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where required by law, you are either participating in the offering as principal for your own account or are deemed to be participating in the offering as principal in accordance with applicable law and not as agent for the benefit of another person.

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The Banks and the Financial Adviser are acting exclusively for the Company and no one else in connection with the Offer. They will not regard any other person (whether or not a recipient of this document) as their client in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Offer or any transaction or arrangement referred to in the attached document.

This document comprises a pricing notification relating to Bakkavor Group plc (the “Company”) relating to the Offer of Shares of the Company described in a pathfinder prospectus dated 23 October 2017 (the “Pathfinder Prospectus”) for the Offer. Before making an investment, prospective investors should read the Pathfinder Prospectus for more complete information about the Company and the Offer. A final prospectus expected to be dated 10 November 2017 (the “Prospectus”) will be published by the company and prepared in accordance with the Prospectus Rules of the FCA and in connection with the Offer and Admission.

This document should be read in conjunction with the Pathfinder Prospectus. Capitalised terms used and not defined in this document have the same meaning as ascribed to them in the Pathfinder Prospectus. Prospective investors should read both this document and the entire Pathfinder Prospectus in its entirety and, in particular, are advised to examine all the risks that are relevant in connection with an investment in the Shares. See the section “Risk Factors” in Part 1 of the Pathfinder Prospectus for a discussion of certain risks and other factors that should be considered prior to any investment in the Shares.



Bakkavor Group plc

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 10986940)

**Offer of 144,856,397 Shares
at an Offer Price of 180 pence per Share
and admission to the premium listing segment of the Official List
and to trading on the Main Market of the London Stock Exchange**

Joint Global Co-ordinator, Joint Bookrunner and Sponsor

HSBC

Joint Global Co-ordinator, Joint Bookrunner

Morgan Stanley

Joint Bookrunners

Barclays

Citigroup

Peel Hunt

Lead Manager

Rabobank

Financial Adviser

Rothschild

ORDINARY SHARE CAPITAL IMMEDIATELY FOLLOWING ADMISSION

Issued and fully paid

Number	Nominal Value
579,425,585	£0.02

Investors should only rely on the information in this document and the Pathfinder Prospectus. No person has been authorised to give any information or to make any representations in connection with the Offer, other than those contained in the document and the Pathfinder Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors, the Selling Shareholders or any of the Underwriters (as defined below).

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1. Expected Timetable of Principal Events and Offer Statistics

Expected timetable of principal events

Event	Time and Date
Announcement of Offer Price and allocation	10 November 2017
Commencement of conditional dealings on the London Stock Exchange	No conditional dealings
Admission and commencement of unconditional dealings in the Shares on the London Stock Exchange	8.00am on 16 November 2017
Crediting of Shares to CREST accounts	16 November 2017
Despatch of definitive share certificates (where applicable)	From 16 November 2017

All times are London times. Each of the times and dates in the above timetable is subject to change without further notice.

Offer statistics⁽¹⁾

Offer Price (per Share)	180 pence
Number of Shares in the Offer	144,856,397
— New Shares	55,555,555
— Existing Shares	89,300,842
Percentage of the issued Ordinary Share capital being offered in the Offer	25%
Number of Over-allotment Shares	None, no stabilisation
Number of Shares in issue following the Offer	579,425,585
Market capitalisation of the Company at the Offer Price	£1,043 million
Estimated net proceeds of the Offer receivable by the Company ⁽²⁾	£86 million
Estimated net proceeds of the Offer receivable by the Selling Shareholders ⁽³⁾	£158 million

Notes:

- (1) Assumes all the Reorganisation steps set out in the Pathfinder Prospectus in paragraph 2 of Part 14—“Additional Information” are completed in full. To the extent that these steps are not completed in full, the Offer will not proceed and Admission will not be sought.
- (2) The estimated net proceeds receivable by the Company are stated after deduction of the estimated underwriting commissions and other fees and expenses of the Offer (including VAT) to be paid by the Company, which are currently expected to be approximately £14 million.
- (3) The estimated net proceeds receivable by the Selling Shareholders are stated after deduction of the estimated underwriting commissions payable by the Selling Shareholders, which are currently expected to be approximately £3 million.

2. Currency Presentation

The average exchange rates of the Group's main trading currencies, other than pounds sterling, are shown relative to pounds sterling below. The rates below may differ from the actual rates used in the preparation of the financial statements and other financial information that appears elsewhere in this Prospectus. The inclusion of these exchange rates is for illustrative purposes only and does not mean that the sterling amounts actually represent such US dollar or euro amounts or that such sterling amounts could have been converted into US dollars or euro at any particular rate, if at all.

Average rate against pounds sterling

Year	US dollar			
	Period End	Average	High	Low
2013	1.6557	1.5649	1.6557	1.4867
2014	1.5577	1.6476	1.7166	1.5517
2015	1.4736	1.5285	1.5883	1.4632
2016	1.2340	1.3554	1.4877	1.2123
2017 (through 8 November 2017)	1.3116	1.2813	1.3594	1.2047

Year	Euro			
	Period End	Average	High	Low
2013	1.2041	1.1779	1.2343	1.1433
2014	1.2802	1.2408	1.2836	1.1908
2015	1.3571	1.3778	1.4416	1.2743
2016	1.1731	1.2242	1.3654	1.0967
2017 (through 8 November 2017)	1.1312	1.1437	1.1967	1.0790

Source: Bloomberg

3. Corporate governance

UK Corporate Governance Code

The Board is committed to the highest standards of corporate governance. Save as set out below, as of the date of this Prospectus and on and following Admission, the Board will comply fully with the UK Corporate Governance Code (the “Governance Code”) published in April 2016 by the Financial Reporting Council. As envisaged by the Governance Code, the Board has established an audit committee, a nomination committee and a remuneration committee. If the need should arise, the Board may set up additional committees as appropriate.

The Governance Code recommends that at least half the board of directors of a UK-listed company, excluding the chairman, should comprise non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director’s judgement.

The Board intends to achieve full compliance with the Governance Code, and intends to appoint one additional independent non-executive director within nine months of Admission.

Audit committee

The audit committee’s role is to assist the Board with the discharge of its responsibilities in relation to financial reporting, including reviewing the Group’s annual and half year financial statements and accounting policies, internal and external audits and controls, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the internal audit, internal controls, whistleblowing and fraud systems in place within the Group. The audit committee will normally meet not less than four times a year.

The Governance Code recommends that all members of the audit committee be non-executive directors, independent in character and judgment and free from any relationship or circumstance which may, could or would be likely to, or appear to, affect their judgment and that one such member has recent and relevant financial experience. The audit committee is chaired by Simon Burke, acting as interim chairman, and its other members are Sue Clark and Denis Hennequin. The Board intends that the new independent non-executive director appointed to the Board following Admission will join the audit committee and at the same time Simon Burke will step down from the audit committee.

Nomination committee

The nomination committee assists the Board in reviewing the structure, size and composition of the Board. It is also responsible for reviewing succession plans for the Directors, including the Chairman and Chief Executive and other senior executives. The nomination committee will normally meet not less than twice a year.

The nomination committee is chaired by Todd Krasnow and its other members are Denis Hennequin, Sue Clark, Robert Berlin and Lydur Gudmundsson. The Governance Code recommends that a majority of the nomination committee be non-executive directors, independent in character and judgment and free from any relationship or circumstance which may, could or would be likely to, or appear to, affect their judgment. The Board considers that the Company complies with the requirements of the Governance Code in this respect.

Remuneration committee

The remuneration committee recommends the Group’s policy on executive remuneration, determines the levels of remuneration for Executive Directors and the Chairman and other senior executives and prepares an annual remuneration report for approval by the Shareholders at the annual general meeting. The remuneration committee will normally meet not less than three times a year.

The remuneration committee is chaired by Denis Hennequin and its other members are Sue Clark and Todd Krasnow. The Governance Code recommends that all members of the remuneration committee be non-executive directors, independent in character and judgment and free from any relationship or circumstance which may, could or would be likely to, or appear to, affect their judgment. The Board considers that the Group complies with the requirements of the Governance Code in this respect.

4. Details of the Offer

Background

Pursuant to the Offer, the Company intends to issue 55,555,555 New Shares, raising proceeds of approximately £86 million, net of underwriting commissions and other estimated fees and expenses to be paid by the Company of approximately £14 million. The New Shares will represent approximately 9.6% of the expected issued ordinary share capital of the Company immediately following Admission.

Approximately 89,300,842 Existing Shares are expected to be sold by the Selling Shareholders.

In the Offer, Shares will be offered (i) to certain institutional investors in the United Kingdom and elsewhere outside the United States and (ii) in the United States only to qualified institutional buyers in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Certain restrictions that apply to the distribution of this Prospectus and the Shares being issued and sold under the Offer in jurisdictions outside the United Kingdom are described below.

When admitted to trading, the Shares will be registered with ISIN number GB00BF8J3Z99 and SEDOL (Stock Exchange Daily Official List) number BF8J3Z9 and trade under the symbol “BAKK”.

Immediately following Admission, it is expected that in excess of 25% of the Company’s issued ordinary share capital will be held in public hands (within the meaning of paragraph 6.1.19 of the Listing Rules).

Reasons for the Offer and use of proceeds

The Directors believe that the Offer will:

- enable the Group to reduce its current leverage;
- enable further investment in the business; and
- provide a partial realisation of the investment in the Group by certain existing shareholders.

The Company intends to use the net proceeds from the issue of the New Shares to fund new investments and general corporate purposes.

Proceeds will also be used to pay fees and expenses related to the Offer, which are estimated to total approximately £14 million.

5. Incorporation and share capital

- 5.1 The Company was incorporated and registered in England and Wales on 28 September 2017 as a public company limited by shares under the Act with the name Diamond Newco plc and with the registered number 10986940.
- 5.2 On 9 October 2017, the Company changed its name to Bakkavor Group plc, following the renaming of Bakkavor Group Limited as Bakkavor Holdings Limited.
- 5.3 The Company's registered office and principal place of business is at Fitzroy Place, 5th Floor, 8 Mortimer Street, London W1T 3JJ and its telephone number is 01775 761111.
- 5.4 The principal laws and legislation under which the Company operates and the ordinary shares have been created are the Act and regulations made thereunder.
- 5.5 The share capital of the Company on incorporation was £50,000, divided into 500,000 ordinary shares of £0.10 each, all of which were allotted to Bakk AL (the "Subscriber Shareholder") and credited as fully paid on the basis of an undertaking to pay given by Bakk AL to the Company. No further shares have been issued since incorporation, except as set out in paragraph 2 below.
- 5.6 At a general meeting of the Company to determine the Offer Price, held on 9 November 2017, the following resolutions were passed by the Company's sole shareholder:
- 5.6.1 conditionally upon Admission, the Company adopts the Articles, a summary of which is included at paragraph 4 below;
- 5.6.2 the Board is authorised for the purposes of section 551 of the Act, in substitution for any prior authority conferred upon the Board, without prejudice to the continuing authority of the Board to allot Shares or grant rights to subscribe for any security convertible into Shares pursuant to an offer or agreement by the Company before the expiry of the authority under which such offer or agreement was made:
- (a) to allot Shares up to an aggregate nominal amount of £10,427,400.60 to Bakk AL in connection with the Reorganisation;
 - (b) conditionally upon Admission, to allot New Shares, up to the aggregate nominal value of the New Shares to be issued on Admission by the Company pursuant to the Offer; and
 - (c) conditionally upon and following Admission, to allot Shares and to grant rights to subscribe for or to convert any security into Shares, for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of the general meeting at which the resolution was passed):
 - (A) up to an aggregate nominal amount equal to one third of the aggregate nominal value of the share capital of the Company immediately following Admission; and
 - (B) in connection with an offer by way of a rights issue only to holders of Shares in proportion (as nearly as practicable) to their existing holdings and to people who are holders of other equity securities if this is required by the rights of those equity securities, or if the Board considers it necessary, as permitted by the rights of those equity securities, up to an aggregate nominal amount equal to two thirds of the aggregate nominal value of the share capital of the Company on the day following Admission (including within such limit any shares or rights issued under (i) above);
- 5.6.3 the Board is authorised, in substitution for any prior authority conferred upon the Board, for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date falling 15 months after the date of the general meeting at which the resolution was passed), but without prejudice to any allotments made pursuant to the terms of such authorities, to allot equity securities for cash pursuant to the resolution described in paragraph 1.6.2 above, as if section 561(1) of the Act did not apply to such allotment, such power being limited to:

- (a) the allotment of Shares up to an aggregate nominal amount of £10,427,400.60 to Bakk AL in connection with the Reorganisation;
- (b) the allotment of equity securities in connection with an offer of equity securities to holders of Shares in proportion (or as nearly as may be practicable) to their existing holdings and to people who are holders of other equity securities if this is required by the rights of those securities, but in each case subject to such exclusions or other arrangements as the Board deems necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
- (c) the allotment of equity securities for cash (other than as described at (a) above) up to an aggregate nominal amount equal to 10% of the aggregate nominal value of the share capital of the Company on the day following Admission;

5.6.4 the Company is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Shares each subject to the following conditions:

- (a) the maximum aggregate number of Shares will represent 10% of the Company's issued ordinary share capital on the day following Admission;
- (b) the minimum price (excluding expenses) which may be paid for each Share is two pence (being the nominal value of a Share);
- (c) the maximum price (excluding expenses) which may be paid for each Share is the higher of:
 - (i) 105% of the average of the middle market quotations for the Shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and
 - (ii) an amount equal to the higher of the price of the last independent trade of a Share and the highest current independent bid for a Share as derived from the London Stock Exchange Trading System; and
- (d) the authority shall expire on the date falling 18 months after the resolution conferring it is passed or, if earlier, at the end of the annual general meeting of the Company to be held in 2018 so that the Company may, before the expiry of the authority enter into a contract to purchase Shares which will or may be executed wholly or partly after the expiry of such authority;

5.6.5 the Company is authorised in accordance with the Articles, until the Company's next annual general meeting, to call general meetings on 14 clear days' notice; and

5.6.6 the Company and all companies that are its subsidiaries at any time up to the end of the annual general meeting of the Company to be held in 2018, is authorised, in aggregate, to:

- (a) make political donations to political parties and/or independent election candidates not exceeding £100,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £100,000 in total; and
- (c) incur political expenditure not exceeding £100,000 in total.

For the purposes of this authority the terms "political donation", "political parties", "independent election candidates", "political organisation" and "political expenditure" have the meanings given by sections 363 to 365 of the Act.

The Company notes that it is not its policy to make political donations and that it has no intention of using the authority for that purpose.

5.7 Save as disclosed above and in paragraphs 6 and 8 below:

5.7.1 no share or loan capital of the Company has, within three years of the date of this Prospectus, been issued or agreed to be issued, or is now proposed to be issued (other than pursuant to the Offer and the

Reorganisation), fully or partly paid, either for cash or for a consideration other than cash, to any person;

- 5.7.2 no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of any such company; and
- 5.7.3 no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- 5.8 The Company will be subject to the continuing obligations of the FCA with regard to the issue of shares for cash. The provisions of section 561(1) of the Act (which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employees' share scheme as defined in section 1166 of the Act) apply to the issue of shares in the capital of the Company except to the extent such provisions are disapplied as referred to in paragraph 1.6.2 above.
- 5.9 Immediately following Admission, the issued share capital of the Company is expected to be £11,588,512 comprising 579,425,585 Shares of 2 pence each (all of which will be fully paid or credited as fully paid).
- 5.10 The Shares are in registered form and, subject to the provisions of the CREST Regulations, the Directors may permit the holding of Shares of any class in uncertificated form and title to such shares may be transferred by means of a relevant system (as defined in the Regulations). Where Shares are held in certificated form, share certificates will be sent to the registered members by first class post. Where Shares are held in CREST, the relevant CREST stock account of the registered members will be credited.
- 5.11 The New Shares being issued pursuant to the Offer will be issued at a price of 180 pence per New Share, representing a premium of 178 pence over their nominal value of 2 pence each, which price is payable in full on application.

6. Directors' and Senior Managers' interests

The interests in the share capital of the Company of the Directors and Senior Managers (all of whom, unless otherwise stated, are beneficial and include interests of persons connected with a Director or a Senior Manager) immediately prior to Admission will be, and immediately following Admission are expected to be:

Director/Senior Manager	Immediately prior to Admission ⁽¹⁾		Number of Shares to be sold in the Offer		Immediately following Admission		
	Number of Shares	Percentage of issued share capital	Number of Shares	Percentage of issued share capital	Number of Shares	Percentage of issued share capital	Number of unvested Share options ⁽²⁾
Agust Gudmundsson.....	155,833,130	29.7	10,500,000	2.0	145,333,130	25.1	-
Lydur Gudmundsson.....	155,833,130	29.7	10,500,000	2.0	145,333,130	25.1	-
Todd Krasnow.....	-	-	-	-	-	-	-
Robert Q. Berlin.....	-	-	-	-	-	-	-
Simon Burke.....	-	-	-	-	-	-	-
Denis Hennequin.....	-	-	-	-	-	-	-
Peter Gates.....	-	-	-	-	-	-	1,222,515
Sue Clark.....	-	-	-	-	-	-	-
Pippa Greenslade.....	-	-	-	-	-	-	705,000
Mike Edwards.....	-	-	-	-	-	-	1,000,000
Einar Gustafsson.....	-	-	-	-	-	-	1,014,900
Ivan Clingan.....	-	-	-	-	-	-	1,000,000

(1) The interests in Shares as at the date of this Prospectus have been stated on the basis that the Reorganisation steps described in the Pathfinder Prospectus in Part 14—“Additional Information” have been completed in full.

(2) Awards granted prior to Admission. See paragraph 7.3 of the Pathfinder Prospectus for further details.

7. Significant Shareholders

In so far as is known to the Directors, the following are the interests (within the meaning of Part VI of the Act) (other than interests held by the Directors) which represent, or will represent, directly or indirectly, 3% or more of the issued share capital of the Company immediately following Admission:

Shareholders	Immediately prior to Admission ⁽¹⁾		Number of Shares to be sold in the Offer		Immediately following Admission	
	Number of Shares	Percentage of issued share capital	Number of Shares	Percentage of issued share capital	Number of Shares	Percentage of issued share capital
Bakk AL Holdings Ltd. ⁽²⁾	311,666,260	59.5	21,000,000	4.0	290,666,260	50.2
BP-PE5	212,203,770	40.5	68,300,842	13.0	143,902,928	24.8

Notes:

- (1) The interests in Shares as at the date of this Prospectus have been stated on the basis that the Reorganisation steps described in the Pathfinder Prospectus in Part 14—“Additional Information” have been completed in full.
- (2) Agust and Lydur Gudmundsson currently hold their interests in the Group through a common investment vehicle, which is a shareholder in Bakk AL, in which they each own a 50% interest. It is intended that, following Admission, Shares held by Bakk AL on Admission will be transferred to separate corporate holding structures of each of Agust (Carrion Enterprises Ltd. (which is 100% owned by the A.G. Trust)) and Lydur (Umbriel Ventures Ltd. (which is 100% owned by the L.G. Trust)) Gudmundsson (the “Founders Shareholding Reorganisation”).

8. Share plans and employee incentive arrangements prior to Admission

Bakkavor Group Limited has granted a number of awards since July 2017 in respect of its shares under arrangements in place prior to Admission, in accordance with the terms of the Bakkavor Group Limited 2017 Long Term Incentive Plan. Following the Reorganisation, these awards will be exchanged for equivalent awards over the Shares of the Company, and it is expected that following the exchange awards under these pre-IPO arrangements will remain outstanding over 9,178,785 Shares post-Admission. The numbers of Shares represented by the awards are stated on the basis that the Reorganisation steps described in the Pathfinder Prospectus in Part 14-“Additional Information” have been completed in full and the relevant adjustments have been made. Following Admission no further awards will be made under the pre-IPO arrangements.

The majority of awards have been granted under the Bakkavor Group Limited 2017 Long Term Incentive Plan as options (including options over 1,222,515 Shares that have been granted to Peter Gates, who is the only executive director to participate in the Bakkavor Group Limited 2017 Long Term Incentive Plan). The exercise price of these options is £0.764 and they will vest following publication of the Company’s audited financial results for the 2019 financial year, subject to continued service and satisfaction of performance conditions based on the Company’s EBITDA for the 2019 financial year. If an award holder ceases to be an employee of a member of the Group, the award holder may exercise any vested awards for a period of six months following the date of cessation of employment (or such longer period as the Board may permit), but the unvested portion will lapse automatically, unless the cessation is due to reasons such as death, injury, disability, ill-health or retirement in which case the unvested portion will vest to the extent as the Board may determine in accordance with the original vesting schedule. In addition, certain awards have been granted on the terms equivalent to the Bakkavor Group Limited 2017 Long Term Incentive Plan on a nominal cost basis (with the Company having the ability to waive the exercise price), which will vest in April 2020 and April 2022, subject to continued service. If an award holder ceases to be an employee of a member of the Group, the award holder may exercise any vested awards for a period of six months following the date of cessation of employment (or such longer period as the Board may permit), but the unvested portion will lapse automatically, unless the cessation is due to reasons such as death, injury, disability, ill-health or retirement in which case the unvested portion will vest to the extent as the Board may determine in accordance with the original vesting schedule.