

Anticipated Acquisition by Greencore Group plc of Bakkavor Group plc

Decision on acceptance of undertakings in lieu of reference

ME/2257/25

The Competition and Markets Authority's decision to accept undertakings in lieu of reference under section 73(2) of the Enterprise Act 2002 given on 17 December 2025. Full text of the decision published on 18 December 2025.

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1. INTRODUCTION

1. Greencore Group plc (**Greencore**) has agreed to acquire Bakkavor Group plc (**Bakkavor**) (the **Merger**). Greencore and Bakkavor are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.
2. On 27 October, the Competition and Markets Authority (**CMA**) decided under section 33(1) of the Enterprise Act 2002 (the **Act**) that it is or may be the case that the Merger consists of arrangements that are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, and that this may be expected to result in a substantial lessening of competition (**SLC**) within a market or markets in the United Kingdom (the **SLC Decision**).
3. On 3 November 2025, Greencore offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act. The CMA gave notice to Greencore on 7 November 2025, pursuant to section 73A(2)(b) of the Act, that it considered that there were reasonable grounds for believing that the undertakings offered, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act and that it was considering Greencore's offer (the **UILs Provisional Acceptance Decision**).
4. The text of the SLC Decision and the UILs Provisional Acceptance Decision are available on the CMA webpages.¹

2. THE UNDERTAKINGS OFFERED

5. As set out in the SLC Decision, the CMA found a realistic prospect of an SLC in relation to horizontal unilateral effects in the supply of own-label chilled sauces in the UK.
6. As set out in the UILs Provisional Acceptance Decision, Greencore has offered undertakings to divest Greencore's entire chilled soups and sauces production facilities which comprise a single manufacturing facility in Bristol and related assets and employees (the **Divestment Business**). The text of the undertakings is available on the CMA webpages (the **UILs**).²
7. Greencore has also offered to enter into an agreement for the sale and purchase of the Divestment Business with an upfront buyer, before the CMA finally accepts the UILs. Greencore has proposed The Compleat Food Group (Holdings) Limited (**Compleat**) as the upfront buyer. On 14 November 2025, Greencore and Compleat entered into a share purchase agreement for the Divestment Business.

¹ See [Greencore / Bakkavor merger inquiry - GOV.UK](#)

² See [Greencore / Bakkavor merger inquiry - GOV.UK](#)

This agreement is conditional on acceptance by the CMA of the UILs, including approval of Compleat as the buyer of the Divestment Business.

3. CONSULTATION

8. On 18 November 2025, pursuant to paragraph 2(1) of Schedule 10 to the Act, the CMA published the UILs, inviting interested parties to give their views on the UILs. The relevant text from the consultation is set out at Annex 1 of this decision.³ For the reasons set out in the consultation, the CMA's preliminary view was that the UILs would resolve the SLC identified in the SLC Decision in a clear-cut manner, ie without giving rise to material doubts about the overall effectiveness of the UILs or concerns about their implementation.⁴
9. The CMA received a number of submissions from grocery retailers during the consultation period. No grocery retailers that responded to the consultation raised any concerns about the UILs (or their scope) and of those that commented, several told the CMA that Compleat was a suitable purchaser. No respondent told the CMA that Compleat was an unsuitable purchaser. These third-party submissions therefore support the CMA's preliminary view that the UILs would be acceptable (and the CMA has not otherwise become aware of any information that might cause a change in this view) and that Compleat would be a suitable purchaser of the Divestment Business.
10. The CMA therefore considers that the UILs offered by Greencore are clear-cut and appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision and that Compleat is a suitable purchaser of the Divestment Business.
11. For completeness, the CMA notes that the UILs have been amended to clarify that they will cease to have effect on the earlier of the date on which (i) the obligations under the continued separation provision end or (ii) the UILs are varied, released or superseded under the Act. This amendment provides clarity on the exact time period for which the UILs will remain in force and has no impact on the substantive provisions of the UILs or the rights or obligations underlying them. The CMA has therefore not consulted on its inclusion.

4. ENFORCEMENT

12. Section 94 of the Act places a duty on any person to whom the Final Undertakings accepted by the CMA 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

³ The full consultation text was published on [Greencore / Bakkavor merger inquiry - GOV.UK](#).

⁴ [Merger remedies, \(CMA87\), December 2018](#), Chapter 3, in particular paragraphs 3.27, 3.28 and 3.30.

also provides that the CMA can seek to enforce the Final Undertakings accepted by the CMA 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 the Final Undertakings accepted by the CMA without reasonable excuse as set out in Annex 1 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).

DECISION

13. For the reasons set out above, the CMA considers that the UILs provided by Greencore are as comprehensive a solution as is reasonable and practicable and remedy, mitigate or prevent the SLC identified in the SLC Decision and any adverse effects resulting from it. The CMA has therefore decided to accept the UILs offered by Greencore pursuant to section 73 of the Act. The Merger will therefore not be referred for a phase 2 investigation.
14. The UILs, which have been signed by Greencore and will be published on the CMA webpages, will come into effect from the date of this decision.

Joel Bamford
Executive Director
Competition and Markets Authority
17 December 2025

ANNEX 1

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,

where the CMA considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.
2. 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.
2. **Amount of penalty**
3. A penalty under section 94AA(1) is to be such amount as the CMA considers appropriate.
4. 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.
5. 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.
6. 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.

7. 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.