

11 July 2025

Bakkavor Group plc

Bakkavor completes sale of its China operations, concluding the Group's exit from the region

Further to the announcement on 29 April 2025, Bakkavor Group plc ("Bakkavor" or "the Group") today confirms that it has completed the sale of its China operations (Bakkavor China Holdings Limited) to Lihe Xing (Qingdao) Food Technology Co. Ltd., wholly owned by Lihoo's (Qingdao) Food Industry Company Limited ("Lihoo's").

The cash consideration is RMB 509m¹ (c.£50m) on a cash and debt-free basis. At 28 June 2025, the carrying value of net assets of the China operations is expected to be c.£32m, resulting in an expected net profit on disposal of at least c.£18m, following completion adjustments. Transaction proceeds will be used to further reduce the Group's leverage.

This sale completes the Group's successful exit from the region and supports the delivery of the Group's medium-term margin target of 6%.

Mike Edwards, CEO, commented:

"After more than two decades in China, we are incredibly proud of the business we have built and I would like to thank our colleagues for their contribution, and for their commitment in continuing to deliver excellent service for our customers throughout this process. We are confident of the business's continued success under Lihoo's ownership, benefitting from their local expertise as it embarks on the next phase of its growth journey.

The Group's strategy remains clear, and the exit from China enables us to sharpen our focus on our core business and support the delivery of our medium-term margin target."

1. Based on the enterprise value

ENQUIRIES

Institutional investors and analysts:

Lee Miley, Chief Financial Officer
Emily Daw, Head of Investor Relations

+44 (0) 20 7908 6114

Financial media

Katie Hunt
Rachel Farrington

Bakkavor@mhpgroup.com

+44 (0) 7884 494 112

+44 (0) 7739 312 199

About Bakkavor

We are the leading provider of fresh prepared food in the UK, and our presence in the US positions the Group well in this high-growth market. We leverage our consumer insight and scale to provide innovative food that offers quality, choice, convenience, and freshness. Around 14,900 colleagues operate from 31 sites across our three markets supplying a portfolio of c.2,000 products across meals, pizza & bread, salads and desserts to leading grocery retailers in the UK and US. Find out more at www.bakkavor.com

LEI number: 213800CCL7AD64YU9949

Disclaimer - forward-looking statements

This statement, prepared by Bakkavor Group plc (the "Company"), may contain forward-looking statements about the Company and its subsidiaries (the "Group"). Forward-looking statements involve uncertainties because they relate to events, and depend on circumstances, that will, or may, occur in the future. If the assumptions on which the Company bases its forward-looking statements change, actual results may differ from those expressed in such statements. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update these forward-looking statements other than as required by law. Nothing in this statement should be construed as a profit forecast. Where relevant, some numbers and period-on-period percentages have been rounded or adjusted to ensure consistency with the financial information for the latest financial reporting year unless otherwise stated.

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