment Business;
- (d) the Proposed Purchaser is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority, including (where applicable) landlord's consent to the transfer of any leasehold interest; and
- (e) the acquisition by the Proposed Purchaser of the Divestment Business does not create a realistic prospect of a substantial lessening of competition within any market or markets in the UK.

3.2 The CMA may require Greencore to provide it with such information and documentation as it may reasonably require to satisfy the CMA that the Proposed Purchaser will fulfil the requirements in paragraph 4.1 above.

## **4. INTERIM ACTION**

4.1 Pending the completion of the divestment of the Divestment Business to the satisfaction of the CMA in accordance with the provisions of these undertakings (and subject to the terms of any transitional services agreement with the purchaser of the Divestment Business), save as otherwise agreed in advance in writing by the CMA, Greencore shall minimise as far as possible any risk of loss of competitive potential of the Divestment Business and in particular ensure that:

- (a) the Divestment Business is carried on separately from the Greencore Business and the Divestment Business's separate sales are maintained;

- (b) the Divestment Business and the Greencore Business are maintained as a going concern and sufficient resources are made available for the development of the Divestment Business and the Greencore Business, on the basis of their respective pre-Transaction business plans;
- (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Divestment Business or the Greencore Business;
- (d) except in the ordinary course of business, the nature, description, range and quality of goods supplied in the UK by each of the Divestment Business and the Greencore Business are maintained and preserved;
- (e) except in the ordinary course of business for the separate operation of the Divestment Business and the Greencore Business:
  - (i) all of the assets of the Divestment Business and the Greencore Business are maintained and preserved, including facilities and goodwill;
  - (ii) none of the assets of the Divestment Business or the Greencore Business are disposed of; and
  - (iii) no interest in the assets of the Divestment Business or the Greencore Business is created or disposed of;
- (f) subject to the terms of any transitional services agreement, the software and hardware platforms of the Divestment Business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) subject to the terms of any transitional services agreement, any negotiations with any potential customers and suppliers in relation to the Divestment Business in respect of own-label chilled sauces only will be carried out by the Divestment Business alone and for the avoidance of doubt the Greencore Business will not negotiate on behalf of the Divestment Business (and vice versa) or enter into any joint agreements with the Divestment Business (and vice versa);
- (h) all existing contracts of the Divestment Business and the Greencore Business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to Key Staff of the Divestment Business or Greencore Business;
- (j) no Key Staff are transferred between the Divestment Business and the Greencore Business;

- (k) all reasonable steps are taken to encourage all Key Staff to remain with the Divestment Business and the Greencore Business; and
- (l) no Confidential Information relating to either of the Divestment Business or the Greencore Business shall pass, directly or indirectly, from the Divestment Business (or any of its employees, directors, agents or affiliates) to the Greencore Business (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) or any steps necessary in order for Greencore to comply with these undertakings, including the transfer of information necessary for the divestment process, provided that, upon divestment of the Divestment Business, any records or copies (electronic or otherwise) of Confidential Information held by Greencore in relation to the Divestment Business (or vice versa) shall be returned to the relevant business and any copies destroyed (except as may be necessary for the purposes of compliance with the obligations above).

4.2 At all times, Greencore will actively keep the CMA informed of any material developments relating to the Divestment Business, which includes, but is not limited to:

- (a) details of Key Staff who leave the Greencore Business or the Divestment Business;
- (b) any interruption of the Greencore Business or the Divestment Business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours;
- (c) all substantial customer volumes lost by the Divestment Business; and
- (d) substantial changes in the Greencore Business's or the Divestment Business's contractual arrangements or relationships with key suppliers.

## **5. CONTINUED SEPARATION**

5.1 Except with the prior written consent of the CMA, for a period of 10 years following the divestment of the Divestment Business pursuant to these undertakings, Greencore, or any member of the Group of Interconnected bodies Corporate to which Greencore belongs:

- (a) shall not, directly or indirectly, hold, acquire, re-acquire or use:
  - (i) an Interest in the Divestment Business. For the avoidance of doubt, nothing in this paragraph 11.1(a)(i) would prevent Greencore from

competing with the Divestment Business for future opportunities in the supply of own-label chilled sauces in the ordinary course of business, subject to any provisions in the agreement with the purchaser of the Divestment Business; or

- (ii) any Interest in any company carrying on or having Control of the Divestment Business (other than any investments made in the ordinary course of the operation of any of the employee benefit and pension schemes of Greencore or of any members of the Group of Interconnected Bodies Corporate to which Greencore belongs of not more than three per cent in aggregate of the issued equity share capital in any such company, whose shares are listed or dealt with on any recognised investment exchange, which carries no more than three per cent of the voting rights exercisable at meetings of such company); or
  - (iii) other than in the normal course of business (and subject to the terms of any transitional services agreement with the purchaser of the Divestment Business), any of the assets of the Divestment Business;
- (b) shall procure that no employee or director of Greencore or any member of the Group of Interconnected Bodies Corporate to which Greencore belongs for as long as they are an employee or director of Greencore or any member of the Group of Interconnected Bodies Corporate to which Greencore belongs holds or is nominated to any directorship or managerial position in the Divestment Business or directorship or managerial position in any company or other undertaking carrying on or having control of the Divestment Business without the CMA's prior written consent;
  - (c) shall not participate in the formulation of, or (other than in the ordinary course of business) influence or attempt to influence, the policy of the Divestment Business or any company or other undertaking carrying on or having control of that Divestment Business; and
  - (d) shall not enter into or carry out any agreement or arrangement with any person, if the carrying out of the agreement or arrangement is intended to result or will result in any Associated Person or Affiliate of Greencore or of any member of the Group of Interconnected Bodies Corporate to which Greencore belongs directly or indirectly acquiring the Divestment Business or doing any of the things listed in sub-paragraphs 11.1(a), 11.1(b) and 11.1(c) above.

## **6. COMPLIANCE**

- 6.1 Greencore shall comply promptly with such written directions as the CMA may from time to time give:

- (a) to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings; or
- (b) to do or refrain from doing anything so specified or described which it might be required by these undertakings to do or to refrain from doing.

6.2 Greencore shall co-operate fully with the CMA when the CMA is:

- (a) monitoring compliance with the provisions of these undertakings; and
- (b) investigating potential breaches of the provisions of these undertakings.

6.3 Greencore shall procure that any member of the same Group of Interconnected Bodies Corporate as Greencore complies with these undertakings as if it had given them and actions and omissions of the members of the same Group of Interconnected Bodies Corporate as Greencore shall be attributed to Greencore for the purposes of these undertakings.

6.4 Where any Affiliate of Greencore is not a member of the same Group of Interconnected Bodies Corporate as Greencore, Greencore shall use its best endeavours to procure that any such Affiliate shall comply with these undertakings as if it had given them.

## **7. PROVISION OF INFORMATION**

7.1 Greencore shall furnish promptly to the CMA such information as the CMA considers necessary in relation to or in connection with the implementation and/or enforcement of and/or the compliance with these undertakings, including for the avoidance of doubt, any Confidential Information.

## **8. EXTENSION OF TIME LIMITS**

8.1 The CMA may, in response to a written request from Greencore, or otherwise at its own discretion, grant an extension to any time period referred to in these undertakings.

## **9. SERVICE**

9.1 Greencore hereby authorises Slaughter and May, whose address for service is One Bunhill Row, London EC1Y 8YY, to accept service on its behalf of all documents connected with these undertakings (including any document of any kind which falls to be served on or sent to Greencore, or any of its Subsidiaries in connection with any proceedings in Courts in the UK, orders, requests, notifications or other communications connected with these undertakings).

- 9.2 Unless Greencore inform the CMA in writing that Slaughter and May has ceased to have authority to accept and acknowledge service on its or any of its Subsidiaries' behalf, any document, order, request, notification or other communication shall be validly served on Greencore if it is served on Slaughter and May; and service shall be deemed to have been acknowledged by Greencore if it is acknowledged by Slaughter and May or such other nominee.
- 9.3 Paragraph 15.2 above has effect irrespective of whether, as between Greencore and Slaughter and May or other nominees, Slaughter and May or other nominees has or continues to have any authority to accept and acknowledge service on Greencore's or any of its respective Subsidiaries' behalf.
- 9.4 No failure or mistake by Slaughter and May or other nominees (including a failure to notify Greencore of the service of any document, order, request, notification or other communication) shall invalidate any action taken in respect of these undertakings including any proceedings or judgment.
- 9.5 Any communication from Greencore to the CMA under these undertakings shall be addressed to Manager, Market and Mergers Remedies Monitoring, Competition and Markets Authority, The Cabot, 25 Cabot Square, London, E14 4QZ or such other person or address as the CMA may direct in writing.

## **10. EFFECT OF INVALIDITY**

- 10.1 Should any provision of these undertakings be contrary to law or invalid for any reason, Greencore undertake to continue to observe the remaining provisions.

## **11. GOVERNING LAW**

- 11.1 Greencore recognises and acknowledges that these undertakings shall be governed and construed in all respects in accordance with English law.
- 11.2 In the event that a dispute arises concerning these undertakings, Greencore undertakes to submit to the courts of England and Wales.

## **12. TERMINATION**

- 12.1 Greencore recognises and acknowledges that these undertakings shall be in force until such time as they are varied, released or superseded under the Act.
- 12.2 Greencore recognises and acknowledges that the variation, release or supersession of these undertakings shall not affect the validity and enforceability of any rights or obligations that arose prior to such variation, release or supersession.

## 13. ENFORCEMENT

- 13.1 Greencore recognises and acknowledges that section 94 of the Act places a duty on any person to whom these undertakings relate to comply with them. Any person who suffers loss or damage due to a breach of this duty may bring an action. Section 94 of the Act also provides that the CMA can seek to enforce these undertakings by civil proceedings for an injunction or for any other appropriate relief or remedy. Under sections 94AA and 94AB of the Act, the CMA can impose financial penalties in respect of a failure to comply with these undertakings without reasonable excuse as set out in Annex 1 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).
- 13.2 Greencore recognises and acknowledges that 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 fines, imprisonment for a term not exceeding two years, or both (Section 117 of the Enterprise Act 2002) or the imposition of financial penalties under section 110(1A), as described in Annex 1 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).

## 14. INTERPRETATION

- 14.1 The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.
- 14.2 References in these undertakings to any English law term for any legal status, interest, concept or thing shall in respect of any jurisdiction other than England and Wales be deemed to include what most nearly approximates in that jurisdiction to the English law term.
- 14.3 In these undertakings the word "including" shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word and the word "include" and its derivatives shall be construed accordingly.
- 14.4 For the purposes of these undertakings:
- “**the Act**” means the Enterprise Act 2002;
- “**Affiliate**” a person is an affiliate of another person if they or their respective enterprises would be regarded as being under common control for the purposes of section 26 of the Act;

**“Associated Person”** means a person or persons associated with Greencore within the meaning of section 127(4) of the Act and includes any Subsidiary of such a person or persons;

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

**“CMA”** means the Competition and Markets Authority or any successor body;

**“Confidential Information”** means any business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature;

**“Control”** shall be construed in accordance with section 26 of the Act, and in the case of a body corporate, a person shall be deemed to Control it if he holds, or has an interest in, shares of that body corporate amounting to 10 per cent or more of its issued share capital or carrying an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

**“Decision”** means the CMA’s decision under section 22 of the Act dated 27 October 2025 in connection with the Transaction;

**“Divestment Business”** means the own-label chilled sauce and chilled soups manufacturing and supply business located at Bristol (Bradley Stoke, South Gloucestershire), comprising the manufacturing facility and the whole of the rights, assets, interests and obligations of or associated with that business, including (but not limited to):

- a. the lease of a warehouse;
- b. all employees of the Bristol site;
- c. existing customer contracts;
- d. technical certifications;
- e. the recipes for all soups and sauces manufactured in the Bristol site;

**“enterprise”** has the meaning given in section 129(1) of the Act;

**“Group of Interconnected Bodies Corporate”** has the meaning given in section 129(2) of the Act; references to a Group of Interconnected Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

**“Interest”** includes shares, an interest in shares and any other interest carrying an entitlement to vote at shareholders’ meetings but does not include a contract to

acquire shares in the future; and for this purpose "an interest in shares" includes an entitlement by a person other than the registered holder, to exercise any right conferred by the holding of these shares or an entitlement to Control the exercise of such right;

**"Key Staff"** means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the Divestment Business or the Greencore Business, as the case may be;

**"Proposed Purchaser"** means The Compleat Food Group or such other proposed purchaser for the Divestment Business;

**"Subsidiary"** shall be construed in accordance with section 1159 of the Companies Act 2006 (as amended), unless otherwise stated;

**"The Compleat Food Group"** means The Compleat Food Group (Holdings) Limited (UK company number 12981153);

**"the Transaction"** has the meaning given to it in recital (a);

**"UK"** means the United Kingdom of Great Britain and Northern Ireland;

**"Working Day"** means any day of the week other than a Saturday or a Sunday or any day that is a public holiday in any part of the United Kingdom under the Banking and Financial Dealings Act 1971;

**"Greencore"** means Greencore Group plc (Irish company number 170116);

**"Greencore Business"** means the business of Greencore and its Group of Interconnected Bodies Corporate carried on as at 15 May 2025;

**"Bakkavor"** means Bakkavor Group plc (UK company number 10986940); and

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

## **FOR AND ON BEHALF OF GREENCORE**

Signature

Name

Title

Date

**DATE ACCEPTED BY THE CMA:**

# **ANNEX 1**

## **PART A - ENFORCEMENT OF UNDERTAKINGS GIVEN UNDER SECTION 73 – IMPOSITION OF CIVIL PENALTIES**

### **Imposition of civil penalties**

1. Under section 94AA(1), the CMA may impose a penalty on a person—
  - (a) from whom the CMA has accepted an enforcement undertaking, or
  - (b) to whom an enforcement order is addressed,
2. where the CMA considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.
3. In deciding whether and, if so, how to proceed under section 94AA(1) the CMA must have regard to the statement of policy which was most recently published under section 94B at the time of the failure to comply.

### **Amount of penalty**

4. A penalty under section 94AA(1) is to be such amount as the CMA considers appropriate.
5. The amount must be—
  - (a) a fixed amount,
  - (b) an amount calculated by reference to a daily rate, or
  - (c) a combination of a fixed amount and an amount calculated by reference to a daily rate.
6. A penalty imposed under section 94AA(1) on a person who does not own or control an enterprise must not—
  - (a) in the case of a fixed amount, exceed £30,000;
  - (b) in the case of an amount calculated by reference to a daily rate, exceed £15,000 per day;
  - (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.
7. A penalty imposed under section 94AA(1) on any other person must not—

- (a) in the case of a fixed amount, exceed 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 it is imposed;
  - (b) in the case of an amount calculated by reference to a daily rate, for each day exceed 5% of the total value of the daily turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
  - (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.
8. In imposing a penalty by reference to a daily rate—
- (a) no account is to be taken of any days before the service on the person concerned of the provisional penalty notice under section 112(A1), and
  - (b) unless the CMA determines an earlier date (whether before or after the penalty is imposed), the amount payable ceases to accumulate at the beginning of the day on which the person complies with the enforcement undertaking or enforcement order.

## **PART B - PENALTIES FOR THE PROVISION OF FALSE OR MISLEADING INFORMATION**

### **Imposition of civil penalties**

9. Under section 110(1A) of the Act, the CMA may impose a penalty on a person in accordance with section 111 of the Act where the CMA considers that
- (a) The person has, without reasonable excuse, supplied information that is false or misleading in a material respect to the CMA in connection of any of the CMA's functions under Part 3 of the Act;
  - (b) The person has without reasonable excuse, supplied information that is false or misleading in a material respect to another person knowing that the information was to be used for the purpose of supplying information to the CMA in connection with any function of the CMA under part 3 of the Act.
10. Under section 110(1C) of the Act, the CMA may not impose such a penalty in relation to an act or omission which constitutes an offence under section 117 of the Act if the person has, by reason of the act or omission, been found guilty of that offence.

## **Amount of penalty**

11. Under section 111(4), a penalty imposed under section 110(1A) shall be of such amount as the CMA considers appropriate.
12. A penalty imposed under section 110(1A) on a person who does not own or control an enterprise shall be a fixed amount that must not exceed £30,000.
13. Under section 111(4A) a penalty imposed under section 110(1A) on any other person shall be a fixed amount must not exceed 1% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person.
14. In deciding whether and, if so, how to proceed under section 110(1A), the CMA must have regard to the statement of policy which was most recently published under section 116 at the time when the act of omission occurred