Boparan Finance plc

£250,000,000 5.25% Senior Notes due 2019
£330,000,000 5.50% Senior Notes due 2021
€300,000,000 4.375% Senior Notes due 2021

Guaranteed on a senior basis by

Boparan Holdings Limited

Boparan Finance plc, a public limited company incorporated under the laws of England and Wales (the ''Issuer''), offered (the ''Offering'') £250,000,000 aggregate principal amount of 5.25% Senior Notes due 2019 (the ''2019 Notes''), £330,000,000 aggregate principal amount of 5.50% Senior Notes due 2021 (the ''2021 Sterling Notes'' and together with the 2019 Notes, the ''Sterling Notes'') and €300,000,000 aggregate principal amount of 4.375% Senior Notes due 2021 (the ''2021 Euro Notes'', and together with the 2021 Sterling Notes, the ''2021 Notes'', and together with the 2019 Notes, the ''Notes''). We will pay interest on the Notes semi-annually on each February 15 and August 15, beginning on February 15, 2015.

Prior to July 15, 2016, we may, at our option, redeem all or a portion of the 2019 Notes by paying the applicable ''make-whole'' premium described in these listing particulars (these ''Listing Particulars''). In addition, we may redeem up to 35% of the aggregate principal amount of the 2019 Notes prior to July 15, 2016, with the net proceeds of certain equity offerings. At any time on or after July 15, 2016 we may redeem, at our option, all or a portion of the 2019 Notes by paying a specific premium to you as set forth in these Listing Particulars. We may also redeem all, but not less than all, of the 2019 Notes in the event of certain developments affecting taxation. If we undergo certain specified changes of control, each holder may require us to repurchase all or a portion of its 2019 Notes at 101% of their principal amount. The 2019 Notes will mature on July 15, 2019.

Prior to July 15, 2017, we may, at our option, redeem all or a portion of the 2021 Notes by paying the applicable ''make-whole'' premium described in these Listing Particulars. In addition, we may redeem up to 35% of the aggregate principal amount of the 2021 Notes prior to July 15, 2017, with the net proceeds of certain equity offerings. At any time on or after July 15, 2017 we may redeem, at our option, all or a portion of the 2021 Notes by paying a specific premium to you as set forth in these Listing Particulars. We may also redeem all, but not less than all, of the 2021 Notes in the event of certain developments affecting taxation. If we undergo certain specified changes of control, each holder may require us to repurchase all or a portion of its 2021 Notes at 101% of their principal amount. The 2021 Notes will mature on July 15, 2021.

Prior to July 15, 2016 in respect of the 2019 Notes, and prior to July 15, 2017 in respect of the 2021 Notes, we may, at our option, redeem during each 12-month period commencing with the Issue Date up to 10% of the aggregate principal outstanding amount of the Notes, from time to time, at a redemption price equal to 103% of the principal amount of the Notes redeemed plus accrued and unpaid interest on the Notes to, but not including, the redemption date.

The Notes are senior unsecured obligations of the Issuer and rank equally in right of payment with all other existing and future senior debt of the Issuer, and are effectively subordinated to the Issuer's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness. The Notes are guaranteed (the ''Guarantees''), jointly and severally, on a senior unsecured basis by the Issuer's immediate parent company, Boparan Holdings Limited (the ''Company''), together with the Company's immediate parent company and certain of the Company's subsidiaries (together, the ''Guarantors''). Each Guarantee ranks equally in right of payment to all existing and future senior debt of such Guarantor and senior in right of payment to all existing and future debt of such Guarantor that is subordinated to its Guarantee, and is effectively subordinated to such Guarantor's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness and the indebtedness of the Issuer's subsidiaries that are not Guarantors. The Notes are secured by a first priority share pledge of 100% of the shares of the Company, an assignment by the Company's immediate parent company of amounts owed to it by the Company, assignments by the Issuer of its rights under the intercompany loans of the proceeds of the Offering made to the Company and any other intercompany loans made by the Issuer to the Company and assignments by the Company of its rights under any intercompany on-loans of the proceeds of the Offering and other proceeds loans made to certain of its subsidiaries.

These Listing Particulars include information on the terms of the Notes and Guarantees, including redemption and repurchase prices, covenants and transfer restrictions.

We have applied for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market. These Listing Particulars constitute a prospectus for the purpose of the Luxembourg Law dated July 10, 2005 on Prospectus for Securities as amended.

Investing in the Notes involves a high degree of risk. See ''Risk Factors'' beginning on page 21.

Issue Price for 2019 Notes: 100.000% plus accrued interest, if any, from the Issue Date.

Issue Price for 2021 Sterling Notes: 100.000% plus accrued interest, if any, from the Issue Date.

Issue Price for 2021 Euro Notes: 100.000% plus accrued interest, if any, from the Issue Date.

The Sterling Notes were issued in registered form in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof. The 2021 Euro Notes were issued in registered form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Delivery of the Notes will be made in book-entry form through a common depositary of Euroclear Bank SA/NV (''Euroclear'') and Clearstream Banking, *société anonyme* (''Clearstream'') on July 7, 2014 (the ''Issue Date'').

The Notes and the Guarantees have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the ''Securities Act''). The Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A of the Securities Act (''Rule 144A'') or to certain persons in offshore transactions in reliance on Regulation S of the Securities Act (''Regulation S''). You are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfers of the Notes, see ''Plan of Distribution'' and ''Notice to Investors''.

Listing Particulars dated July 24, 2014

In making your investment decision, you should rely only on the information contained in the Offering Memorandum dated June 25, 2014 (the ''Offering Memorandum'') and these Listing Particulars. Neither us nor Goldman Sachs International, J.P. Morgan Securities plc, Barclays Bank PLC, BNP Paribas London Branch, HSBC Bank plc, or The Royal Bank of Scotland plc (collectively, the ''Initial Purchasers'') has authorized anyone to provide prospective investors with any other information, and you should not rely on any such information. We are not, and the Initial Purchasers are not, making an offer of the Notes in any jurisdiction where such offer is not permitted. You should not assume that the information contained in these Listing Particulars is accurate as of any date other than the date on the front of these Listing Particulars.

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STABILIZATION

IN CONNECTION WITH THE ISSUANCE OF THE NOTES, GOLDMAN SACHS INTERNATIONAL (THE ''STABILIZING MANAGER'') (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

IMPORTANT INFORMATION

In making an investment decision regarding the Notes, you must rely on your own examination of the Issuer, the Guarantors and the terms of the Offering, including the merits and risks involved. The Offering was made on the basis of the Offering Memorandum only.

We prepared the Offering Memorandum solely for use in connection with the Offering and the Listing Particulars solely for application of the Notes for listing on the Official List of the Luxembourg Stock Exchange and for trading on the Euro MTF Market.

You are not to construe the contents of these Listing Particulars as investment, legal or tax advice. You should consult your own counsel, accountants and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes. You are responsible for making your own examination of the Issuer, the Guarantors and your own assessment of the merits and risks of investing in the Notes. None of the Issuer, the Guarantors, the Initial Purchasers, the Trustee, the Security Agent or any of the other agents is making any representation to you regarding the legality of an investment in the Notes by you under appropriate legal investment or similar laws.

The information contained in these Listing Particulars has been furnished by the Issuer, the Guarantors and other sources we believe to be reliable. These Listing Particulars contain summaries, believed to be accurate, of some of the terms of specific documents, but reference is made to the actual documents, copies of which will be made available upon request, for the complete information contained in those documents. You should contact the Company or the Initial Purchasers with any questions about the Offering or if you require additional information to verify the information contained in these Listing Particulars. All summaries contained herein are qualified in their entirety by this reference. Copies of certain documents and other information relating to the issuance of the Notes will be available at the specified offices of the listing agent in Luxembourg. See ''Listing and General Information''.

The Initial Purchasers will provide prospective investors with a copy of the Offering Memorandum and any related amendments or supplements. By receiving the Offering Memorandum, you acknowledge that you have not relied on the Initial Purchasers in connection with your investigation of the accuracy of this information or your decision whether or not to invest in the Notes.

The information set out in those sections of these Listing Particulars describing clearing and settlement is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear and

Clearstream currently in effect. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures. Neither the Issuer, the Guarantors, the Trustee nor the agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book-entry interests.

No person is authorized in connection with the Offering to give any information or to make any representation not contained in the Offering Memorandum and, if given or made, any other information or representation must not be relied upon as having been authorized by the Issuer, the Guarantors or the Initial Purchasers. The information contained in the Listing Particulars is accurate as of the date hereof. Neither the delivery of the Listing Particulars at any time nor any subsequent commitment to purchase the Notes shall, under any circumstances, create any implication that there has been no change in the information set forth in the Listing Particulars or in the business of the Issuer or the Guarantors since the date of the Listing Particulars.

We accept responsibility for the information contained in the Listing Particulars. We have made all reasonable inquiries and confirmed to the best of our knowledge, information and belief that the information contained in the Listing Particulars with regard to us and our subsidiaries and our affiliates and the Notes is true and accurate in all material respects, that the opinions and intentions expressed in the Listing Particulars are honestly held, and that we are not aware of any facts the omission of which would make the Listing Particulars or any statement contained herein misleading in any material respect.

The Initial Purchasers make no representation or warranty, express or implied, as to, and assume no responsibility for, the accuracy or completeness of the information contained in these Listing Particulars. Nothing contained in these Listing Particulars is, or shall be relied upon as, a promise or representation by the Initial Purchasers as to the past or the future. We have furnished the information contained in these Listing Particulars.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable securities laws of any other jurisdiction. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. See ''Plan of Distribution'' and ''Notice to Investors''.

We made the Offering subject to the terms described in the Offering Memorandum and the purchase agreement among the Issuer, the Guarantors and the Initial Purchasers relating to the purchase and sale of the Notes. The Issuer and the Initial Purchasers each reserve the right to reject any commitment to subscribe for the Notes in whole or in part and to allot to any prospective investor less than the full amount of the Notes sought by such investor. The Initial Purchasers and certain of their related entities may acquire, for their own accounts, a portion of the Notes.

The distribution of these Listing Particulars and the offer and sale of the Notes are restricted by law in some jurisdictions. These Listing Particulars do not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Each prospective purchaser of the Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes these Listing Particulars, and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither the Issuer nor the Initial Purchasers shall have any responsibility therefor. See ''—Notice to Prospective Investors'', ''—Notice to Certain European Investors'', ''Plan of Distribution'' and ''Notice to Investors''.

NOTICE TO PROSPECTIVE INVESTORS

The Offering was made in the United States in reliance upon an exemption from registration under the Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements. See ''Notice to Investors''.

The Offering Memorandum was provided (1) to a limited number of United States investors that the Company reasonably believes to be ''qualified institutional buyers'' under Rule 144A under the Securities Act for informational use solely in connection with their consideration of the purchase of the Notes and (2) to investors outside the United States who are not U.S. persons in connection with offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the Securities Act. The

Notes described in the Offering Memorandum and these Listing Particulars have not been registered with, recommended by or approved by the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission in the United States or any other securities commission or regulatory authority, nor has the SEC, any state securities commission in the United States or any such securities commission or authority passed upon the accuracy or adequacy of the Offering Memorandum and these Listing Particulars. Any representation to the contrary is a criminal offence.

PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS OFFERING MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE USED FOR THE PURPOSES OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED; (B) SUCH DISCUSSION IS BEING USED IN CONNECTION WITH THE PROMOTION OR MARKETING BY US OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

NOTICE TO CERTAIN EUROPEAN INVESTORS

European Economic Area

The Offering Memorandum and these Listing Particulars have been prepared on the basis that all offers of the Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus for offers of the Notes. Accordingly, any person making or intending to make any offer in that Relevant Member States of the Notes may only do so in circumstances in which no obligation arises for the Issuer or the Initial Purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive. Neither the Issuer nor the Initial Purchasers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or the Initial Purchasers to publish a prospectus for such offer.

In relation to each Relevant Member State, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, the offer of any Notes which is the subject of the Offering contemplated by the Offering Memorandum is not being made and will not be made to the public in that Relevant Member State, other than at any time to: (a) any legal entity which is a qualified investor as defined in the Prospectus Directive; (b) fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant representative of the Issuer for such offer or (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive; *provided* that no such offer of the Notes shall require the Issuer or the Initial Purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to the Notes in any Relevant Member State means the communication in any form and by any means of sufficient information about the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

These Listing Particulars are for distribution only to, and are directed solely at, persons who (i) are outside the U.K., (ii) are investment professionals, as such term is defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"), (iii) are persons falling within Article 49(2)(a) to (d) of the Financial Promotion Order, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) in connection with the issue or sale of any Notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as ''relevant persons''). These Listing Particulars are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which these Listing Particulars relate is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on these Listing Particulars or any of their contents.

The Netherlands

The Notes which are the subject of the offering contemplated by the Offering Memorandum, are not and may not be offered in the Netherlands other than to persons or entities which are qualified investors as defined in article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht* or the ''AFS''). Each purchaser of Notes described in the Offering Memorandum located in the Netherlands will be deemed to have represented, acknowledged and agreed that it is a qualified investor (*gekwalificeerde belegger*) as defined in section 1:1 of the AFS. For the purposes of this provision, the expression an ''offer of Notes to the public'' in relation to any Notes in the Netherlands means to make a sufficiently specific offer addressed to more than one person as referred to in section 217(1) of Book 6 of the Dutch Civil Code to conclude a contract to purchase or otherwise acquire the Notes, or to issue an invitation to make an offer of the Notes.

Jersey

No offer for subscription, sale or exchange of the Notes may be circulated in Jersey without the consent of the Jersey Financial Services Commission.

CERTAIN DEFINITIONS

For purposes of these Listing Particulars the terms ''we'', ''us'', ''our'', ''2 Sisters'', ''the Company'' and similar references refer to Boparan Holdings Limited and its consolidated subsidiaries. Additionally, any references to our European business or operations refer to our mainland European business only.

As used in these Listing Particulars, the following terms have the following meanings:

''2 Sisters FG'' refers to 2 Sisters Food Group Limited, a wholly owned subsidiary of the Company.

''2018 Euro Notes'' means the Issuer's €340 million aggregate principal amount of 9.75% Senior Notes due 2018, to be refinanced in full with the net proceeds of the Offering. See ''Use of Proceeds''.

''2018 Notes'' means the 2018 Sterling Notes and the 2018 Euro Notes.

''2018 Notes Redemption'' means the redemption, satisfaction and discharge in respect of any 2018 Notes not repurchased in the 2018 Notes Tender Offers. See ''Summary—Recent Developments—2018 Notes Redemption''.

''2018 Notes Tender Offers'' refers to the tender offers launched by the Issuer for the 2018 Sterling Notes and the 2018 Euro Notes. See ''Summary—Recent Developments—2018 Notes Tender Offers''.

''2018 Sterling Notes'' means the Issuer's £400 million aggregate principal amount of 9.875% Senior Notes due 2018, to be refinanced in full with the net proceeds of the Offering. See ''Use of Proceeds''.

''Aldi'' refers to Aldi Einkauf GmbH & Compagnie, oHG.

''Amber'' refers to Amber Foods Limited, a wholly owned subsidiary of the Company.

''ambient'' means foods that are shelf-stable, that would normally be stored refrigerated but have been processed so they can be safely stored in a sealed container at room temperature with a specified shelf life.

''Asda'' refers to Asda Stores Limited.

''Bakkavör'' refers to Bakkavör Group Limited.

''Board'' refers to the board of directors of the Company.

''Brookes Avana Acquisition'' refers to our acquisition of the Brookes Avana business, consisting of RF Brookes and Avana Bakeries, on December 30, 2011.

''Burtons'' refers to Burton's Biscuit Company.

''Cargill'' refers to Cargill, Incorporated.

''Company'' means Boparan Holdings Limited and its consolidated subsidiaries.

''Costco'' refers to Costco Wholesale Corporation.

''Dunnes'' refers to Dunnes Stores.

''Existing Indebtedness'' means the 2018 Notes and the Existing Revolving Facility Agreement.

''Existing Revolving Facility Agreement'' refers to the senior secured Revolving Facility Agreement, dated March 2, 2011 (as amended and restated on April 19, 2011), between the Company as original borrower, certain of the Company's subsidiaries as original guarantors, BNP Paribas London Branch, HSBC Bank plc and Rabobank International, as lenders, HSBC Bank plc, as facility agent and The Law Debenture Trust Corporation PLC as security agent.

''Faccenda'' refers to Faccenda Group.

''Fiscal Year 2011'' means the 52 week fiscal year of the Company ended July 30, 2011.

''Fiscal Year 2012'' means the 52 week fiscal year of the Company ended July 28, 2012.

''Fiscal Year 2013'' means the 52 week fiscal year of the Company ending July 27, 2013.

''Five Star Fish'' refers to Five Star Fish Limited, a wholly owned subsidiary of the Company.

''Guarantors'' collectively refers to Midco, the Company, 2 Sisters Europe B.V., 2 Sisters Food Group, 2 Sisters Red Meat Limited, 2 Sisters Poultry Limited, Amber, Northern Foods, Northern Foods Grocery Group Limited, Solway Foods Holdings Limited, Solway Foods Limited, Five Star Fish and BH Acquisitions Limited.

''Hook 2 Sisters'' refers to Hook 2 Sisters Limited, the joint venture between 2 Sisters FG and P D Hook.

''Iceland'' refers to Iceland Foods plc.

''Initial Purchasers'' refers to Goldman Sachs International, J.P. Morgan Securities plc, Barclays Bank PLC, BNP Paribas, London Branch, HSBC Bank plc and The Royal Bank of Scotland plc.

''Issue Date'' refers to July 7, 2014.

''Issuer'' refers to Boparan Finance plc.

''JD Wetherspoon'' refers to JD Wetherspoon plc.

''KFC'' refers to KFC Corporation (more commonly known as Kentucky Fried Chicken), operated by Yum! Restaurants International in the U.K.

''Lidl'' refers to Lidl Stiftung & Co. KG.

''Listing Particulars'' means these listing particulars.

''Marks & Spencer'' refers to Marks and Spencer plc.

''Midco'' refers to Boparan Midco Limited, a company organized under the laws of England and Wales.

''Midco Share and Receivables Security'' means a charge on the shares held by Midco in the Company and on any amounts owed by the Company to Midco.

''Mondelez'' refers to Mondelez International, Inc.

''Morrisons'' refers to Wm Morrison Supermarkets plc.

''Moy Park'' refers to Moy Park Limited.

''MRCT'' refers to Moores Refrigeration Controlled Transport.

''New Intercreditor Agreement'' refers to the intercreditor agreement dated June 24, 2014 (as amended from time to time) among, *inter alios*, the Company and The Law Debenture Trust Corporation p.l.c. as security agent.

''New Revolving Facility'' refers to the super senior revolving facility made available under the New Revolving Facility Agreement.

''New Revolving Facility Agreement'' refers to the super senior Revolving Facility Agreement, dated June 24, 2014, between the Company as parent and as original borrower, the Company, Midco and certain of the Company's subsidiaries as original guarantors, Goldman Sachs Bank USA, J.P. Morgan Limited, Barclays Bank plc, HSBC Bank plc, The Royal Bank of Scotland plc and BNP Paribas, London Branch as mandated lead arrangers, certain financial institutions listed therein as original lenders, Wilmington Trust (London) Limited, as agent and The Law Debenture Trust Corporation p.l.c. as security agent.

''Northern Foods'' refers to Northern Foods Limited (formerly Northern Foods plc) and its consolidated subsidiaries.

''Northern Foods Acquisition'' refers to our acquisition of Northern Foods and its consolidated subsidiaries on April 7, 2011.

''Northern Foods Pension Schemes'' means the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme. See ''Business—Our Business—Employees—Pensions''.

''Notes Proceeds Loan'' refers to one or more loans from the Issuer to the Company.

''Offering'' refers to the offering of the Notes by the Issuer and the application of the net proceeds therefrom in the manner set forth herein under ''Use of Proceeds''.

''Offering Memorandum'' means the offering memorandum dated June 25, 2014.

''P D Hook'' refers to P D Hook (Group) Limited and its consolidated subsidiaries.

''PDM'' refers to Prosper De Mulder Ltd., a U.K. food chain by-product recycler.

''Sainsbury's'' refers to Sainsbury's Supermarkets Ltd.

''Tesco'' refers to Tesco plc.

''The Cooperative'' refers to The Cooperative Group.

''Transactions'' collectively refers to the Offering and the application of the proceeds therefrom as described under ''Use of Proceeds'', including the 2018 Notes Tender Offers, the 2018 Notes Redemption and the entry into the New Revolving Facility Agreement.

''Trustee'' refers to Citibank, N.A., London Branch, as trustee on behalf of the holders of Notes.

''Vion Acquisition'' refers to our acquisition of the U.K. poultry and fresh beef and lamb operations of Vion Food Group on March 8, 2013 through the acquisition of 100% of the issued share capital of 2 Sisters Red Meat Limited and 2 Sisters Poultry Limited.

MARKET AND INDUSTRY DATA

Unless otherwise expressly indicated or noted below, all information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to our business contained in these Listing Particulars is based on estimates prepared by us based on data from various market research, publicly available information and industry publications, including reports published by various third-party sources including, but not limited to, Nielsen (as of March 29, 2014), Key Note (as of January 2014), IGD Retail Analysis (as of August 2013), and Kantar Worldpanel (as of March 30, 2014) as well as certain assumptions and our knowledge of the industry in which we operate. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data. Market share data for the Chilled segment are based on management's interpretation of Nielsen and Kantar Worldpanel market data. Statistical information relating to the growth of the U.K. poultry market is derived from the Key Note Report. U.K retail chicken market share data are based on management's interpretation of the retail market data on Kantar Worldpanel data. All other data is based upon independent third party research.

In many cases, there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring us to rely on our own internally developed estimates regarding the U.K. packaged foods and protein markets, our position in the industry, our market share and the market shares of various industry participants based on experience, our own investigation of market conditions and our review of industry publications, including information made available to the public by our competitors. While we have examined and relied upon certain market or other industry data from external sources as the basis of its estimates, neither we nor the Initial Purchasers have verified that data independently. We and the Initial Purchasers cannot assure you of the accuracy and completeness of, and take no responsibility for such data. Similarly, while we believe our internal estimates to be reasonable, these estimates have not been verified by any independent sources and we and the Initial Purchasers cannot assure you as to their accuracy. Our estimates involve risks and uncertainties and are subject to change based on various factors. We take responsibility for the correct reproduction and extraction of the information contained herein.

PRESENTATION OF FINANCIAL INFORMATION

These Listing Particulars contain the audited consolidated financial statements of the Company as at July 30, 2011, July 28, 2012 and July 27, 2013 and for each of the 52 week periods then ended (the ''Audited Consolidated Financial Statements'') and the unaudited condensed consolidated financial statements of the Company as at April 27, 2013 and April 26, 2014 and for each of the 39 weeks then ended (the ''Unaudited Interim Condensed Consolidated Financial Statements'' and, together with the Audited Consolidated Financial Statements, the ''Consolidated Financial Statements''). The Consolidated Financial Statements have been prepared in accordance with United Kingdom generally accepted accounting practice (''U.K. GAAP'') and, in the opinion of our management, include all adjustments, consisting of normal recurring adjustments necessary for a fair representation of interim results. These interim results are not necessarily indicative of results to be expected for the full year.

We completed a number of acquisitions and disposals in the 52 weeks ended July 30, 2011, July 28, 2012 and July 27, 2013 and the 39 weeks ended April 27, 2013 and April 26, 2014. These acquisitions and disposals are reflected in the Consolidated Financial Statements as of the date of acquisition or disposal. See ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Events that Affected Our Results of Operations—Acquisitions and Dispositions''.

We present our annual accounts as at the Saturday closest to July 31 of each year, which occasionally results in a 53 week fiscal year. The financial information presented in these Listing Particulars is presented in pounds sterling, unless otherwise stated.

Solely for the convenience of the reader, the tables in certain sections of these Listing Particulars also set out certain of the Company's financial data as of and for the 52 weeks ended April 26, 2014, which have been calculated by adding the results for the 52 weeks ended July 27, 2013 and the 39 weeks ended April 26, 2014, and subtracting the results for the 39 weeks ended April 27, 2013. See ''Summary Historical Financial and Other Information'' and ''Selected Historical Financial Information''.

The Issuer is a special purpose finance vehicle and was incorporated as a public limited company on April 6, 2011 in connection with the offering of the 2018 Notes. We do not present historical financial information for the Issuer. The Issuer is consolidated by Boparan Holdings Limited.

NON-GAAP FINANCIAL MEASURES

These Listing Particulars contain certain measures and ratios, including Adjusted EBITDA, operating working capital, total debt and total financial debt, as defined by us, that are not required by, or prepared in accordance with U.K. GAAP (''non-GAAP''). We believe non-GAAP financial measures are helpful to investors and financial analysts in highlighting trends in our overall business because the items excluded in calculating such measures have little or no bearing on our day-to-day operating performance.

Our non-GAAP measures are defined by us as follows:

- ''Adjusted EBITDA'' is defined as profit or loss for the financial period before equity minority interest, tax on profit or loss on ordinary activities, tax on share of profit or loss from joint ventures, interest payable and similar charges, interest receivable and similar income, depreciation, amortization exceptional items, and for purposes of 2011, the Northern Foods Adjustment. See ''Summary Historical Financial) and Other Information''.
- ''like-for-like'' measures are comparisons of results of one fiscal period as compared to the corresponding prior fiscal period taking into account certain adjustments. For an explanation of the adjustment in each period see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Like-for-Like Measures''.
- ''operating working capital'' is defined as the sum of stocks, debtors due within one year, less creditors: amounts falling due within one year.
- ''total debt'' is defined as the sum of bank loans (net of fees), bond notes (net of fees) and obligations under finance leases.
- ''total financial debt'' is defined as ''total debt'' less obligations under finance leases.

For a reconciliation of certain of our non-GAAP financial measures to the nearest U.K. GAAP measure, please see ''Summary Historical Financial and Other Information''.

The non-GAAP measures may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under GAAP as set out in the Consolidated Financial Statements included elsewhere in these Listing Particulars. These non-GAAP measures and ratios such as these are not measurements of our performance or liquidity under U.K. GAAP and should not be considered as alternatives to operating income or net profit or any other performance measures derived in accordance with U.K. GAAP or any other generally accepted accounting principles, or as alternatives to cash flow from operating, investing or financing activities.

Some limitations related to Adjusted EBITDA are:

- it does not reflect our cash expenditures or future requirements for capital commitments;
- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect the interest expense or cash requirements necessary to service interest or principal payments on our debt;
- it does not reflect any cash income taxes that we may be required to pay;
- it does not adjust for all non-cash income or expense items that are reflected in our statements of cash flows;
- it does not reflect the impact of earnings or charges resulting from certain matters we consider not to be indicative of our ongoing operations;
- assets are depreciated or amortized over differing estimated useful lives and often have to be replaced in the future, and this measure does not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate these measures or similarly titled measures differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, our non-GAAP measures should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our U.K. GAAP results and using these non-GAAP measures only as a supplement to evaluate our performance. Please see ''Summary Historical Financial and Other Information'', ''Management's Discussion and Analysis of Financial Condition and Results of Operations'' and the Consolidated Financial Statements included elsewhere in these Listing Particulars.

FORWARD-LOOKING STATEMENTS

These Listing Particulars include forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, the discussion of the changing dynamics of the marketplace and our outlook for growth in the prepared foods and poultry markets both within and outside of the U.K. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms ''aim'', ''anticipate'', ''believe'', ''continue'', ''could'', ''estimate'', ''expect'', ''forecast'', ''guidance'', ''intend'', ''may'', ''plan'', ''potential'', ''predict'', ''projected'', ''should'' or ''will'' or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout these Listing Particulars and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition and performance, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in these Listing Particulars. In addition, even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in these Listing Particulars, those results or developments may not be indicative of results or developments in subsequent periods. Our business is subject to a number of important risks, uncertainties and other factors that could cause these differences, though we take appropriate measures to limit such risks and the impact they can have. These risks include, but are not limited to:

- outbreak of disease among or attributed to livestock;
- the loss of one or more of our major customers;
- uncertainty in the terms of our contracts with our key customers;
- adverse developments in the safety for our products and/or the food industry generally;
- our ability to effectively compete in our highly competitive industry;
- fluctuations in the price and availability of raw materials, packaging materials and freight;
- increased competition from grocery retailers producing our products in-house;
- shifts in consumer preferences and our ability to successfully develop innovative products;
- the damaged image or reputation of our customers, which could adversely affect the sales of our products;
- increased shipping prices or disrupted shipping services for our products;
- significant and rapid changes in legal systems, regulatory controls and customs and practices in any of the several different countries in which we operate;
- our failure to comply with current or existing government legislation and regulations, including in the areas of food safety, environmental protection and employee health and safety;
- our material dependence on key suppliers;
- the failure of our third-party suppliers to comply with food safety, environmental, animal protection and other regulations;

- our ability to maintain certain licenses and permits necessary in the operation of our business;
- our ability to successfully manage key brands;
- our ability to repair or replace the loss of a major manufacturing facility;
- risks related to the disruption of our day-to-day operations;
- the loss of certain of our senior management or key executives;
- our ability to manage general labor costs;
- our ability to prevent labor disputes and work stoppages;
- our relationship with our principal shareholders;
- the outcome of any litigation or threatened litigation;
- the costs and liabilities imposed by environmental regulations;
- our ability to manage the liabilities associated with our pension schemes;
- risks associated with future acquisitions, investments and dispositions;
- our ability to manage seasonal fluctuations in our revenue and operating results;
- detrimental fluctuations in currency exchange rates; and
- adverse economic, social or political conditions in any of the several different countries in which we operate.

The foregoing factors should not be construed as exhaustive. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. We urge you to read these Listing Particulars, including the sections entitled ''Risk Factors'', ''Management's Discussion and Analysis of Financial Condition and Results of Operations'', ''Business'' and ''Industry Overview'' for a more complete discussion of the factors that could affect our future performance and the industry in which we operate.

Except as required by law or the rules and regulations of any stock exchange on which the Notes are listed, we undertake no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in these Listing Particulars, including those set forth under ''Risk Factors''.

EXCHANGE RATE AND CURRENCY INFORMATION

Unless otherwise indicated, references in these Listing Particulars to ''euro'' or ''€'' are to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union pursuant to the Treaty Establishing the European Community, as amended from time to time; references to ''sterling'', ''pounds sterling'', ''GBP'' or ''£'' are to the lawful currency of the U.K.; and references to ''U.S. dollars'', ''dollars'', ''US$'' or ''$'' are to the lawful currency of the United States of America.

The following tables show the period-end, average, high and low exchange rates for each of the years and months indicated, and the high and low exchange rates for each of the months indicated, in each case for U.S. dollars, expressed in U.S. dollars per one pound sterling, as published by Bloomberg. These rates may differ from the actual rates used in the preparation of the Consolidated Financial Statements and other financial information appearing in these Listing Particulars. We make no representation that pounds sterling or U.S. dollar amounts referred to in these Listing Particulars have been, could have been or could, in the future, be converted into pounds sterling or U.S. dollars, as the case may be, at any particular rate, if at all.

The Bloomberg rate of pounds sterling on July 8, 2014 was $1.7118 per £1.00.

	U.S. dollar/£			
	Period end	Average rate(1)	High	Low
Year				
2009	1.6148	1.5707	1.7017	1.3703
2010	1.5591	1.5431	1.6377	1.4324
2011	1.5509	1.6104	1.6694	1.5390
2012	1.6242	1.5925	1.6276	1.5295
2013	1.6566	1.5664	1.6566	1.4858

	U.S. dollar/£			
	Period end	Average rate(2)	High	Low
Month				
January 2014	1.6459	1.6469	1.6616	1.6344
February 2014	1.6728	1.6565	1.6733	1.6311
March 2014	1.6681	1.6625	1.6762	1.6496
April 2014	1.6873	1.6746	1.6873	1.6578
May 2014	1.6769	1.6840	1.6983	1.6708
June 2014	1.7102	1.6907	1.7102	1.6739
July 2014 (as of July 8, 2014)	1.7118	1.7147	1.7165	1.7118

(1) The average of the exchange rates on the last business day of each month during the relevant period.

(2) The average of the exchange rates on each business day during the relevant period.

SUMMARY

This summary contains information about the Offering and about us. It does not contain all the information that may be important to you. Before making an investment decision, you should read the entire Listing Particulars carefully, including the financial statements and the notes thereto and the other financial information contained therein, as well as the risks described under ''Risk Factors''. Certain defined terms used herein are defined elsewhere in these Listing Particulars.

Overview

We were founded in 1993 and are one of the leading diversified food manufacturers in the U.K. with the number one position in the U.K. chicken market. We are headquartered in the U.K. with operations spanning the U.K., Ireland, the Netherlands and Poland. We operate a total of 49 manufacturing sites and we have more than 23,500 employees. Our business consists of three segments: Protein, Chilled and Branded.

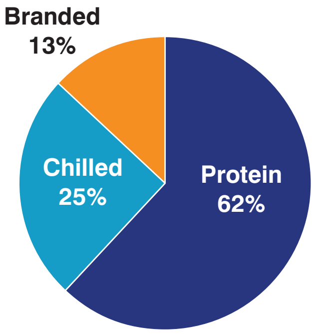
- Protein: In the U.K., we supply raw chicken, beef, lamb and fish and added value protein products, such as partially cooked or seasoned meats, to leading grocery retailers, foodservice, manufacturing and other clients. We also sell chicken and chicken by-products to pet food and other manufacturers. Outside of the U.K. we supply raw chicken and added value products to customers in Ireland, the Netherlands and Poland and other worldwide export markets.
- Chilled: We have a diversified product offering, supplying a number of retailer own label brands across chilled categories including ready meals, sandwiches, chilled pizza and selected bakery products.
- Branded: We have a number of branded product offerings across both frozen and biscuits categories. Our frozen brands include *Goodfella's Pizza, Donegal Catch Fish, Green Isle Vegetables, Holland's* and *McDougalls Pies*, which we supply in the U.K. and Ireland. In the biscuit segment our *Fox's* biscuit brand serves the sweet category with a core presence in the U.K. and developing international sales.

Our customer base includes (i) leading grocery retailers in the U.K. and European markets such as Tesco, Marks & Spencer, Sainsbury's, Aldi and Asda, (ii) foodservice operators such as KFC and Pret-a-Manger and (iii) food manufacturers such as Birdseye, Bakkavör and Greencore.

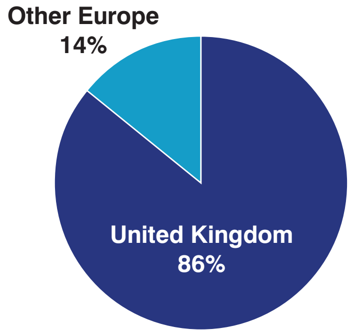
For the 52 weeks ended April 26, 2014, we generated turnover and Adjusted EBITDA of £3,421.3 million and £170.0 million, respectively. A breakdown of our turnover by segment and geography by destination is shown below.

Turnover (52 weeks ended April 26, 2014)

By Segment



By Geography



Our Strengths

Leading market positions in large and growing categories within the grocery retail industry

We are a diversified operator within the food industry with leading positions across a number of grocery categories. We believe that the complementary offerings of our Protein, Chilled and Branded segments provide us with the opportunity to innovate and develop our customer relationships and our brand knowledge of each business, increasing market share across all categories, including our operations in Ireland and mainland Europe.

Segment	Category	Market Size	Position	Key Brands
Protein (U.K.)	Chicken	£ 4.2 billion	#1	Own Label
	Fresh Beef & Lamb	£ 2.6 billion	#3	Own Label
Chilled (U.K.)	Ready Meals	£ 2.1 billion	#1	Own Label
	Sandwiches	£ 1.3 billion	#2	Own Label
	Chilled Pizza	£ 0.5 billion	#3	Own Label
	Christmas Puddings	£ 44.0 million	#1	Matthew Walker/Own Label
Branded	Sweet Biscuits (U.K.)	£ 1.7 billion	#3	Fox's/Rocky/Own Label
	Frozen Pizza (U.K.)	£ 0.4 billion	#2	Goodfella's/San Marco/Own Label
	Frozen Pizza (Ireland)	£ 61.0 million	#1	Goodfella's/San Marco/Own Label
	Frozen Pies (U.K)	£145.0 million	#1	Holland's/McDougalls/Own Label
	Frozen Fish (Ireland)	£ 69.0 million	#1	Donegal Catch
	Frozen Vegetables (Ireland)	£ 38.0 million	#1	Green Isle

We compete in several markets within the food industry that have experienced growing demand in the U.K. and elsewhere in Europe. For example, according to IGD, over the last ten years (from April 2003 to April 2013), the U.K. grocery market has grown from £115.8 billion to £169.7 billion with a compound annual growth rate of 3.9%.

In the Protein segment, we hold the number one position in the U.K. chicken market, processing approximately 6.0 million birds per week in the U.K. According to Key Note, the U.K. chicken market is a growing sector with opportunities to further develop our business, and in 2013 it had a market size of £4.2 billion. According to Keynote, this market experienced a historical growth rate of 7.2% between 2009 and 2013 and is projected to grow at a compound annual growth rate of 5.7% between 2014 and 2018. We believe that the factors driving this growth include the wide appeal of chicken (which is consumed by most religions), public perception of poultry products as healthy and versatile, and the low cost of poultry in comparison with other protein segments.

In the Chilled segment, we have strong positions in the U.K. in a number of markets including top three positions in ready meals, sandwiches, chilled pizza and Christmas puddings, with leadership in some of these, such as ready meals and Christmas puddings. We believe that the broader U.K. chilled market is an attractive category within the overall U.K. grocery market with an estimated total market size of £8.6 billion in for the 52 weeks ended April 27, 2014, according to management's estimates based on third party data. We believe factors driving growth in this segment include the overall trend towards less time spent cooking, an increase in one person households and trends favoring convenience in meal choices.

In the Branded segment, we are the second largest frozen pizza producer in the U.K., the leading producer of frozen fish and vegetables in Ireland and the third largest sweet biscuit producer in the U.K. Kantar TNS estimated that the total market for frozen foods at £3.3 billion for the 52 weeks ended April 27, 2014. The biscuit market is an attractive segment, particularly as the U.K. is estimated to have the highest per capita consumption of biscuits in Europe.

Diversified and integrated business model with a strong focus on product innovation

We have a diverse portfolio of products in the across a wide range of categories within the three segments in which we operate. In our Protein segment, which accounted for 62.4% of our turnover in the 52 weeks ended April 26, 2014, we have a presence in the U.K. poultry, European poultry, U.K. fresh lamb and beef and fish markets and also poultry by-products and waste businesses. In our Chilled segment, which accounted for 24.6% of our turnover in the 52 weeks ended April 26, 2014, we have a presence across the U.K. markets for ready meals, sandwiches, chilled pizza and Christmas puddings. In our Branded segment, which accounted for 12.9% of our turnover in the 52 weeks ended April 26, 2014, we have a presence across a number of frozen categories in the U.K. and Ireland including frozen pizza, frozen pies, frozen fish and frozen vegetables as well as the biscuit segment.

We operate an integrated business with a goal of growing sales across our three segments. The majority of our major customers source products from across our three segments, which enables them to sell products meeting a variety of complementary meal occasions from snacks, treats and main meals and special occasions. Our integrated business model allows us to source from our Protein segment for our Chilled and Branded segment products where required. We continue to focus on sharing knowledge and best practices across our operations, including in relation to customer and industry trends, new product development, quality control, innovation, marketing, branding and sales. We also aim to source on a combined basis selected raw material to drive cost efficiency.

We are focused on working with our customers as partners and developing new and innovative products from an ingredient, packaging and taste perspective. We prioritize the monitoring of changing consumer tastes and aim to launch products that best cater to consumer demand at an affordable price. We see significant opportunity for product innovation and new product development across our segments which will drive further future growth, and we recently recruited an experienced Group Innovation Director to further drive innovation and new product development.

Longstanding relationships with leading U.K. retailers with a growing foodservice and food manufacturing customer base

We benefit from strong relationships with the U.K.'s leading food retailers. Our top five customers include Tesco, Marks & Spencer, Sainsbury's, Aldi and Asda, who together accounted for 61% of our turnover in the 39 weeks ended April 26, 2014, and who hold a combined 63% market share of the U.K. grocery retail market, according to Kantar TNS. Between the year ended July 28, 2012 and the twelve months ended April 26, 2014, our turnover generated from each of our top five customers grew by betwen 23% and 134%. We have longstanding relationships with our top five customers, which in some cases exceeds fifteen years. We believe we have been able to achieve such relationships by delivering value to consumers and excellent product quality, and as a results of our commitment to new product innovation and ensuring our facilities meet our customers' standards.

We have a growing customer base of foodservice and food manufacturing customers including KFC, Pret-a-Manger, Bakkavör, Birdseye and Greencore, and believe that our established British sourcing capabilities for chicken and beef beneficially position us to further capture growth in these channels. We focus on traceability and we believe that the degree of accountability that we strive for is a key focus for many of today's consumers and, as a result, our customers.

Integrated supply chain with strong British sourcing meeting both customer and consumer needs

We believe our integrated British supply chain in the Protein segment, specifically in relation to U.K. chicken and beef, well positions us to grow and take advantage of the increased demand for British sourced chicken.

Our U.K. poultry operations have a vertically integrated supply chain, which begins with our longstanding relationship with P D Hook (the largest supplier of day old chicks in the U.K.) through our Hook 2 Sisters 50/50 joint venture, from which we source our poultry and which raises the day old chicks it sources from P D Hook. P D Hook also supplies chicks to 2 Agriculture Limited, a live bird supplier that we have developed a relationship with as a result of its past supply to the businesses that we acquired in the Vion Acquisition. Our relationships with these suppliers, combined with our joint venture, allow us to maintain oversight of bird sourcing, development and welfare, which ensures that we are able to meet our customers' strict requirements for animal welfare and food quality standards.

In the U.K. beef market we are the third largest supplier in the U.K. and we directly source beef from approximately 11,000 British farmers. Our British sourcing practices provide us a competitive advantage in terms of meat traceability, which is a high profile issue due to reports in 2013 of certain European beef samples containing traces of horse DNA. As a result, we believe that suppliers, such as ourselves, who focus on locally sourced, traceable meat products, have an opportunity to gain market share as consumer trust in the fresh beef and lamb market stabilizes.

In the Netherlands and Poland, we source the majority of our chicken directly from approximately 300 farmers, generally through long-term contractual arrangements. We believe that our European poultry operations serve as a foothold in a market that we expect to grow in the coming years in terms of consumption. Furthermore, European poultry sourcing prices are lower than those in the U.K. and we are able to benefit from lower costs of living at our Polish site while maintaining quality of product and labor. We have a diversified customer portfolio throughout Europe, including sales into the U.K., the Netherlands, Germany, France and Poland, supplying customers in the retail industry, foodservice and quick-service restaurants segments, and are positioned to expand in these areas and markets.

We have 49 manufacturing sites that are designed to meet our customers' high standards and are strategically located to optimize logistics. We work in partnership with our customers and our operations are designed to meet strict client requirements and maintain the quality of our products. We maximize the use of temporary staff in order to increase operating flexibility and decrease operating gearing. We continue to prioritize innovation and the improvement of our product offering while maximizing efficiency and continuing to provide high levels of service.

Consistent track record of long-term top-line growth with strong Adjusted EBITDA and operating cash generation

Our business has grown significantly since inception from £7.8 million of turnover in 1994 to £3,421.3 million of turnover in the 52 weeks ended April 26, 2014. We have experienced robust like-for-like turnover growth of 9.5% and 5.6% in Fiscal Year 2012 and Fiscal Year 2013, respectively, and total absolute turnover growth of £1,508.5 million over the two fiscal years, driven largely by a growing customer base, internal product innovation and acquisitions.

We have generated stable Adjusted EBITDA over the last three fiscal years in the face of industry headwinds primarily related to the horsemeat scandal (despite the fact that we were not implicated in the scandal) and the fact that the Vion business acquired was a loss-making business. We believe that we have made good progress with our integration plan to bring the Vion assets into profitability as fully integrated components of our business. As a result of stable capital expenditures, we have been successful in converting Adjusted EBITDA into operating cash flow. Our margin of Adjusted EBITDA to Adjusted EBITDA less capital expenditure (excluding acquisitions) has remained above 50% over the last three fiscal years and we are focused on managing working capital to drive strong cash generation in the business. Our strong cash flow generation has meant that we have been able to pursue selective, strategic acquisitions and site capacity expansion without the need for external financing (other than for the Northern Foods Acquisition) or drawing on our revolving credit facility.

Owner-led management supplemented with an independent Board of Directors

Our management team is led by our CEO Ranjit Singh, who founded the Company in 1993. The CEO is supported by a group of tenured industry executives who have significant relevant experience in the U.K. grocery and fast moving consumer goods sectors. We continue to recruit the best people, for example we recently recruited a new CFO, Stephen Leadbeater, who has a wealth of experience in the food industry, including 10 years as CFO at Findus Group where he was instrumental in the successful delivery of a number of significant major financial and corporate projects.

We believe the composition of our Board of Directors demonstrates our commitment to high quality corporate governance that distinguishes us amongst private companies. Our Board is comprised of eight individuals, five of whom are independent including an independent Chairman and independent Chair of the Audit Committee. Our independent directors bring a wealth of food technology, marketing, strategy and financial expertise from their extensive prior experience in the U.K. multi-national landscape.

Our Strategies

Continue to follow the core principles of our "Virtuous Circle"

We use our industry experience to continue to grow our operations and structure our business based on the "virtuous circle" model that we have developed. The main premise is to increase volumes, which drives improved efficiency in our factories and supply chain, lowering cost of production, allowing us to invest in providing better value to our customers and consumers to further increase volumes.

We believe that success in the categories in which we operate is ultimately related to scale, innovation and delivery of better value to end consumers. We believe that the robust history of our operations (over two decades in the U.K. grocery market), combined with the large scale of our operations (including 49 manufacturing sites, we have more than 23,500 employees and £3,421.3 million of turnover for the 52 weeks ended April 26, 2014) provides us with a significant long-term competitive advantage to compete effectively and grow successfully in our respective markets.

Continue to grow market share in core categories while maintaining profitability

We remain focused on growing market shares and further penetrating core categories in which we operate. These core categories include, in the Protein segment, U.K. chicken, European chicken, fresh beef and lamb, in the Chilled segment, ready meals, sandwiches, chilled pizza and puddings and, in the Branded segment, pizza, pies, fish, vegetables and biscuits. We believe our scale and leading market positions (including many top three positions), attractive product offering with a focus on innovation combined with our experienced management teams favorably position us to compete in these categories and drive turnover growth and margin expansion. We also remain focused on exiting operations where we have sub-scale operations or that are not profitable, for example, in the current fiscal year we have made the decision to exit the salads and cakes businesses within our Chilled segment.

Product innovation and new product development remain core areas of focus within the organization and we continue to develop new products in close cooperation with our customers that are tailored to changing consumer tastes. In the Protein segment, there is a growing trend towards "ready to cook" meals where we believe our established British raw material supply chain, with a strong emphasis on traceability, and our expertise in ready meals well position us to compete. In the Chilled segment, we work on an ongoing basis with our customers to create new and innovative ready meals and other product offerings that differentiate our products in terms of taste, ingredients and packaging. In our Branded segment, we continue to develop new products that best align with evolving market trends and diversify and enhance the customer proposition for our respective brands.

Deepen relationships with existing customers and expand relationships with new customers

We have longstanding relationships with our core customers to whom we have been supplying products in some instances for over 15 years. While we are an important supplier to our customers in the majority of the categories in which we compete, such as the raw poultry market and we believe there remains an opportunity to further expand our market share in core categories and grow market share in under-penetrated categories.

We also remain focused on growing our customer base across grocery retailers, foodservice operators and food manufacturing customers. We are aiming to take advantage of the emerging consumer trend of ‘‘split-shopping’’ where the consumer divides their shopping between traditional grocery stores for smaller purchases and discounters for larger purchasers. We have strong and growing relationships with several discount retailers, and intend to continue to develop such relationships. We believe that our scale, established British supply chain and strong and diverse product offering, combined with our robust product innovation capabilities, position us to increase our customer base across channel types.

Continue to integrate recent acquisitions and streamline operations to drive synergies and efficiencies

In the last three years we have made the two strategic acquisitions of Brookes Avana and Vion. We acquired Brookes Avana in December 2011 for a total acquisition consideration of £36.9 million. The strategic rationale for acquiring Brookes Avana, which is part of our Chilled segment, was to further diversify our product offering along with the opportunity to increase capacity at the well-invested Rogerstone Park facility, which specializes in the production of ready meals.

We acquired Vion’s U.K. business in March 2013 for total acquisition consideration of £37.4 million. The strategic rationale for acquiring Vion included the desire to increase our U.K. poultry capacity, add a U.K. fresh beef and lamb business to our portfolio and take advantage of an opportunity to increase profitability. Since the Vion Acquisition, we have been implementing a two-year integration program, which has already begun to deliver greater efficiencies and cost savings across the Vion assets. To achieve this integration, we are focusing on consolidating operations and management, renegotiating customer contracts and restructuring our Scottish operations. For example, we have consolidated our cooked meat operations from three sites into two. These improvements are illustrated by increasing margins in our Protein segment quarter over quarter.

Going forward we aim to continue to integrate the Vion business from a supply chain, site, and employee perspective to create further efficiencies and generate cost savings across our consolidated operations.

Recent Developments

Trading Update

We expect our Adjusted EBITDA for the fourth quarter of the current fiscal year to be higher than the Adjusted EBITDA for the fourth quarter of 2013. This expectation is based on trading performance for the first month of the fourth quarter of the current fiscal year, reflecting increased Adjusted EBITDA and Adjusted EBITDA margins in the overall business compared to the first month of the fourth quarter in Fiscal Year 2013 despite revenue declines for the same period. This estimate is based on management accounts for the quarter to date and does not take into account potential seasonal variance or other factors that may influence the Company's performance for the remaining fourth quarter period. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you with respect to these statements. The preparation of these statements is based upon, *inter alia*, certain assumptions containing future events and management actions and such events and actions may not actually be realized, as they depend substantially on variables which management cannot control, and may involve situations that management cannot predict.

New CFO Announcement

On June 16, 2014, we announced the appointment of our new Company CFO, Stephen Leadbeater. Stephen has substantial experience in the food industry, including 10 years as CFO at Findus Group where he was instrumental in the successful delivery of a number of significant major financial and corporate projects. He also previously worked for Young's Seafood and its precursor Ross Group as well as United biscuits Plc and Associated British Foods Plc. Stephen replaces Stephen Henderson, who came to the Company with the Northern Foods Acquisition in 2011, and has been instrumental in integrating the Northern Foods assets and those that we subsequently acquired.

2018 Notes Tender Offers

On June 23, 2014, the Issuer announced tender offers (the ''2018 Notes Tender Offers'') in respect of the 2018 Sterling Notes and the 2018 Euro Notes. Under the terms of the 2018 Notes Tender Offers, we will be offering to purchase all of our 2018 Notes held by holders outside the United States for cash, at the applicable tender prices plus, in each case, accrued and unpaid interest. To the extent any of the 2018 Notes are not tendered in the 2018 Notes Tender Offers, we intend to redeem the 2018 Notes. See ''—2018 Notes Redemption''. We intend to use the net proceeds from the Offering to repurchase the 2018 Notes tendered pursuant to the 2018 Notes Tender Offers and to redeem any untendered 2018 Notes. See ''Use of Proceeds''. The consummation of the 2018 Notes Tender Offers is subject to the satisfaction or waiver of certain conditions precedent including the completion of this Offering.

The 2018 Notes Tender Offers are not being made, and will not be made, directly or indirectly in or into, or by the use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or by use of any facilities of a national securities exchange of, the United States. The 2018 Notes may not be tendered in the 2018 Notes Tender Offers by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States. Any purported tender of the 2018 Notes in the 2018 Notes Tender Offers resulting directly or indirectly from a violation of these restrictions will be invalid. The 2018 Notes Tender Offers are being made pursuant to a separate tender offer memorandum and not pursuant to the Offering Memorandum.

2018 Notes Redemption

On June 23, 2014, the Issuer delivered a notice of redemption to holders of its 2018 Notes. Subject to the successful completion of the Offering, the Issuer will use the proceeds of the Offering to redeem any of the 2018 Notes that are not purchased in the 2018 Notes Tender Offers at the applicable redemption prices of 107.406% in respect of the 2018 Sterling Notes and 107.313% in respect of the 2018 Euro Notes, in each case expressed as a percentage of principal amount and as set out in the indenture governing the 2018 Notes, plus accrued and unpaid interest to the date of redemption. See ''Use of Proceeds''.

New Revolving Facility

On June 24, 2014, we entered into the New Revolving Facility Agreement, which provides for revolving credit borrowings of up to £60.0 million with an option to increase such amount (on an uncommitted basis) to £80 million. See ''Description of Certain Financing Arrangements—New Revolving Facility''. We anticipate that the New Revolving Facility will be undrawn on the Issue Date.

Amendment to Pension Agreement

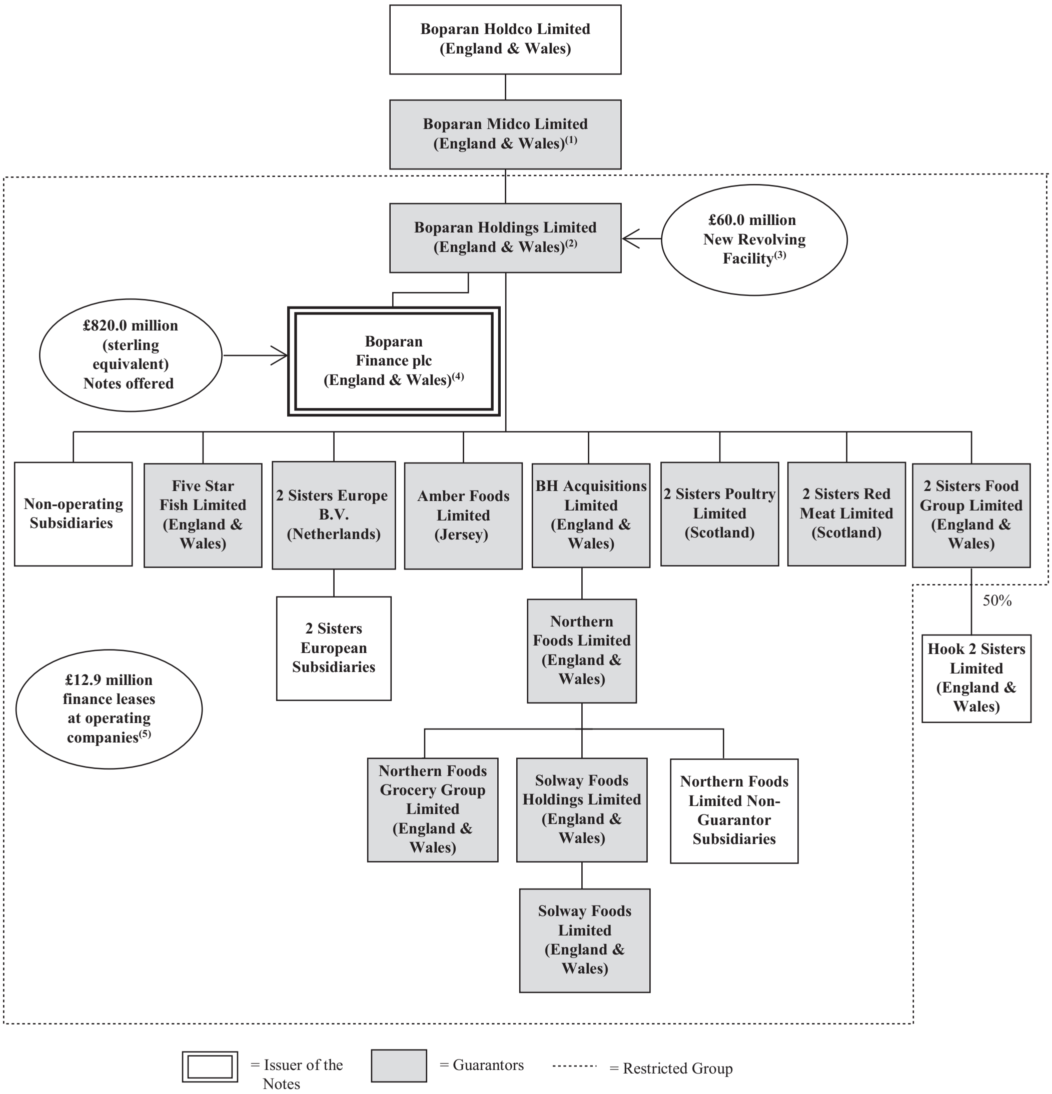
On May 2, 2014, we amended our agreement with the pensions trustee under our Northern Foods Pension Scheme. The terms of the amendment altered the payment terms relating to our obligations pursuant to the scheme. As a result of the amendment, rather than pay an annual installment of £15 million at the end of April, 2014, we are now obligated to pay £1.3 million per month until January 2015, at which time we must make a lump sum payment of £3.9 million and then transition to an annual payment of £15 million, as was originally envisaged, beginning in April 2015 until April 2021 (inclusive), along with expenses and levies. We have ongoing negotiations with the pensions trustee to agree to the March 2013 deficit recovery plan.

The Issuer

The Issuer is a special purpose finance subsidiary incorporated as a public limited company on April 6, 2011. The registered address of the Issuer is Trinity Park House, Fox Way, Wakefield, WF2 8EE, United Kingdom.

SUMMARY CORPORATE AND FINANCING STRUCTURE

The following chart shows a simplified summary of our corporate and financing structure after giving effect to the Transactions. The chart does not include all of our subsidiaries, nor all of the debt obligations thereof. For the 52 weeks ended April 26, 2014, the Guarantors represented 92.0% of our consolidated turnover and 89.7% of our consolidated Adjusted EBITDA, and as of April 26, 2014, the Guarantors represented 86.1% of our consolidated total assets (excluding intercompany receivables). Unless otherwise indicated, the subsidiaries included in the simplified structure below are directly or indirectly wholly-owned by the Company. For a summary of the debt obligations identified in this diagram, please refer to the sections entitled ''Description of Notes'', ''Description of Certain Financing Arrangements'', and ''Capitalization''.



(1) Midco will be a Guarantor of the Notes. Midco will pledge the shares of Boparan Holdings Limited as security for the Notes and the New Revolving Facility.

(2) Boparan Holdings Limited is the borrower under the New Revolving Facility and will guarantee the Notes. There is additional borrower flexibility under the New Revolving Facility such that other subsidiaries of the Company may become borrowers. The New Revolving Facility is guaranteed by the borrowers thereunder, the Issuer and the guarantors of the Notes. The New Facility is expected to be undrawn on the Issue Date. See ''Description of Certain Financing Arrangements—New Revolving Facility''.

(3) Expected to be undrawn at closing.

(4) The Notes Proceeds Loan will be assigned as security for the Notes and the New Revolving Facility.

(5) Finance leases were £12.9 million as of April 26, 2014.

THE OFFERING

The summary below describes the principal terms of the indenture governing the Notes. Certain terms and conditions described below are subject to important limitations and exceptions. The ''Description of Notes'' section of these Listing Particulars contains a more detailed description of the terms and conditions of the Notes including the definitions of certain terms used in this summary.

Issuer	Boparan Finance plc.
Issue Date	July 7, 2014.
Issue Price	2019 Notes: 100.000% 2021 Sterling Notes: 100.000% 2021 Euro Notes: 100.000%
Notes Offered	£250 million in aggregate principal amount of Senior Notes due 2019. £330 million in aggregate principal amount of Senior Notes due 2021. €300 million in aggregate principal amount of Senior Notes due 2021.
Maturity Date	The 2019 Notes will mature on July 15, 2019. The 2021 Notes will mature on July 15, 2021.
Interest Rate	The 2019 Notes will bear interest at a rate of 5.25% per annum. The 2021 Sterling Notes will bear interest at a rate of 5.50% per annum. The 2021 Euro Notes will bear interest at a rate of 4.375% per annum.
Interest Payment Dates	Interest on the Notes will be payable semi-annually in cash in arrears on February 15 and August 15 of each year, beginning on February 15, 2015.
Form and Denomination	The Issuer will issue the Notes on the Issue Date in global form in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof, in respect of the 2019 Notes and the 2021 Sterling Notes, and €100,000 and integral multiples of €1,000 in excess thereof, in respect of the 2021 Euro Notes, maintained in book entry form. 2019 Notes and 2021 Sterling Notes in denominations of less than £100,000, and 2021 Euro Notes in denominations of less than €100,000, will not be available.
Guarantees	On the Issue Date, the Guarantors will guarantee the Notes on a senior basis. See ''Description of Notes—Note Guarantees'', ''Description of Notes—Limitation on Issuances of Guarantees of Indebtedness''.
Ranking	The Notes will be general obligations of the Issuer and will: • be senior obligations of the Issuer; • be equal, or *pari passu,* in right of payment with all future indebtedness of the Issuer that is not subordinated to the Notes, including indebtedness under the New Revolving Facility; • be senior in right of payment to any and all future obligations of the Issuer that are subordinated to the Notes; • be effectively subordinated to the Issuer's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and

	• be structurally subordinated to all existing and future indebtedness of the Issuer's non-guarantor subsidiaries. The Guarantees of the Notes to be provided by each Guarantor will be the general obligation of such Guarantor and will: • be *pari passu* with all existing and future senior indebtedness of such Guarantor that is not subordinated in right of payment to its Guarantee of the Notes, including its obligations under the New Revolving Facility; • be senior to all future indebtedness of such Guarantor that is subordinated in right of payment to its Guarantee of the Notes; • be effectively subordinated to such Guarantor's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and • be structurally subordinated to all existing and future indebtedness of any of such Guarantor's subsidiaries that do not guarantee the Notes. The lenders under our New Revolving Facility and the holders of the Notes will have the benefit of a security interest in a pledge by Midco of its shares in the share capital of the Company and any amounts owed by the Company to Midco pursuant to the Midco Share and Receivables Security, as well as assignments by way of security over the Notes Proceeds Loan and other intercompany loans made by the Issuer to the Company, and assignments by the Company of its rights under any intercompany on-loans of the proceeds of the Offering and other proceeds loans made to certain of its subsidiaries. As at April 26, 2014, after giving *pro forma* effect to the Transactions, the Company would have had total financial debt of £833 million, all of which is senior indebtedness, in the form of the Notes offered hereby and finance leases. The Guarantors accounted for £3.1 billion, or 92.0%, of our consolidated turnover and £152.5 million, or 89.7%, of our consolidated Adjusted EBITDA for the 52 weeks ended April 26, 2014. In addition, as of April 26, 2014, the Guarantors accounted for £1.1 billion, or 86.1%, of our consolidated total assets (excluding intercompany receivables).
Use of Proceeds	We intend to use the proceeds from the sale of the Notes, (i) to repurchase the 2018 Notes in the 2018 Notes Tender Offers and to redeem any 2018 Notes that remain outstanding in the 2018 Notes Redemption, (ii) to pay costs and administrative expenses, taxes, fees and indemnities in connection with, or otherwise related to, the Transactions and (iii) for working capital and general corporate purposes. See ''Use of Proceeds''.
Optional Redemption	The Issuer may redeem the 2019 Notes: • in whole or in part at any time on or after July 15, 2016, at the redemption prices described in these Listing Particulars under the caption ''Description of Notes—Optional Redemption'', plus accrued and unpaid interest to the date of redemption; • at any time and from time to time prior to July 15, 2016, in an aggregate principal amount not to exceed 35% of the

	aggregate principal amount of Notes originally issued, with the proceeds of one or more qualifying equity offerings, at a redemption price equal to 105.250% of the principal amount redeemed in respect of the Notes, plus accrued and unpaid interest to the date of redemption; and • in whole or in part at any time prior to July 15, 2016, at a redemption price equal to 100% of the principal and the applicable ''make-whole'' premium, plus accrued and unpaid interest, if any, to the date of redemption. The Issuer may redeem the 2021 Notes: • in whole or in part at any time on or after July 15, 2017, at the redemption prices described in these Listing Particulars under the caption ''Description of Notes—Optional Redemption'', plus accrued and unpaid interest to the date of redemption; • at any time and from time to time prior to July 15, 2017, in an aggregate principal amount not to exceed 35% of the aggregate principal amount of Notes originally issued, with the proceeds of one or more qualifying equity offerings, at a redemption price equal to 105.500% of the principal amount redeemed in respect of the 2021 Sterling Notes, and at a redemption price equal to 104.375% of the principal amount redeemed in respect of the 2021 Euro Notes, in each case plus accrued and unpaid interest to the date of redemption; and • in whole or in part at any time prior to July 15, 2017, at a redemption price equal to 100% of the principal and the applicable ''make-whole'' premium, plus accrued and unpaid interest, if any, to the date of redemption. Prior to July 15, 2016 in respect of the 2019 Notes, and prior to July 15, 2017 in respect of the 2021 Notes, the Issuer may redeem during each 12-month period commencing with the Issue Date up to 10% of the aggregate principal outstanding amount of the Notes at its option, from time to time, upon not less than 10 nor more than 60 days' prior written notice, at a redemption price equal to 103% of the principal amount of the Notes redeemed plus accrued and unpaid interest on the Notes to, but not including, the redemption date. See ''Description of Notes—Optional Redemption''.
Additional Amounts; Tax Redemption	All payments in respect of the Notes or any Guarantees will be made without withholding or deduction for any taxes, except to the extent required by law. If withholding or deduction is required by law, subject to certain exceptions, the Issuer (or Guarantor, as appropriate) will pay Additional Amounts so that the net amount each holder of the Notes receives is no less than the holder would have received in the absence of such withholding or deduction. See ''Description of Notes—Additional Amounts''. If certain changes in the law of any relevant taxing jurisdiction become effective that would impose withholding taxes or other deductions on the payments on the Notes, the Issuer may redeem the Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount, plus

	accrued and unpaid interest and Additional Amounts, if any, to the date of redemption. See ''Description of Notes—Redemption for Changes in Taxes''.
Change of Control	If the Company experiences specific kinds of changes of control, each holder of Notes will have the right to require the Issuer to repurchase all or part of its notes at 101% of their principal amount, plus accrued and unpaid interest. See ''Description of Notes—Repurchase at the Option of Holders—Change of Control''.
Certain Covenants	The indenture governing the Notes will, among other things, restrict the ability of the Company and its restricted subsidiaries to: • borrow or guarantee additional indebtedness and issue certain preferred shares; • pay dividends on our capital stock or repurchase shares or make certain investments; • redeem or repurchase indebtedness junior to the Notes; • create certain liens; • merge or consolidate with other entities; • create encumbrances or restrictions on the ability of our subsidiaries to pay dividends to the Company; • enter into certain transactions with affiliates; and • sell, lease or transfer certain assets, including shares of any restricted subsidiary of the Company. Certain of the covenants will be suspended if we achieve investment grade ratings. See ''Description of Notes—Certain Covenants—Suspension of Covenants when Notes Rated Investment Grade''. Each of the covenants in the indenture governing the Notes will be subject to significant exceptions and qualifications. See ''Description of Notes—Certain Covenants''.
Transfer Restrictions	The Notes have not been, and will not be, registered under U.S. federal or state or any foreign securities laws and are subject to restrictions on resale. See ''Notice to Investors''. We are under no obligation to, nor do we intend to, register the Notes in the United States (including by way of an exchange offer) or file a shelf registration statement with respect to the Notes.
Absence of a Public Market for the Notes	The Notes will be new securities for which there will be no established trading market. Accordingly, there can be no assurances as to the development or liquidity of any market for the Notes. Furthermore, the Notes and the Guarantees will not have the benefit of any exchange or registration rights under the Securities Act.
Risk Factors	Investing in the Notes involves substantial risks. Please see the section of these Listing Particulars captioned ''Risk Factors'' for a discussion of certain risks you should carefully consider before investing in the Notes.
Listing	We have applied to list the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market. These Listing Particulars constitute a prospectus for

	the purpose of the Luxembourg Law dated July 10, 2005 on Prospectus for Securities as amended.
Governing Law	The Notes, the Indenture governing the Notes and the Guarantees are governed by New York law. The Intercreditor Agreement is governed by English law.
Trustee	Citibank, N.A., London Branch.
Security Agent	The Law Debenture Trust Corporation p.l.c.
Transfer Agent and Paying Agent . . .	Citibank, N.A., London Branch.
Registrar	Citigroup Global Markets Deutschland AG.
Luxembourg Listing Agent	Banque Internationale à Luxembourg SA.

SUMMARY HISTORICAL FINANCIAL AND OTHER INFORMATION

The summary historical consolidated financial information of the Company as at July 30, 2011, July 28, 2012 and July 27, 2013 and for the 52 week periods then ended, have been derived from the Audited Consolidated Financial Statements included elsewhere in these Listing Particulars. The summary historical condensed consolidated financial information of the Company as at April 27, 2013 and April 26, 2014 and for the 39 week periods then ended have been derived from the Unaudited Interim Condensed Consolidated Financial Statements included elsewhere in these Listing Particulars. The Unaudited Interim Condensed Consolidated Financial Statements have been prepared using the same accounting principles and on the same basis as the Audited Consolidated Financial Statements and, in the opinion of management, include all adjustments, consisting of normal recurring adjustments necessary for a fair representation of interim results. These interim results are not necessarily indicative of results to be expected for the full year.

During the periods presented, we completed a number of acquisitions and disposals, which impacts the comparability of our results. These include the Northern Foods Acquisition, the acquisition of Amber, the Brookes Avana Acquisition and the Vion Acquisition. See ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Events that Affected our Results of Operations—Acquisitions and Dispositions.'' Our financial information includes the results of operations of acquired entities from the date of acquisition.

Solely for the convenience of the reader, the tables below also provide certain of the Company's financial data as of and for the 52 weeks ended April 26, 2014, which have been calculated by adding the results for the 52 weeks ended July 27, 2013 and the 39 weeks ended April 26, 2014, and subtracting the results for the 39 weeks ended April 27, 2013. In addition, certain of the tables below present certain of the Company's financial data on a pro forma basis, after giving effect to the Transactions.

The financial information below also includes certain non-GAAP measures used to evaluate our economic and financial performance. These measures are not identified as accounting measures under U.K. GAAP and therefore should not be considered as alternative measures to evaluate our performance.

The summary consolidated financial and other information should be read in conjunction with ''Use of Proceeds'', ''Capitalization'' and ''Management's Discussion and Analysis of Financial Condition and Results of Operations'', as well as with the Consolidated Financial Statements contained elsewhere in these Listing Particulars.

Consolidated Profit and Loss Account Information

	52 weeks ended			39 weeks ended		52 weeks ended
	July 30, 2011*	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014	April 26, 2014
	(in millions of £)					
Turnover:						
Continuing operations(1)	1,376.1	2,339.2	2,884.6	2,008.0	2,544.7	3,421.3
Cost of sales(2)	(1,202.7)	(1,966.3)	(2,475.6)	(1,713.6)	(2,171.6)	(2,933.6)
Gross profit	173.4	372.9	409.0	294.4	373.1	487.7
Distribution costs	(77.6)	(134.1)	(168.4)	(118.6)	(159.0)	(208.8)
Administrative expenses						
—before exceptional items	(56.1)	(131.4)	(149.6)	(102.9)	(154.4)	(201.1)
—exceptional items(3)	—	—	(6.4)	(2.1)	(26.3)	(30.6)
Administrative expenses	(56.1)	(131.4)	(156.0)	(105.0)	(180.7)	(231.7)
Other income	2.4	0.7	1.1	0.6	0.7	1.2
Operating profit before exceptional items						
—existing operations	30.1	110.5	102.8	78.3	60.4	84.9
—acquisitions(4)	12.9	(2.4)	(10.7)	(4.8)	—	(5.9)
Operating profit before exceptional items	43.0	108.1	92.1	73.5	60.4	79.0
—exceptional items(3)	(0.9)	—	(6.4)	(2.1)	(26.3)	(30.6)
Operating profit	42.1	108.1	85.7	71.4	34.1	48.4
Exceptional items(5)	(28.6)	(3.2)	(19.1)	(13.2)	(53.3)	(59.2)
Share of operating (loss)/profit from joint ventures	—	(0.4)	0.1	(1.5)	(1.2)	0.4
Interest receivable and similar income	1.5	0.2	0.3	0.1	0.2	0.4
Interest payable and similar charges						
—interest and charges	(26.7)	(74.3)	(80.2)	(56.7)	(58.2)	(81.7)
—foreign exchange (loss)/gain on financial instruments	(0.8)	26.5	(21.7)	(20.8)	1.8	0.9
—exceptional items(6)	(11.2)	—	—	—	—	—
Total interest payable and similar charges	(38.7)	(47.8)	(101.9)	(77.5)	(56.4)	(80.8)
(Loss)/profit on ordinary activities before taxation	(23.7)	56.9	(34.9)	(20.7)	(76.6)	(90.8)
Tax on (loss)/profit on ordinary activities	4.6	(14.3)	1.4	(4.8)	8.5	14.7
Tax on share of (loss)/profit from joint ventures	(0.1)	(0.1)	—	—	—	—
(Loss)/profit on ordinary activities after taxation	(19.2)	42.5	(33.5)	(25.5)	(68.1)	(76.1)
Equity minority interest	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)	(0.2)
(Loss)/profit for the financial period	(19.3)	42.3	(33.7)	(25.6)	(68.2)	(76.3)

Consolidated Balance Sheet Information

	July 30, 2011	July 28, 2012	July 27, 2013	April 26, 2014
	(in millions of £)			
Cash at bank and in hand	57.0	144.8	134.3	115.5
Operating working capital(7)	(60.3)	(148.2)	(170.7)	(149.7)
Total assets	1,320.1	1,387.6	1,492.9	1,432.1
Tangible fixed assets	400.9	390.8	420.1	383.6
Total debt(8)	687.6	660.0	683.3	689.5
Shareholders' funds/(deficit)	166.2	71.9	49.5	(23.1)

Consolidated Cash Flow Statement Information

	52 weeks ended			39 weeks ended		52 weeks ended
	July 30, 2011	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014	April 26, 2014
	(in millions of £)					
Net cash inflow from operating activities	59.2	253.8	150.6	102.7	64.5	112.4
Returns on investments and servicing of finance	(18.9)	(72.3)	(72.5)	(36.7)	(38.2)	(74.0)
Taxation	(14.8)	(22.4)	(3.0)	(2.2)	(2.0)	(2.8)
Capital expenditure and financial investment	(45.6)	(30.6)	(42.7)	(30.6)	(46.9)	(59.0)
Cash outflows for acquisitions	(299.9)	(32.7)	(43.1)	(43.1)	—	—
Equity dividends paid	(16.7)	—	—	—	—	—
Financing	364.6	(4.1)	(4.3)	(3.0)	6.2	4.9
Increase/(decrease) in cash in the period	27.9	91.7	(15.0)	(12.9)	(16.4)	(18.5)

Financial and Other Information by Business Segment and Geography

Turnover by Business Segment

	52 weeks ended		39 weeks ended	
	July 28, 2012	July 27, 2013	April 27, 2013[(a)]	April 26, 2014
	(in millions of £, except percentages)			
Protein	1,083.0	1,535.7	1,020.0	1,620.3
% Growth	*1.0%*	*41.8%*	—	*58.9%*
% Like-for-like growth[(9)]	*10.1%*	*9.2%*	—	*11.3%*
Chilled	793.5	896.2	678.3	625.4
% Growth	*351.4%*	*12.9%*	—	*(7.8)%*
% Like-for-like growth[(9)]	*10.5%*	*5.2%*	—	*(1.6)%*
Branded	462.7	452.7	309.7	299.0
% Growth	*261.2%*	*(2.2)%*	—	*(3.5)%*
% Like-for-like growth[(9)]	*6.8%*	*(1.9)%*	—	*(4.2)%*
Total	**2,339.2**	**2,884.6**	**2,008.0**	**2,544.7**
% Growth	*70.0%*	*23.3%*	—	*26.7%*
% Like-for-like growth[(9)]	*9.5%*	*5.6%*	—	*4.8%*

(a) Protein segment turnover for the 39 weeks ended April 27, 2013 includes the results of Five Star Fish, which we moved from our Branded segment to the Protein segment in the second quarter of the 2014 fiscal year.

Turnover by Geographic Destination

	52 weeks ended		39 weeks ended	
	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014
	(in millions of £, except percentages)			
United Kingdom	1,982.8	2,476.1	1,725.9	2,187.2
% Growth	*84.6%*	*24.9%*	—	*26.7%*
Other European	354.5	404.7	281.2	351.9
% Growth	*17.4%*	*14.2%*	—	*25.1%*
Other	1.9	3.8	0.9	5.6
% Growth	*850.0%*	*100.0%*	—	*522.2%*

Operating Profit/(Loss) by Business Segment Before Exceptional Items

	52 weeks ended		39 weeks ended	
	July 28, 2012	July 27, 2013	April 27, 2013[a]	April 26, 2014
	(in millions of £, except percentages)			
Protein	59.4	52.0	40.8	52.4
% Margin	*5.5%*	*3.4%*	*4.0%*	*3.2%*
% Like-for-like Margin[9]	*5.5%*	*5.3%*	*3.7%*	*5.2%*
Chilled	34.1	23.6	21.7	(12.0)
% Margin	*4.3%*	*2.6%*	*3.2%*	*(1.9)%*
% Like-for-like Margin[9]	*4.9%*	*3.0%*	*3.8%*	*(2.0)%*
Branded	14.6	16.5	11.0	20.0
% Margin	*3.2%*	*3.6%*	*3.6%*	*6.7%*
% Like-for-like Margin[9]	*3.2%*	*3.6%*	*3.6%*	*6.7%*
Total	**108.1**	**92.1**	**73.5**	**60.4**
% Margin	*4.6%*	*3.2%*	*3.7%*	*2.3%*
% Like-for-like Margin[9]	*4.9%*	*4.2%*	*3.7%*	*3.3%*

(a) Protein segment operating profit before exceptional items for the 39 weeks ended April 27, 2013 includes the results of Five Star Fish, which we moved from our Branded segment to the Protein segment in the second quarter of the 2014 fiscal year.

Adjusted EBITDA by Business Segment

	52 weeks ended		39 weeks ended	
	July 28, 2012	July 27, 2013	April 27, 2013[a]	April 26, 2014
	(in millions of £, except percentages)			
Protein	82.8	78.2	58.1	76.8
% Margin	*7.6%*	*5.1%*	*5.7%*	*4.7%*
% Like-for-like Margin[9]	*7.6%*	*7.3%*	*5.5%*	*6.9%*
Chilled	66.3	57.3	47.3	12.4
% Margin	*8.4%*	*6.4%*	*7.0%*	*2.0%*
% Like-for-like Margin[9]	*9.6%*	*7.0%*	*7.9%*	*2.1%*
Branded	41.2	42.5	29.8	38.0
% Margin	*8.9%*	*9.4%*	*9.6%*	*12.7%*
% Like-for-like Margin[9]	*8.8%*	*9.4%*	*9.6%*	*12.8%*
Total	**190.3**	**178.0**	**135.2**	**127.2**
% Margin	*8.1%*	*6.2%*	*6.7%*	*5.0%*
% Like-for-like Margin[9]	*8.4%*	*7.6%*	*6.9%*	*6.3%*

(a) Protein segment operating profit before exceptional items for the 39 weeks ended April 27, 2013 includes the results of Five Star Fish, which we moved from our Branded segment to the Protein segment in the second quarter of the 2014 fiscal year.

Manufacturing Sites by Business Segment

	Number
Protein	28
Chilled	10
Branded	11
Total	49

Other Financial Information

	52 weeks ended			39 weeks ended		52 weeks ended
	July 30, 2011*	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014	April 26, 2014
	(in millions of £, except ratios)					
Adjusted EBITDA(10)	170.0	190.3	178.0	135.2	127.2	170.0
Capital expenditures and financial investment(11)	45.6	30.6	42.7	30.6	46.9	59.0
Cash impact of change in working capital	13.8	94.7	28.8	(8.5)	(19.3)	18.0
Pro forma total financial debt(12)						833
Pro forma cash at bank and in hand(13)						187
Pro forma net financial debt(12)						646
Pro forma cash interest expense(14)						43
Ratio of *pro forma* net financial debt to Adjusted EBITDA(10)						3.8x
Ratio of Adjusted EBITDA to *pro forma* cash interest expense(10)						3.9x

* *The information for Fiscal Year 2011 has been extracted from the audited financial statements as of and for Fiscal Year 2011, except for financial information related to ''Administrative expenses'', ''Operating profit before exceptional items—Existing operations'', ''Operating profit before exceptional items'', ''Operating profit'', ''Interest payable and similar charges—foreign exchange gain/(loss) on financial instruments'', and ''Total interest payable and similar charges'', which has been extracted from the comparative information presented for Fiscal Year 2011 in the audited financial statements as of and for Fiscal Year 2012.*

(1) Turnover from continuing operations includes turnover from existing operations and, in Fiscal Year 2011, Fiscal Year 2012, Fiscal Year 2013 and the 39 weeks ended April 27, 2013, includes £321.8 million, £95.3 million and £365.2 million and £135.7 million of turnover from acquisitions, respectively.

(2) Costs of sales in Fiscal Year 2011 includes exceptional items of £0.9 million related to the impairment of tangible fixed assets.

(3) Administrative expenses include the following exceptional items: (i) in Fiscal Year 2013, £3.0 million of integration costs relating to costs incurred in the acquisition and integration of the assets acquired in the Vion Acquisition, in addition to the £3.4 million of ongoing integration of the Northern Foods, Amber, Five Star Fish and Brookes Avana businesses; (ii) in the 39 weeks ended April 27, 2013, £2.1 million relating to the ongoing integration of the assets acquired in the Vion Acquisition; and (iii) in the 39 weeks ended April 26, 2014, £26.3 million, consisting of restructuring costs of £23.7 million related to the closure of our Haughley Park and Letham sites (costs comprise of £3.3 million relating to redundancies, fixed asset impairments of £11.0 million, £1.4 million in respect of production transferred and onerous lease and other site closure costs of £8.0 million), business disruption costs of £1.5 million relating to costs incurred resulting from a contamination incident at Corby and costs of acquisition and integration of £1.1 million largely relating to ongoing costs of integration of the assets acquired in the Vion Acquisition, and other acquired businesses.

(4) Operating profit/(loss) includes the following profit attributable to acquisitions: (i) in Fiscal Year 2011, £12.9 million profit attributable to the Northern Foods Acquisition; (ii) in Fiscal Year 2012, £2.4 million loss attributable to the Brookes Avana Acquisitions; (iii) in Fiscal Year 2013, £12.1 million loss attributable to the Vion Acquisition; and (iv) in the 39 weeks ended April 27, 2013, £4.8 million loss attributable to the Vion Acquisition.

(5) Exceptional items include: (i) in Fiscal Year 2011, £20.9 million in respect of a make-whole payment with respect to the senior guaranteed notes issued by Northern Foods in private placements completed in 2005 and 2010, which were repaid in full in connection with the Northern Foods Acquisition, £11.2 million of interest payable on acquisition financing fees in relation to the Northern Foods Acquisition, loss on sale or termination of an operation of £7.2 million representing acquisition costs in connection with the Northern Foods Acquisition, and £0.5 million related to the impairment of property, plant and equipment; (ii) in Fiscal Year 2012, integration costs of £4.2 million and other costs of £0.9 million, offset by a net gain of £1.9 million from disposals relating to the sale of the trade and assets of the food assembly operation at Colnbrook near London Heathrow and the sale of a subsidiary; (iii) in Fiscal Year 2013, £15.7 million in costs relating to the closure of the Leicester trading site acquired as part of the Brookes Avana Acquisition, £1.6 million in costs relating to changes to our manufacturing footprint and £1.8 million book loss related to the disposal of nine surplus properties; (iv) in the 39 weeks ended April 27, 2013, costs of £12.2 million relating to the closure of the Leicester trading site and £1.0 million of additional costs of fundamental restructuring relating to changes to our manufacturing footprint; and (v) in the 39 weeks ended April 26, 2014, costs of £53.3 million relating to closure of our Corby and Avana sites (costs comprise of £11.4 million relating to closure costs incurred to date, £21.2 million relating to provision made for future trading losses and closure costs and £20.7 million in impairments of fixed assets).

(6) Relates to interest payable on acquisition financing fees in Fiscal Year 2011.

(7) We define ''operating working capital'' as the sum of stocks, debtors due within one year, less creditors: amounts falling due within one year.

	July 30, 2011	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014
			(in millions of £)		
Stocks	94.3	102.0	152.5	146.5	148.1
Debtors due within one year	208.9	211.3	264.3	285.0	289.0
Creditors: amounts falling due within one year	(363.5)	(461.5)	(587.5)	(591.9)	(586.8)
Operating working capital	(60.3)	(148.2)	(170.7)	(160.4)	(149.7)

(8) We define ''total debt'' as the sum of bank loans (net of fees), bond notes (net of fees) and bonds and obligations under finance leases.

(9) ''Like-for-like'' measures are comparisons of results of one fiscal period as compared to the corresponding prior fiscal period taking certain adjustments into account. For an explanation of adjustments in each period, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Like-for-Like Measures''.

(10) Adjusted EBITDA is a supplemental measure of financial performance that is not required by, or presented in accordance with, U.K. GAAP. ''Adjusted EBITDA'' is defined as profit or loss for the financial period before equity minority interest, tax on profit or loss on ordinary activities, tax on share of profit or loss from joint ventures, interest payable and similar charges, interest receivable and similar income, depreciation, amortization, exceptional items, and for purposes of 2011, the Northern Foods Adjustment. Adjusted EBITDA is not a measure of performance under U.K. GAAP and you should not consider Adjusted EBITDA as an alternative to profit or loss for the financial period (as determined in accordance with U.K. GAAP) as a measure of our operating performance or any other measures of performance under generally accepted accounting principles. In addition, Adjusted EBITDA may not be comparable to similarly named measures used by other companies. You should exercise caution in comparing Adjusted EBITDA as reported by us to Adjusted EBITDA of other companies. We have presented this supplemental non-GAAP measure because we believe it is helpful to investors and financial analysts in highlighting trends in our overall business because the items excluded in calculating such measures have little or no bearing on our day-to-day operating performance.

The following is a reconciliation of Adjusted EBITDA to profit or loss for the financial period, the most directly comparable U.K. GAAP measure:

	52 weeks ended			39 weeks ended		52 weeks ended
	July 30, 2011*	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014	April 26, 2014
			(in millions of £)			
(Loss)/profit for the financial period	(19.3)	42.3	(33.7)	(25.6)	(68.2)	(76.3)
Equity minority interest	0.1	0.2	0.2	0.1	0.1	0.2
Tax on (loss)/profit on ordinary activities	(4.6)	14.3	(1.4)	4.8	(8.5)	(14.7)
Tax on share of (loss)/profit from joint ventures	0.1	0.1	—	—	—	—
Interest payable and similar charges	38.7	47.8	101.9	77.5	56.4	80.8
Interest receivable and similar income	(1.5)	(0.2)	(0.3)	(0.1)	(0.2)	(0.4)
Depreciation	27.7	53.3	56.0	40.9	45.6	60.7
Amortization	11.0	29.3	29.8	22.3	22.4	29.9
Exceptional items[(a)]	29.5	3.2	25.5	15.3	79.6	89.8
Northern Foods Adjustment	88.3	—	—	—	—	—
Adjusted EBITDA	**170.0**[(b)]	**190.3**	**178.0**	**135.2**	**127.2**	**170.0**

(a) Represents exceptional items included in cost of sales and administrative expenses, and exceptional items after operating profit. See notes (2), (3) and (5).

(b) The Northern Foods Adjustment reflects the addition of historical Adjusted EBITDA of Northern Foods, Five Star Fish and Amber for the period prior to their inclusion in our consolidated results following their acquisition in April 2011. For the 52 weeks ended July 30, 2011, on a *pro forma* basis assuming Northern Foods, Five Star Foods and Amber had been acquired at the beginning of the period, our turnover would have been £2,063.6 million.

(11) Includes capital grants received and investment in joint ventures.

(12) *Pro forma* total financial debt represents total debt as of April 26, 2014, as adjusted to give effect to the Transactions, including the Offering and the use of proceeds therefrom. See ''Use of Proceeds''. *Pro forma* net financial debt equals the sum of ''*pro forma* total financial debt'' less ''*pro forma* cash at bank and in hand''. *Pro forma* net financial debt excludes the mark-to-market value of the Company's outstanding currency and interest rate hedges.

(13) Represents cash and cash equivalents as of April 26, 2014, as adjusted to give *pro forma* effect to the Transactions, including the Offering and the use of proceeds therefrom as described in ''Use of Proceeds''. *Pro forma* cash at bank and in hand only takes into account the effects of cash related to the Transactions, and accordingly does not take into account changes in cash that result from the ordinary trade of the Company or other changes in cash balance. *Pro forma* cash at bank and in hand does not purport to be the actual or expected balance of cash at bank and in hand immediately following the Transactions.

(14) *Pro forma* cash interest expense represents the estimated annualized interest expense based on the *pro forma* total financial debt, as described in note (12), as if the Transactions had occurred at the beginning of the 52 weeks ended April 26, 2014. *Pro forma* interest expense calculation of *pro forma* cash interest expense excludes the interest expense attributable to the amortization of unamortized funding costs and hedging costs.

RISK FACTORS

An investment in the Notes involves risks. Before investing in the Notes, you should consider carefully the following risk factors and all information contained in these Listing Particulars. Additional risks and uncertainties of which we are not aware may also adversely affect our business, results of operations and financial condition. If any of these events occurs, our business, results of operations and financial condition could be materially and adversely affected, the Issuer may not be able to pay interest or principal on the Notes when due and you could lose all or part of your investment.

These Listing Particulars also contain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in these Listing Particulars.

Risks Relating to Our Business

An outbreak of disease affecting livestock could significantly affect our ability to conduct our operations and demand for our protein products.

We take precautions designed to ensure that farms run through our joint venture with P D Hook meet health standards and that our processing plants and other facilities operate in a sanitary and environmentally sound manner. However, events beyond our control, such as the outbreak of disease, either in our own livestock or elsewhere, could significantly affect our supply of live birds, cattle or sheep, demand for our products or our ability to conduct our operations. Furthermore, an outbreak of disease could result in governmental restrictions on the transport of our fresh meat or other products to or from our suppliers, facilities or customers (including the import or export of chicken from our European poultry business), or require us (or our suppliers) to destroy one or more of our flocks or herds. This could result in us being unable to meet our customers' demands and/or the cancellation of orders by our customers, and could create adverse publicity that could have a material adverse effect on our business, results of operations and financial condition.

During the first half of 2006, there was substantial publicity regarding a highly pathogenic strain of avian influenza, known as H5N1, which has been found in Asia, Europe and Africa. As a result, demand for poultry products in the U.K. and European markets was negatively affected. It is widely believed that H5N1 is being spread by migratory birds, such as ducks and geese. There have also been some cases where H5N1 is believed to have passed from birds to humans as humans came into contact with live birds that were infected with the disease. There have continued to be outbreaks but they have tended to be smaller and on a regional scale.

Although highly pathogenic H5N1 and H7N7 viruses have not been identified in the U.K., there have been outbreaks of low pathogenic strains of avian influenza in the U.K. Historically, the outbreaks of low pathogenic avian influenza have not generated the same level of concern, or received the same level of publicity or been accompanied by the same reduction in demand for poultry products in certain countries as that associated with the highly pathogenic H5N1 strain. However, even if these highly pathogenic strains do not break out in the U.K., there can be no assurance that another outbreak elsewhere or an increase in publicity surrounding H5N1 will not materially adversely affect demand for and potentially create a surplus in the supply of U.K. produced poultry internationally and/or domestically, and, if it were to spread to the U.K., there can be no assurance that it would not significantly affect our ability to conduct our operations or the demand for our products, in each case, in a manner having a material adverse effect on our business, results of operations and financial condition. In addition, a surplus in the supply of U.K. produced poultry could further affect the pricing of our products and otherwise exacerbate such risk.

Foot-and-mouth disease, Transmissable spongiform encephalopathies (''TSE'') and bovine spongiform encephalopathy (''BSE'') (commonly referred to as ''mad cow disease'') have been periodically reported throughout fresh beef and lamb operations in the U.K. and abroad over the past 20 years. Further outbreaks could result in restrictions on sales of products, restrictions on purchases of livestock from suppliers or widespread destruction of cattle. The discovery of BSE in the past caused certain countries to restrict or prohibit the importation of beef products. Outbreaks of these diseases, or the perception by the public that an outbreak has occurred, or other concerns regarding diseases, can lead to inadequate supply, cancellation of orders by customers and create adverse publicity, any of which can have a significant negative impact on consumer demand and, as a result, on our consolidated financial position, cash flows and results of operations.

We depend on a small number of large retailers for the majority of our sales.

A small number of leading U.K. grocery retailers account for the majority of the U.K. retail market and our sales. For example, for the 39 weeks ended April 26, 2014, 61.0% of our turnover was derived from our five top customers (Tesco, Marks & Spencer, Sainsbury's, Aldi and Asda) with our top customer representing 28.4% of our turnover for the same period. The strength of these major food retailers' bargaining position could provide them significant leverage over their suppliers in negotiating pricing, product specification and the level of supplier participation in promotional campaigns and offers, and this may impact the prices that we are able to negotiate for our products and, ultimately, our turnover and profitability.

In addition, the number and market share of discount retailers has grown in recent years. This has led to increased price competition between retailers, further intensifying pressure on prices for companies operating within our business segments. There is a risk that such price pressure will continue and/or increase in the future and this will affect both the prices that we are able to negotiate for our products and, ultimately, our turnover and profitability. In addition, we rely on a few major retailers in the U.K. for a large portion of our sales, and our results of operations could be materially impacted if such retailers continue to experience difficult trading conditions and lose market share to discount retailers.

We do not have long-term contracts with our key customers and the terms of our arrangements with customers generally do not contain minimum purchase volumes.

We operate in sectors where business is typically undertaken without long-term contracts and customers generally have the ability to switch to alternative suppliers on relatively short notice depending on the size of the business, with 90 days minimum notice. Although this type of customer relationship is common in the retail food supply industry and provides us with the flexibility to modify the prices we charge to our customers as the price of raw materials fluctuates, we remain subject to the risk that a short-term deterioration in our competitive position may have an immediate impact on our business, results of operation and financial condition.

Further, our general terms of business or short-term contracts with our customers generally do not contain provisions governing minimum purchase volumes. There is no certainty that our current trading terms will continue in the future, or that we will be able to maintain relationships with our current key customers, including Tesco, Marks & Spencer, Sainsbury's, Aldi, Asda, The Cooperative and Morrisons. The loss of any of these key customers, or a significant worsening in demand from or the commercial terms of supply to any of these customers could adversely affect our business, results of operation and financial condition.

Even when we do enter into long term contracts, such contracts can be terminable upon short notice by either party.

Adverse developments with respect to the safety of our products and/or the processed food industry in general may damage our reputation, increase our costs of operation or decrease demand for our products.

Food safety and the perception by our customers and the general public that our products are safe are essential to our image and business. We are subject to food safety risks, and in particular product contamination and the potential cost and disruption of a product recall or withdrawal, each of which could require us to invest significant amounts in investigation and remediation, and cause customers to lose confidence in the safety and quality of our products and subsequently damage our relationship and image with our customers. For example, in the 39 weeks ended April 26, 2014, we experienced a contamination incident at our Corby facility which resulted in significant expenditure on the facility in remedial and preventative measures as well as costs incurred in connection with the subsequent product recall. We could also be subject to claims or legal actions relating to an actual or alleged illness stemming from product contamination.

We are also subject to risks affecting the food industry generally, including risks posed by widespread contamination and evolving nutritional and health-related concerns. Although we sell a wide variety of products, any risks, whether actual or perceived, associated with our products, ingredients or industry, including any adverse publicity concerning these risks, could have a material adverse effect on our business, results of operations and financial condition. We maintain systems designed to control food safety risks and we require each of our suppliers to also maintain such systems. Although we endeavor to control the risks related to product quality through the implementation of, and strict adherence to, our quality standards, we cannot guarantee that such risks will not materialize.

Even if our own products are not affected by contamination or any other incidents that compromise the safety of our products, our industry may face adverse publicity if the products of other producers or retailers become contaminated, which could result in reduced consumer demand for our products and have a material adverse effect on our business, results of operations and financial condition.

In January 2013, incidences of horse DNA in parts of the European food supply chain were identified, affecting retailers and producers throughout Europe. This has impacted consumer trust in the food they buy on an industry-wide basis. The horsemeat scandal has had negative effects on our sales of beef ready meals. Consumer confidence is still low, and we cannot assure that we will be able to return to the same levels of profitability in our beef ready meals sales.

Instances of food-borne illness, including BSE, foot and mouth disease, as well as hepatitis A, lysteria, salmonella and e-coli, whether or not found in the United Kingdom or traced directly to one of our suppliers or our locations, could reduce demand for our menu offerings. Any negative publicity relating to these and other health-related matters, or any other shifts in consumer preferences away from the kinds of food we offer, whether because of dietary or other health concerns or otherwise, may affect consumers' perceptions of the food that we offer and negatively impact demand for our products. Adverse publicity relating to any of these matters could adversely affect our business and results of operations.

In addition, we are subject to regular inspection by food safety and other authorities for compliance with hygiene regulations applicable to the sale, storage and manufacturing of foodstuffs and the traceability of genetically modified organisms, meats and other raw materials. A number of these inspections are unannounced to ensure that compliance is consistent at all times. We routinely inspect our production facilities and warehouses for compliance with such regulations, and we risk-assess our raw materials for both microbiological and non-microbiological (such as foreign bodies) food safety risks. All of our raw materials are approved by either questionnaire or inspection for compliance. Despite the precautions we undertake, should any non-compliance with food safety regulations be discovered during an inspection, authorities may temporarily shut down the facility concerned and levy a fine in respect of such non-compliance, which could have a material adverse effect on our business, results of operations and financial condition.

Our retailer customers also inspect our facilities, as regularly as they wish, and score us based on our compliance with their criteria for suppliers. These criteria are generally more stringent than those set by food safety regulators, and include compliance with protocols for the traceability of genetically modified organisms, hygiene applicable to the sale, storage and manufacturing of foodstuffs, critical control point management and quality control. Despite structuring our procedures to comply with the criteria imposed on us by our retailer customers, if any of our facilities score poorly, then our customers may find other suppliers for their fresh prepared food products or factory efficiency could be adversely impacted during a period of recovery and remedy, both of which could have a material adverse effect on our business, results of operations and financial condition.

We operate in highly competitive markets and there can be no assurance that we will be able to compete effectively.

We operate in highly competitive markets. These markets are served by a number of companies that operate on both a national and an international basis within single or multiple product categories. Some of our competitors are large corporations, including Moy Park Limited in our poultry market, and Greencore Group plc, Premier Foods plc, Bakkavör and Kerry Foods in our packaged food market, which may have greater financial resources than us and/or greater ability to adapt to changing market conditions or an increasingly competitive market environment.

The key drivers of competition in the markets in which we operate include the extent of our quality of service, including on time delivery, quality of product delivered and the ability to meet the customers' orders, as well as our ability to make capital investments to continue to offer quality and innovative products to our customers. There can be no assurance that we will be able to compete effectively with current competitors or with potential new competitors. Significant product innovations and/or technical advances by our competitors, the intensification of price competition or the adoption by our competitors of new pricing or promotional strategies could adversely affect our competitive position and ability to market and sell our products and therefore adversely affect our business, results of operation and financial condition. In addition, our ability to compete effectively requires us to be successful in product development and innovation, in addition to operating efficient and effective manufacturing and procurement processes.

Furthermore, certain of our businesses face significant competition within the specific lines of products they offer and in some cases maintain manufacturing sites that are dedicated solely to the production of a limited number of products. If we are unable to effectively compete within a line of products that a particular site is primarily dedicated to manufacturing, such site could be idled or closed and could be subject to related restructuring costs. For example, during the 52 weeks ended July 27, 2013, we recognized total restructuring costs of £25.5 million, relating primarily to the closure of the Leicester site, which we acquired through the Brookes Avana Acquisition. In addition, during the 39 weeks ended April 26, 2014, we recognized total restructuring costs of £79.6 million primarily in relation to several facility closures. These closure costs related to our loss-making Corby facility, which we are in the process of closing, the closure of our Haughley Park and Letham facilities to facilitate consolidation of our processing, and closure of our loss-making Avana Bakeries facility. If we are unable to effectively compete within individual product lines and are forced to evaluate additional site closures and/or sustain associated restructuring costs, it could have a material adverse effect on our business, results of operations and financial condition.

We are vulnerable to fluctuations in the price and availability of raw materials, packaging materials, energy and freight.

Although our range of products is diverse, resulting in diversification in raw material input prices, the prices of the raw materials, including commodity driven raw materials, such as wheat and cocoa, packaging materials, energy and freight we and our suppliers use are subject to fluctuations. Such fluctuations are attributable to, among other things, changes in the supply and demand of crops or other commodities, fuel prices, and government-sponsored agricultural and livestock programs. In particular, the availability and the price of fresh produce and other agricultural commodities, including meat and fish, can be volatile. Any shortage of or increased demand for wheat, which drives feed prices, may have a significant impact on the price of feed, which we believe accounted for more than half of the cost of growing chicks into full-sized birds in the U.K. in Fiscal Year 2013. The terms of our contract with Hook 2 Sisters, our largest supplier of chicks in the U.K., provides for a change in the price we pay for live chicks in the event of a change in the price that our joint venture operations pay for feed, natural gas and the price of a day old chick. Historically, the margins in fresh beef and lamb have tended to be lower than other protein. Our ability to pass along higher input costs through price increases to our customers is dependent upon competitive pricing conditions employed in the market in which we compete. If our customers do not accept a price increase, we will face the inherent risk of business loss. Alternatively, if we absorb such increased costs, our gross margins will be negatively impacted. Therefore, any events leading to price increases or scarcity of ingredients, packaging materials or freight (as a result of increased energy costs) required for our products could increase our costs and disrupt our operations, and subsequently have a material adverse effect on our business, results of operations and financial condition, both temporarily and permanently.

We and our suppliers use significant quantities of agricultural products, and to a lesser extent, packaging materials, provided by non-exclusive third-party suppliers. We buy from a variety of producers and manufacturers, and alternate sources of supply are generally available. However, the supply and price are subject to market conditions and are influenced by other factors beyond our control, such as general economic conditions, unanticipated demand, problems in production or distribution, natural disasters, weather conditions during the growing and harvesting seasons, and plant and poultry diseases. Our ability to avoid the adverse effects of a pronounced, sustained price increase in raw materials is limited. While we generally have long-term relationships with our producers and suppliers, long-term contracts are not generally available, and, as a result, suppliers could increase prices or choose to terminate their relationship with us on short notice.

Furthermore, the ongoing challenging economic environment and the risk of another global economic downturn could have an adverse effect on our ability to obtain raw materials, packaging materials, energy and freight. For example, the inability of our suppliers to access liquidity, or the insolvency of suppliers, could lead to delivery delays or failures, which in turn, could adversely affect our results of operations and our financial condition. In addition, failures of other counterparties, including banks, insurance providers and counterparties to contractual arrangements, could negatively impact our business, results of operations and financial condition.

Epidemics in animal populations and local, national or international quarantines can also adversely affect commodity prices in the long and short terms. Government commodity programs and export enhancement programs can also have a material effect on commodity prices. These fluctuations may adversely affect our suppliers, who could raise the prices of the products we require when renegotiating supply contracts, or earlier if not contracted.

Large scale processing is an energy intensive operation. There can be no guarantee that we will be able to manage our energy usage or costs efficiently or that we will be able to enter into fixed price arrangements to cover our future energy requirements on reasonable terms or at all. In our poultry business in particular, we use a significant amount of energy to heat our poultry growing facilities through our joint venture. Additionally, the impact of such a price increase on our external suppliers of live birds is likely to be passed on to us in the price we pay for the live birds, which we may not be able to pass on to our customers. As such, any energy price increase could have a double impact on our poultry business. Beginning in the fourth quarter of 2010, the price of fuel and other energy sources, such as electricity, used in the day-to-day operation of our business have steadily risen. If energy prices continue to increase without us being able to pass such costs onto the customer, such increased costs could have a negative effect on our business, results of operations and financial condition.

Our retailer customers may start producing fresh prepared and processed food products in-house.

The grocery-trading environment has become highly competitive over recent years, with grocery retailers striving to increase market share on both a domestic and global level while trying to manage costs and resources. To increase their competitive advantage, in some limited cases, grocery retailers have recently begun to consider adopting a more integrated business model by taking greater control of certain areas of the supply chain, for example by directly sourcing goods such as fresh produce and processing some of their own food products. Should our customers embrace or strongly consider this model in terms of fresh prepared foods, we could face downward pressure on our pricing capabilities and lose business to in-house rivals. These developments may therefore adversely affect our business, results of operations and financial condition.

Failure to develop successful and innovative products or a shift in consumer preferences away from poultry, beef and/or prepared foods could have a significant adverse effect on our business.

The success of our business depends on the continued demand for the range of products we offer through our ability to work with our customers to identify and interpret demand, anticipate changes in their tastes and dietary habits and introduce successful new products to meet their needs.

There are inherent risks associated with new product or packaging introductions, including uncertainties about trade and consumer acceptance and demand. Our sales will decline if we do not react to shifts in consumer tastes and preferences away from our products, or if we do not successfully introduce innovative and improved products to satisfy changing needs.

We market our products in several different markets in the U.K. and Europe, each of which has its own tastes and preferences. If we are not able to effectively produce and market products that meet the desires of consumers in each of our markets, our operating results will be adversely impacted. Additionally, consumer preferences for fresh poultry, beef, fish and prepared products may change from time to time, including as a result of the 2013 horsemeat scandal and resulting decline in demand for our beef-based ready meals, and our failure to anticipate, identify or react to these changes could result in reduced demand for our products. The horsemeat scandal, for example, resulted in a reduction in consumer demand for beef ready meals. Shifts in consumer preferences away from our product offerings, whether due to our failure to anticipate changes in consumer preferences or otherwise, may also have an adverse effect on our business, results of operations and financial condition.

If general demand for poultry, beef or fresh prepared foods in our geographic markets falls substantially below current levels, our results could be negatively impacted. The popularity of our prepared foods is impacted by a variety of factors, and could decline as a result of lifestyle, nutrition and health considerations. Any decline in the popularity of our food products could have a significant impact on our customers and could have a material adverse impact on our business, results of operations and financial condition.

Damage to our or our customers' image and reputation could adversely impact our results of operations.

Our success in the retail market depends partially on our ability to maintain our image and corporate reputation. Adverse publicity, whether justified or not, or allegations of quality issues, even if false or unfounded, could tarnish our reputation and cause our customers to choose competitors' products. In addition, the proliferation of new methods of mass communication facilitated by the Internet makes it easier for false or unfounded allegations to adversely affect our brand image and reputation. In connection with the horsemeat scandal, suppliers were impacted on an industry-wide basis and, as such, our results of operations were adversely affected due to the reduction in demand for beef-based ready meals. If customers no longer maintain a preference for our products, our business, operating results and financial condition may be adversely affected.

Negative publicity regarding our customers could cause consumers to reduce purchasing from them, which could reduce their purchases from us and negatively impact our operating results. Additionally, because our retailer-branded products bear the names of our retailer customers, negative publicity against our customers could tarnish our reputation by association, which could negatively impact our operating results.

We rely on distributors to deliver certain of our products, and any disruption in their services or increase in shipping costs could adversely affect our business.

The success of our business depends, in large part, upon the maintenance of a strong distribution network. We rely on independent distributors to store and deliver the majority of our products to our customers. We cannot guarantee that such distributors will properly store or timely deliver our products to our customers, or that we will maintain relationships with all of our current independent distributors, or that our current distributors will remain in business. A delay or disruption in distribution could, among other things, have an adverse impact on our reputation, result in disposal of an amount of our products that could not be shipped in a timely manner or require us to contract with alternative, and possibly more expensive and/or less reliable, distributors. In addition, many of our current distributors have refrigerated facilities located near our manufacturing plants, which provide us with convenient facilities in which to store our products and which reduces our costs of transportation. If we were required to change distributors, our business would be disrupted, which could have a material adverse effect on our business, results of operations and financial condition. In addition, in the event of a delay or disruption in distribution, our customers may cancel their orders or terminate their relationship with us, which could adversely affect our business, results of operations and financial condition.

We will be at risk from significant and rapid changes in the legal systems, regulatory controls, and customs and practices in the countries in which we operate.

Law and regulation affect a wide range of areas relevant to our business, including the composition, production, packaging, transport, labeling, distribution and sale of our products; our property rights; our ability to transfer funds and assets within our group or externally; employment practices; data protection; environment; animal welfare; benefits; health and safety issues; and accounting and taxation. Modification of existing legislation or regulation, or the introduction of new legislative or regulatory initiatives, customs or practices could significantly increase our costs and have a material and adverse impact on our business, results of operations and financial condition.

Political developments and changes in society, including scrutiny of our business or industry (for example by non-governmental organizations or the media) may result in, or increase the rate of, material legal and regulatory change, and changes to custom and practice which could have a material and adverse impact on our business, results of operations and financial condition. In addition, future material changes in animal welfare or food safety regulations could result in increased operating costs or unexpected capital expenditures, and could be required to be implemented on schedules that cannot be met without interruptions in our operations.

We may also be subject to regulation designed to address concerns about dietary trends. This could include the introduction of additional labeling requirements, levying additional taxes on, or restricting the production or advertising of, certain product types, which could increase our costs or make it harder for us to market our products, adversely affecting our results of operations and financial condition.

We are subject to rigorous regulations and legislation in the area of food safety, environmental protection and employee health and safety, a breach of which may have material adverse consequences for our business.

As a manufacturer of foods and food ingredients intended for human consumption, we are subject to rigorous and constantly evolving U.K., E.U., Irish, Dutch and Polish regulations and legislation in the areas of food safety, environmental protection, animal welfare and employee health and safety. In addition, we are required to comply with applicable hygiene and food safety standards in relation to our production processes.

There can be no assurance that an incident implicating or violating any such regulations or legislation will not occur in relation to one or more of our products or plants. Any such implication or violation could have a negative impact on our reputation and customer confidence in our products, reducing demand for a specific product or our products in general. This in turn could have an adverse effect on our financial condition and future prospects. Moreover, we may be required to effect product recalls and/or may be subject to seizure of products and/or other sanctions that could have a material adverse effect on our business and reputation. In addition, any inquiry or investigation from a food regulatory authority could have a negative impact on our reputation and any non-compliance with applicable laws and regulations, particularly if it relates to or compromises food safety, could subject us to civil remedies, including fines, injunctions, recalls or asset seizures, as well as potential criminal sanctions. Any of these events may have an adverse effect on our business, results of operations and financial condition.

Our poultry business depends largely on our key suppliers.

Our poultry business relies on P D Hook, a hatching business that is the key supplier of day old chicks to Hook 2 Sisters, a chicken growing joint venture between P D Hook and 2 Sisters FG, as well as 2 Agriculture Limited, a related party non-group company that was the supplier to the U.K. poultry business acquired through the Vion Acquisition. If P D Hook were to cease doing business, our poultry business units may be forced to find a new supplier of chicks, which could be disruptive to the production cycle of our poultry products and result in a material adverse effect on our business and results of operations. As an alternative to finding a new supplier, we could gain entry into the chick hatching supply market through an acquisition or an expansion of our existing business. If we elected to do so, we would be faced with the incremental costs and expenses relating to acquiring and integrating a new business or expanding our current business to provide for these additional capabilities. Furthermore, entering these new businesses could result in a distraction of senior management attention away from other aspects of our business and/or a delay in production and delivery of our protein products to our customers. Therefore, if we were required to find new suppliers, or if we entered these businesses through an acquisition or expansion, our Protein segment could be disrupted, which could result in a material adverse effect on our business, results of operations and financial condition.

Failure by third-party suppliers of raw materials to comply with food safety, environmental, animal protection or other regulations may disrupt our supply of certain products and adversely affect our business.

We rely on third-party suppliers to supply raw materials. Such suppliers, whether in or outside the U.K., are subject to a number of regulations, including food safety, environmental and animal protection regulations. Failure by any of our suppliers to comply with regulations, or allegations of compliance failure, may disrupt their operations. Disruption of our suppliers' operations could disrupt our operations and impact our ability to supply our customers in a timely manner, or at all, which could have an adverse effect on our business, financial condition, results of operations or liquidity. Additionally, actions we may take to mitigate the impact of any such disruption or potential disruption, including increasing inventory in anticipation of a potential production or supply interruption, may adversely affect our business, results of operations and financial condition.

We are subject to extensive regulations that require us to obtain and maintain various licenses and permits to operate our business.

Our manufacturing facilities, transportation vehicles and products, as well as the processing, packaging, storage, distribution, advertising and labeling of our products, are subject to extensive regional, national and E.U. laws and regulations in the food safety area, including constant government inspections and governmental food processing controls. In accordance with these laws and regulations, we are required to maintain various licenses, permits and registrations to operate our business. The loss of or failure to obtain necessary licenses, permits or registrations could delay or prevent us from meeting current product demand, introducing new products, building new facilities or acquiring new businesses and could adversely affect our business, results of operations and financial condition.

Part of our sales are dependent on the successful management of key brands, advertising campaigns with mass appeal and the continuation of licenses for the production of branded products.

The success of our Branded segment depends largely on the performance of our key brands, some of which are used under license. Our marketing teams will need to support the continued development of these key brands, including through programs of investment in new product development, product repackaging, brand re-launches and marketing efforts, in order to continue to generate turnover and maintain or increase market share. In the past, we have benefitted from important opportunities, such as the chance to supply the 2012 Diamond Jubilee and the London Olympic Games, but we cannot guarantee that we will benefit from such opportunities in the future. If we are not successful in the management of our brands, our results of operations and profitability could be adversely affected.

To the extent we rely on licenses to sell products under key brand names, changes in the terms and conditions for the licensing of these brands, or the termination of one or more such licensing agreements, could have a material adverse effect on our business, results of operations and financial condition.

Any slowdown or stoppage at any of our major manufacturing or processing facilities could have a material adverse effect on our results of operations.

We have a limited number of major manufacturing and processing facilities. In particular, our facility in Scunthorpe, U.K. is our largest poultry processing facility and our facility in Merthyr Tydfil is our largest beef processing facility. Although in the past we have been able to increase processing at another facility when one facility has a slowdown, we cannot guarantee we will be able to do so again in the future. As such, any processing slowdown or stoppage at any such manufacturing facility, particularly at our Scunthorpe or Merthyr Tydfil plants, could have a material adverse effect on our business, results of operations and financial condition. For example, such slowdown or stoppage could result in us being unable to fulfill the needs of our customers and may require our customers to seek to obtain their poultry or beef needs from one of our competitors. In addition, the costs associated with repairing or replacing any such manufacturing facility could be significant and may not be covered in whole or in part by our business interruption policies. In the event of a slowdown or stoppage, we cannot assure you that we would be able to service our customers' needs or repair or replace such facility in a timely manner, or at all.

Our day-to-day operations are at risk from disruption.

Our day-to-day operations could be disrupted for reasons either within or beyond our control, such as fire or other accidents or stoppages at our manufacturing plants, a slowdown or shutdown of our information technology systems or delivery delays due to adverse weather conditions. We must also manage human and physical resources to ensure the continuity of our operations. There can be no assurance that our incident management systems and business continuity plans will prove adequate in the event of any material disruption and any disruption may materially adversely affect our ability to make and sell products and therefore materially adversely affect our reputation, business, results of operation, financial condition and/or prospects. The key operational risks to which we will be subject include:

- Risk of fire damage: in May 2009, we experienced a fire at our Morecambe plant, which resulted in the site being damaged and the processing at such site ceased. Additionally, in December 2010, we experienced a fire at our Veenhuizen plant which resulted in operations at the plant being disrupted for four weeks. Although our fire insurance policies were sufficient to cover the damage sustained at these sites, there can be no guarantee that our fire insurance policies will be sufficient to insure us against all losses and liabilities arising from any fire damage, nor that fire insurance policies will remain available under the same terms as currently provided to us.

- Risk of disruption to our information technology systems: these are used (among other things) for production planning, to monitor stock levels and to process invoices and payments. Interruptions to our IT systems may be caused by numerous factors, including loss of power, fire, severe weather conditions and any corruption of the systems. There can be no assurance that the contingency plans we will put in place will be sufficient to mitigate the adverse consequences of disruption to our IT systems and any such occurrences could adversely affect our operations.

- Risk of delivery delays: adverse weather conditions may cause a delay in the delivery of products to our customers or from our suppliers, which may in turn cause a delay in the production of our products. Any such delay may adversely affect our relationships with our customers and negatively affect our results of operations.

Our success will depend on the continued contributions of our key executive officers and senior management, both individually and as a group.

We rely on the expertise and capabilities of our senior management and key personnel and, in particular, their relationships with and their understanding of the requirements of, our key customers. The departure of a key member of management, particularly our Chief Executive Officer, Ranjit Singh Boparan, could therefore have a detrimental effect on our operating performance, and there can be no certainty that any such officer or employee could be replaced in a timely manner by a suitably experienced candidate. In addition, the competitive nature of attracting replacement executive officers or senior management could result in increased salary and employee benefit costs to us.

Higher labor costs could adversely affect our business.

We compete with other manufacturers for good and dependable employees. The supply of such employees is limited and competition to hire and retain them may result in higher labor costs. Furthermore, a substantial majority of our employees, particularly those in the U.K., the Netherlands and Ireland, are subject to national minimum wage requirements. If legislation is enacted in these countries that has the effect of raising the national minimum wage requirements or that requires additional mandatory employee benefits for these workers, we could face substantially higher labor costs. These higher labor costs could adversely affect our profitability if we are not able to pass them on to our customers.

Organized strikes or work stoppages by unionized employees may have a material adverse effect on our business, financial condition and results of operations.

We have many union recognition agreements in place in the U.K. and the Netherlands with various unions. Relationships with unions are managed at site level and most agreements have been in place for several years and, although they do not have expiry dates, we periodically review the terms for potential updates. Our inability to renegotiate acceptable terms with any of the unions could result in strikes by the affected workers and/or increased operating costs as a result of higher wages or benefits paid to union members as the result of a successful strike. However, there can be no assurance that our operations will not be affected by problems in the future. If the unionized workers were to engage in additional strikes or other work stoppages, we could experience a significant disruption of operations and/or higher ongoing labor costs, which may adversely affect our business, results of operations and financial condition. See ‘‘Business—Employees’’.

The interests of our principal shareholders may be inconsistent with the interests of the holders of the Notes.

Our business is controlled by two shareholders, Ranjit Singh Boparan, our Chief Executive Officer and Board member, and Baljinder Kaur Boparan, his wife, who hold 50.02% and 49.98% of our ultimate parent company, Boparan Holdco Limited. See ‘‘Principal Shareholders’’. The interests of our principal shareholders could conflict with the interests of the holders of the Notes, particularly if we encounter financial difficulties or are unable to pay our debts when due. Our principal shareholders could also have an interest in pursuing acquisitions, divestitures, financings, dividend distributions or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve risks to the holders of the Notes. If the interests of our principal shareholders conflict with our interests or the interests of the holders of the Notes, or if our principal shareholders engage in activities or pursue strategic objectives that conflict with our interests or the interest of the holders of the Notes, we and you could be disadvantaged.

We may face litigation claims or regulatory investigations in the future.

In the past, we have been involved in various litigations and other legal proceedings relating to our business and properties. Although none of these legal actions have resulted in a material adverse effect on our business or our results of operations, given the nature of the industry in which we operate, it is possible that we could become involved in litigation, including consumer litigation, class actions involving product liability, work place injury claims and environmental law violations, in the future. If we were involved in any such litigation in the future, we could face a material adverse effect on our business, results of operation and financial condition. Additionally, we have had nuisance complaints regarding the noise and smell produced by Hook 2 Sisters' farms and our facilities. Although these have never risen to the level of litigation, if they were to in the future, they could have a material adverse effect on our business, results of operation and financial condition.

In addition, given the nature of our industry and the relatively small number of suppliers within the markets in which we operate, we could be subject to investigations by the Competitions and Markets Authority (the ''CMA'') into our trade practices. If the CMA were to launch an investigation into our trade practices, it could have a negative effect on our reputation and prospects. Further, if we were ever found to have violated the rules and regulations implanted by the CMA, we could face sanctions and penalties that could have a material adverse effect on our business, results of operations and financial condition.

Environmental regulation and related litigation and commitments could have a material adverse effect on us.

Our past and present business operations and properties are subject to extensive and increasingly stringent laws and regulations pertaining to protection of the environment, including among others:

- the discharge of materials into the environment;
- the handling and disposition of wastes (including solid and hazardous wastes);
- remediation of contaminated sites; and
- the emission of greenhouse gases.

Failure to comply with these laws and regulations or any future changes to them or their enforcement may result in significant consequences to us, including civil and criminal penalties, liability for compliance costs, damages and negative publicity and reputational harm. Citizen groups or other third parties may also have standing to enforce certain requirements applicable to us. Natural disasters, such as flooding and hurricanes, can cause the discharge of effluents or other regulated materials into the environment, potentially resulting in our being subject to liability claims and further governmental regulation.

Although currently we are not aware of any significant liabilities to be settled in the future resulting from past actions, it cannot be guaranteed that new environmental issues will not arise that would cause currently unanticipated investigations, assessments or expenditures, or which could generate adverse publicity. Additionally, the companies we have acquired or may acquire, and their assets, could have liabilities or be subject to risks of which we did not or do not become aware through our due diligence investigations that could have a material adverse effect on our business, results of operation and financial condition.

We have defined benefit pension schemes that are currently in deficit (on an actuarial basis), which we may not have sufficient resources to fund.

We have substantial pension obligations under pension schemes for our employees. Some of those schemes are defined benefit schemes, although all U.K. and Irish schemes are closed to future accrual. A defined benefit scheme is one in which a member's pension is calculated in accordance with a pre-determined formula, based on the length of service in the scheme and their salary at, or near, the time of their retirement (or time of leaving the scheme if earlier). The employee will receive a fixed amount and the employer will face the risk of any deficit on the scheme. If the market value of the fund assets declines, the value of the assessed liabilities increases or if the pension scheme trustees or the U.K. Pensions Regulator determine that the deficit requires a different approach to its reduction, increased contributions by the employer may be required.

The aggregate deficit (as at July 27, 2013) of our defined benefit pension schemes was £140.3 million calculated on an actuarial basis in accordance with FRS 17.

Valuations of the liabilities of all defined benefit pension schemes are based on certain actuarial assumptions, which include, for example, discounting factors, demographic trends, life expectancy, pension trends, future salary trends and expected returns on assets. If any of these assumptions are revised, additional contributions may need to be made to the funds, which could have a material adverse effect on our financial condition, liquidity and results of operations. We cannot assure you that in the longer term we would be able to fund the aforementioned deficits if required to do so on an immediate buy-out basis or at a more accelerated rate than our current funding obligations. The trustees may terminate and wind-up the Northern Foods Pension Scheme if they receive actuarial advice that the scheme has insufficient assets to secure its liabilities with an insurance company and the trustees consider that there is no reasonable expectation that contributions expected from the scheme's employers will eliminate the funding deficit. This would trigger statutory debts on the scheme's employers under section 75 of the U.K. Pensions Act 1995 and underlying regulations (see below for further details on how these debts are calculated). Statutory section 75 debts would be triggered for employers of our UK defined benefit pension schemes if the scheme commences winding-up (including at the direction of the Pensions Regulator pursuant to its statutory powers), the employer undergoes a prescribed insolvency event or (in a multi-employer scheme) an employer ceases to employ active members of the scheme while another employer continues to do so.

Employer contributions to the Northern Foods Pension Scheme, are guaranteed by certain of our subsidiaries acquired as part of the Northern Foods Acquisition. The Company has guaranteed the employer contributions to the scheme that are payable under the current deficit repair arrangements. The sponsoring employers are currently in negotiations with the scheme trustee regarding the contributions that will be required to address the deficit under the most recent actuarial valuation of the scheme, as at March 31, 2013. It is possible that the sponsoring employers' regular contributions to the scheme could increase as a result of these negotiations, or in the event that the Pensions Regulator intervenes in exercise of its statutory powers (which can include the selection of the valuation method and assumptions, and the scheduling of contributions required to address any funding deficit).

In the event that the market value of the assets of our defined benefit pension schemes decline in relation to the assessed liabilities of the schemes, we may be required, over the course of a number of years, to increase our contributions to cover any potential funding shortfalls, which could have a material adverse effect on our business, results of operations and financial condition.

Future pension regulation and agreements with the trustees of our defined benefit schemes could also restrict our freedom to undertake certain corporate activities (including disposals and return of capital to shareholders, and the granting of security or guarantees), which could impair our ability to take advantage of certain transactions or otherwise operate our business in a manner that would be most beneficial to our shareholders.

The Pensions Regulator may also require persons who are connected or associated with the sponsoring employers of the U.K. defined benefit schemes to contribute to, or provide financial support in respect of, those schemes if certain conditions are met. In particular, the Pensions Regulator may seek to issue a Financial Support Direction (an ''FSD'') requiring the target to put in place financial support in respect of a defined benefit pension scheme's liabilities, if the Regulator considers that the sponsoring employers have insufficient resources to fund the Scheme and it is reasonable to impose the FSD in all the circumstances. The Regulator could also issue a Contribution Notice requiring a cash contribution to be made to the Scheme, for example if corporate activity caused a material detriment to the scheme which was not suitably mitigated, and the Regulator considers it reasonable to impose the Contribution Notice in all the circumstances.

The financial support or contribution required could extend to cover obligations such as unpaid contributions that are due or debts owed (or which may in the future become owed) to the scheme, including statutory debts arising under sections 75 and 75A of the U.K. Pensions Act 1995 and underlying regulations. Such debts are determined by reference to the pension scheme's funding level (i.e. funding deficit). There are various measures of determining a scheme's funding level, for example, on an ''IAS19'' basis or ''FRS17'' basis. In the case of a multi-employer scheme (such as the defined benefit schemes operated by Northern Foods) debts arising under section 75 and 75A of the U.K. Pensions Act 1995 and underlying regulations, would be calculated by reference to the relevant employer's share of the scheme's funding deficit (as measured on the basis prescribed under the relevant legislation (commonly known as the ''buy-out basis'')). The buy-out basis requires calculating pensions scheme liabilities by assuming that the pension scheme pays an insurance company to assume its liabilities by issuing individual annuities and deferred annuities to the pension scheme beneficiaries and thereby discharges the pension scheme from its obligation to pay benefits to such beneficiaries. The deficit on a buy-out basis is the actuary's estimate of the actual cost of the purchase of such annuities (plus an allowance for the expenses of winding-up the scheme) less the value of the pension scheme's assets in circumstances where the pension scheme is wound-up and such annuities are, in fact, purchased. A deficit (and hence any related section 75 employer debt and any funding obligation arising as a result of an FSD or Contribution Notice) calculated on a buy-out basis would be expected to be substantially higher than if it were calculated on an actuarial basis under IAS 19 or FRS 17.

As a result, in the event of the Regulator issuing an FSD or Contribution Notice, it is possible that persons within the wider group which are not currently liable to support the schemes (which may include guarantors of the Notes) become liable to do so. We cannot assure the holders of the Notes of the amount of financial support or contributions that the FSD or Contribution Notice could require us to put in place and, as a result, whether there will be sufficient assets to pay any amounts due on the Notes. Any liability of a group company under an FSD or Contribution Notice will be a provable unsecured debt on insolvency.

The schemes which our individuals who are employed in the Netherlands partake in are industry wide schemes for which the direct scheme liabilities are not solely the responsibility of the group. However any decline in plan assets or increase in plan liabilities could require that the level of contributions which is required from our business is increased, this could have a material adverse effect on our business, results of operations and financial condition.

We may pursue acquisition and disposal opportunities, which may subject us to considerable business and financial risk.

We have grown through, and may continue to grow through, acquisitions of competitive and complementary businesses and brands, including the Vion Acquisition on March 8, 2013 and the Northern Foods Acquisition on April 7, 2011. We evaluate potential acquisitions on an ongoing basis and regularly pursue acquisition opportunities. We may not be successful in identifying acquisition opportunities, assessing the value, strengths and weaknesses of these opportunities and consummating such acquisitions on acceptable terms. In addition, we may seek to finance such acquisitions by incurring additional indebtedness. Borrowings necessary to finance acquisitions may not be available on terms acceptable to us, or at all. Acquisitions may also expose us to particular business and financial risks that include, but are not limited to:

- diverting management's time and attention;
- failing to obtain satisfactory competition and or other regulatory approvals;
- failing to conduct appropriate due diligence on the operations of the business or brand being acquired;
- assuming additional indebtedness and liabilities, known and unknown;
- incurring significant additional capital expenditures, transaction and operating expenses and nonrecurring acquisition-related charges;
- failing to generate profits or cash flow;
- failing to realize anticipated synergies;
- failing to integrate operations and personnel of the acquired businesses;
- failing to retain key personnel of, suppliers to and customers of the acquired businesses; and
- failing to successfully enter and compete in new markets or geographic areas in which we have no previous experience.

If we are unable to successfully implement our acquisition strategy or address the risks associated with acquisitions, or if we encounter unforeseen expenses, difficulties, complications or delays frequently encountered in connection with the integration of acquired entities and the expansion of operations, our growth and ability to compete may be impaired, we may fail to achieve acquisition synergies and we may be required to focus resources on integration of operations rather than on our primary product and service offerings.

Disposals can also give rise to risks as they can result in claims against us, including for breach of warranty. We may also be required to indemnify purchasers of our assets or businesses for future liabilities associated with such disposals. Any such claims could have a material adverse impact on our business, results of operations and financial condition.

Due to seasonal fluctuations in our business, our turnover and operating results may vary from quarter to quarter.

The sales and cash flows of 2 Sisters have historically been somewhat affected by seasonal cyclicality. Sales of fresh prepared foods are typically marginally higher during the summer months and in the weeks leading up to Christmas. In addition, extreme cold or wintery weather conditions during the winter months may delay shipping of our products and increase energy related expenses, while extreme heat in the summer months may increase the risk of temperature contamination of our products, which, in each case, give rise to the potential for seasonal fluctuations in our operating results. For these reasons, sequential quarterly comparisons may not be a reliable indication of our performance or how we may perform in the future. In addition, increases in raw material costs, and time taken to engage with customers on price increases, can further distort comparisons. If seasonal fluctuations are greater than anticipated, there could be an adverse effect on our business, results of operations and financial condition.

We may be adversely affected by fluctuations in currency exchange rates.

Although we report our results in pounds sterling, we conduct a significant portion of our business in countries that use other currencies, and as a result, we are exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the pound sterling. The euro is the primary currency giving rise to this risk. To the extent we are unable to match sales received in foreign currencies with costs paid in the same currency, exchange rate fluctuations in that currency could have a material adverse effect on our business. For example, where we have significantly more costs than sales generated in a foreign currency, we are subject to risk if that foreign currency appreciates against the pound sterling because the appreciation effectively increases our costs in that location. Generally, any strengthening of the euro related to the pound sterling will adversely affect the contributions of our sales denominated in euros to our profitability.

Because our Consolidated Financial Statements are presented in pounds sterling, we must translate our assets, liabilities, sales and expenses into pounds sterling at then-applicable exchange rates. Consequently, increases or decreases in the value of the pound sterling may affect the value of these items in our Consolidated Financial Statements, even if their value has not changed in their original currency. For example, a stronger pound sterling will reduce the reported results of operations of the non-pound businesses and, conversely, a weak pound sterling will increase the reported results of operations of the non-pound businesses. These translations could significantly affect the comparability of our results between financial periods and/or result in significant changes to the carrying value of our assets and liabilities.

We are exposed to risks related to conducting operations in several different countries.

We currently have manufacturing facilities located in the Netherlands, Poland, the U.K., Scotland and Ireland. Notwithstanding the benefits of geographic diversification, our business is subject to risks related to the differing legal, political, social and regulatory requirements and economic conditions of these jurisdictions, particularly the U.K., where the great majority of our turnover is generated, significantly exposing us to prevailing U.K. economic conditions. Risks inherent to our operating locations include the following, among other risks:

- general economic, social or political conditions in the countries in which we operate could have an adverse effect on our earnings from operations in those countries;
- compliance with a variety of laws and regulations in various jurisdictions may be burdensome;
- unexpected or adverse changes in laws or regulatory requirements in various jurisdictions may occur;

- the imposition of withholding taxes or other taxes or royalties on our income, or the adoption of other restrictions on foreign trade or investment, including currency exchange controls;
- adverse changes in export duties, quotas and tariffs and difficulties in obtaining export licenses;
- intellectual property rights may be more difficult to enforce;
- transportation and other shipping costs may increase;
- staffing difficulties, national or regional labor strikes or other labor disputes;
- the possibility of Scottish independence via referendum in September 2014, the institutional, financial and regulatory effects of which will not be known prior to the outcome of the referendum;
- the imposition of any price controls; and
- difficulties in enforcing agreements and collecting receivables.

Any of these factors could require us to change our current operational structure and could have a material adverse impact on our business, results of operations and financial condition.

We have incurred losses.

We incurred losses in Fiscal Year 2011 and Fiscal Year 2013, and in the 39 weeks ended April 27, 2014. For an explanation of these losses, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations''.

Risks Relating to Our Indebtedness

Our high leverage and debt service obligations could adversely affect our business and prevent us from fulfilling our obligations with respect to the Notes.

After giving *pro forma* effect to the Transactions, as of April 26, 2014, we would have had total financial debt of £833 million, all of which is senior indebtedness, in the form of the Notes offered hereby and finance leases. Additionally we will have £60.0 million of available borrowings under our senior New Revolving Facility. See ''Description of Certain Financing Arrangements''.

We anticipate that our high leverage will continue for the foreseeable future. Our high leverage could have important consequences to you, including, but not limited to:

- making it more difficult for us to satisfy our debt obligations;
- increasing our vulnerability to a continuing downturn in our business or economic and industry conditions;
- limiting our ability to obtain additional financing and increasing the cost of any such financing to fund future working capital requirements, capital expenditures, business opportunities and other corporate requirements;
- requiring the dedication of a substantial portion of our cash flow from operations to the payment of principal of, and interest on, our indebtedness, which means that this cash flow would not be available to fund our operations and for other corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business, the competitive environment and our industry; and
- placing us at a competitive disadvantage relative to a competitor with less leverage.

Despite our current level of indebtedness, we may still be able to incur substantially more debt. This could further exacerbate the risks that we and our subsidiaries face.

While the agreements governing the Notes and our New Revolving Facility include prohibitions on incurring additional indebtedness, these prohibitions are subject to various exceptions and qualifications and indebtedness incurred pursuant to such exceptions and qualifications may be substantial. Such indebtedness may rank equally with the Notes or, in limited circumstances, rank effectively senior to the Notes.

The agreements governing the Notes and the New Revolving Facility also permit us to incur secured indebtedness, subject to various limitations. If we incur any secured indebtedness, such indebtedness will be effectively senior to the Notes and the holders of that debt will be entitled to receive any proceeds distributed in connection with disposition of the assets comprising the collateral for such indebtedness in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of us before such proceeds are used to pay holders of the Notes. If we incur any additional indebtedness that ranks equally with the Notes, the holders of that debt will be entitled to share ratably with the holders of the notes in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of us. This may have the effect of reducing the amount of proceeds paid to you. If new debt is added to our current debt levels, the related risks that we and our subsidiaries now face could intensify.

We are subject to restrictive debt covenants, which may limit our operating flexibility.

The indenture governing the Notes offered hereby (the ''Indenture'') contains covenants that impose significant restrictions on the way we can operate, including restrictions on our ability to:

- borrow or guarantee additional indebtedness and issue certain preferred shares;
- pay dividends on our capital stock or repurchase shares or make certain investments;
- redeem or repurchase indebtedness junior to the Notes;
- create certain liens;
- merge or consolidate with other entities;
- create encumbrances or restrictions on the ability of our subsidiaries to pay dividends to the Company;
- enter into certain transactions with affiliates; and
- sell, lease or transfer certain assets, including shares of any restricted subsidiary of the Company.

All of these limitations will be subject to significant exceptions and qualifications. See ''Description of Notes—Certain Covenants''.

These covenants could limit our ability to finance our future operations and capital needs and our ability to pursue acquisitions and other business activities that may be in our interest. In addition, we will also be subject to the affirmative and negative covenants contained in the New Revolving Facility Agreement. Our ability to meet these tests may be affected by events beyond our control and, as a result, we cannot assure you that we will be able to meet these tests.

We may not have enough cash available to service our debt and to sustain our operations.

Our ability to make scheduled payments on the Notes and to meet our other debt service obligations when due and to fund our ongoing operations or to refinance our debt, depends on our future operating and financial performance and our ability to generate cash, which will be affected by our ability to successfully implement our business strategy as well as general economic, financial, competitive, regulatory, legal, technical and other factors, including those discussed in these ''Risk Factors'', beyond our control. If we cannot generate sufficient cash to meet our debt service requirements, we may, among other things, need to refinance all or a portion of our debt, including the Notes, obtain additional financing, delay planned capital expenditures or sell assets. If we are not able to refinance any of our debt, obtain additional financing or sell assets on commercially reasonable terms or at all, we may not be able to satisfy our obligations with respect to our debt, including the Notes. In that event, borrowings under other debt agreements or instruments that contain cross-default or cross-acceleration provisions may become payable on demand, and we may not have sufficient funds to repay all of our debts, including the Notes. See ''Description of Certain Financing Arrangements''.

Our failure to comply with the agreements relating to our outstanding indebtedness, including as a result of events beyond our control, could result in an event of default that could materially and adversely affect our results of operations and our financial condition.

If there were an event of default under any of the agreements relating to our outstanding indebtedness, including the New Revolving Facility Agreement, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. We cannot assure you that our assets or cash flow would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. Further, if we are unable to repay, refinance or restructure our indebtedness under our secured debt, the holders of such debt could proceed against the collateral securing that indebtedness. In addition, any event of default or declaration of acceleration under one debt instrument could also result in an event of default under one or more of our other debt instruments.

We will be exposed to market risks such as interest rate risks.

Our New Revolving Facility will bear interest based on LIBOR or, for loans in euro, EURIBOR plus an applicable premium. As such, we will be exposed to interest rate risk on borrowings drawn down on the New Revolving Facility. A significant movement in interest rates on floating borrowings could adversely impact our profitability. There can be no assurance that any steps taken to hedge our interest rate risk (for example, through the use of interest rate swap agreements) will provide adequate protection. Over the longer term, a significant increase in interest rates may have an adverse effect on our business, results of operation, financial condition and/or prospects.

Risks Relating to the Notes

The Issuer is a finance company and certain of the Guarantors are holding companies dependent upon cash flow from other members of the group to meet their obligations on the Notes and the Guarantees, respectively.

The Issuer is a special purpose finance company with no independent business operations and no significant third-party assets. The Issuer will be wholly dependent upon payments from the Company under the Notes Proceeds Loan to meet its obligations, including its obligations under the Notes. The Company is a holding company with no independent business operations or significant assets other than investments in its subsidiaries. The Company depends upon the receipt of sufficient funds from its subsidiaries to meet its obligations. If our operating subsidiaries do not distribute cash to us to make scheduled payments on the Notes, we do not expect to have any other source of funds that would allow us to make payments to the holders of the Notes.

Various agreements governing our debt may restrict and, in some cases may actually prohibit, the ability of these subsidiaries to move cash within their restricted group. Applicable tax laws may also subject such payments to further taxation. Applicable law may also limit the amounts that some of our subsidiaries will be permitted to pay as dividends or distributions on their equity interests, or even prevent such payments.

The inability to transfer cash among entities within their respective groups may mean that even though the entities, in aggregate, may have sufficient resources to meet their obligations, they may not be permitted to make the necessary transfers from one entity in their restricted group to another entity in their restricted group in order to make payments to the entity owing the obligations.

The claims of the holders of the Notes will be effectively subordinated to the rights of our existing and future secured creditors to the extent of the value of the assets constituting collateral.

The Notes will be unsecured obligations of the Issuer and each Guarantor (other than a pledge by Midco of the shares of the Company and assignments by the Issuer and the Company of their rights under the Note Proceeds Loan). The Indenture will provide for a negative pledge but will allow us and our restricted subsidiaries to incur certain additional secured indebtedness that will be effectively senior to the Notes. As such, the Notes and each Guarantee thereof will be effectively subordinated to any existing and future secured indebtedness and other secured obligations of the relevant obligor to the extent of the value of the assets securing such indebtedness or other obligations. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, administration, reorganization, or other insolvency or bankruptcy proceeding, holders of secured indebtedness will have prior claim to those of our assets that constitute their collateral. The holders of the Notes will generally participate ratably with all creditors with respect to unsecured indebtedness of the relevant obligor, and potentially with all of their other general creditors, based upon the respective amounts owed to each creditor, in the remaining assets of the relevant obligor. In these circumstances, we cannot assure you that there will be sufficient assets to pay amounts due on the Notes. As a result, holders of Notes may receive less, ratably, than holders of secured indebtedness and other obligations.

As of April 26, 2014, after giving *pro forma* effect to the Transactions, we had an aggregate principal amount of £12.9 million of secured indebtedness (other than the Notes) represented by outstanding finance lease obligations. We will be permitted to borrow substantial additional indebtedness, including secured debt, in the future under the terms of the Indenture and the New Revolving Facility.

The subsidiary Guarantees will be automatically released upon certain enforcement actions by the lenders under the New Revolving Facility.

If the creditors or the security agent under our New Revolving Facility sell the shares of the Company pursuant to an enforcement action or the pledge by Midco of its shares in the Company in accordance with the Intercreditor Agreement, all obligations of the Issuer and the Guarantors (other than the Guarantee of the other Notes by Midco) may be automatically released *provided* that:

- the Security Agent takes reasonable care to obtain certain market price in the prevailing market conditions although the Security Agent shall not have any obligation to postpone any disposal in order to achieve a higher price.

Upon any such release in connection with an enforcement sale as described above, the creditors of the Issuer and each Guarantor (other than Midco) would be entitled to be paid in full before any payment may be made to the holders of the equity of the Issuer and each such Guarantor. As a result, the holders of the Notes will be effectively subordinated to the liabilities of the Issuer and each Guarantor to the extent of such release.

Creditors under other debt are entitled to be repaid with the proceeds of the Collateral sold in any enforcement sale, the proceeds of any distressed disposal and from other amounts paid to the Collateral Agent pursuant to the terms of the Intercreditor Agreement, in priority to the Notes.

The obligations under the Notes and Guarantees are secured on a first- priority basis with security interests over the Collateral. The Indenture will also permit the Collateral to be pledged to secure additional debt in accordance with the terms of the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement.

Pursuant to the Intercreditor Agreement, the liabilities under the New Revolving Facility (and other credit facilities permitted to be secured under the terms of the Indenture) will have priority over any amounts received from the sale of the Collateral pursuant to an enforcement action taken with respect to the Collateral, any amounts received by the Collateral Agent from a distressed disposal and certain other amounts paid to the Collateral Agent pursuant to the terms of the Intercreditor Agreement (for example, under the turnover provisions). As such, in the event of a foreclosure of the Collateral, a distressed disposal and/or a recovery by the Collateral Agent pursuant to the terms of the Intercreditor Agreement, you may not be able to recover from the proceeds of such foreclosure, disposal and/or recovery (as appropriate) if the outstanding claims under such super senior credit facilities debt are greater than the proceeds realized. Any such proceeds will, after all obligations under such super senior credit facilities debt have been discharged from such recoveries, be applied *pro rata* in repayment of the Notes, other *pari passu* indebtedness including certain other hedging obligations and any other obligations secured by the Collateral. The Intercreditor Agreement will provide that the Collateral Agent, who will also serve as the collateral agent for any additional secured debt permitted to be incurred by the Indenture, will act only as provided for in the Intercreditor Agreement. In general, the facility agent under any super senior credit facilities and any agent with respect to any permitted future secured debt will have, subject to certain restrictions in connection with, among others, the ability to provide enforcement instructions to the Collateral Agent, the right to enforce the shared Collateral. The Intercreditor Agreement will provide that enforcement instructions must be provided by the holders of more than 66⅔% of the aggregate of all outstanding liabilities under the super senior credit facilities (the Majority Super Senior Creditors) and the holders of more than 50% of the aggregate principal amount of the then outstanding Notes as set out in the Indenture together with any other obligations that may be secured by the Collateral (the Majority Senior Secured Creditors); *provided* that, if an insolvency event (as defined in the Intercreditor Agreement) occurs, the enforcement instructions provided by the Majority Super Senior Creditors will prevail or, if certain conditions are met, the enforcement instructions of the Majority Senior Secured Creditors will prevail but if no enforcement action is then taken in the next three months or the Majority Super Senior Creditors have not been fully discharged within six months, the conflicting instructions of the Majority Super Senior Creditors will then prevail. The provisions relating to enforcement instructions are described under ''Description of Certain Financing Arrangements—Intercreditor Agreement—

Enforcement.'' In addition, the Intercreditor Agreement will provide for a restriction on payment of the Notes, the New Revolving Facility Agreement and our hedging obligation as described under ''Description of Certain Financing Arrangements—Intercreditor Agreement—Permitted Payments—Restrictions on Certain Payments.'' The lenders under any other future class of priority debt may have interests that are different from the interests of holders of the Notes and they may, subject to the terms of the Intercreditor Agreement, elect to pursue their remedies under the security documents at a time when it would be disadvantageous for the holders of the Notes to do so.

The Notes and each of the Guarantees will be structurally subordinated to present and future liabilities of our non-guarantor subsidiaries.

Not all of our subsidiaries will guarantee the Notes. Generally, claims of creditors of a non-guarantor subsidiary, including trade creditors and claims of preference shareholders (if any) of the subsidiary, will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of its parent entity, including claims by noteholders under the Guarantees. In the event of any foreclosure, dissolution, winding-up, liquidation, administration, reorganization or other insolvency or bankruptcy proceeding of any of our non-Guarantor subsidiaries, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to its parent entity. As such, the Notes and each Guarantee will each be structurally subordinated to the creditors (including trade creditors) and preference shareholders (if any) of our non-Guarantor subsidiaries. The covenants in the Indenture permit us to incur additional indebtedness at subsidiaries that do not guarantee the Notes and in the future the revenues and Adjusted EBITDA of such entities could increase, possibly substantially. Our Guarantors accounted for £3.1 billion, or 92.0%, of our consolidated turnover and £152.5 million, or 89.7%, of our consolidated Adjusted EBITDA for the 52 weeks ended April 26, 2014. In addition, as of April 26, 2014, our Guarantors accounted for £1.1 billion, or 86.1%, of our consolidated total assets (excluding intercompany receivables).

We are subject to insolvency laws in England and Wales, the Netherlands, Scotland and Jersey, which may not be as favorable to unsecured creditors as insolvency laws in other jurisdictions.

The Issuer, certain of the Guarantors and certain other subsidiaries are incorporated under the laws of England and Wales, the Netherlands, Scotland and Jersey and insolvency proceedings with respect to each of these companies could be required to proceed under the laws of the jurisdiction in which its ''center of main interests'', as defined in the relevant European Union regulation, or corporate seat is situated at the time insolvency proceedings are commenced. Although there is a rebuttable presumption that the ''center of main interests'' will be in the jurisdiction of incorporation, this presumption is not conclusive. Amber is incorporated in Jersey, which is not subject to the European Union regulations referred to above and Amber will therefore *prima facie* be subject to Jersey insolvency procedures. As at the date of these Listing Particulars we cannot therefore conclusively ascertain which insolvency proceedings would apply to those companies.

The procedural and substantive provisions of insolvency laws in England and Wales are generally favorable to secured creditors. These provisions afford unsecured creditors only limited protection from the claims of secured creditors that rank in priority to them. If the insolvency law of England and Wales applies in respect of the Issuer, the Guarantors or our other subsidiaries, it will generally not be possible for the Company or its subsidiaries or unsecured creditors of the subsidiaries to prevent secured creditors from enforcing their security to repay the debts due to them.

If either the Issuer or a Guarantor incorporated in England or Wales were to enter into administration proceedings in England and Wales, the Notes and the Guarantees from the Issuer or such Guarantor could not be enforced while the relevant company was in administration without the leave of the court or consent of the administrator, and there can be no assurance that such leave of the court or consent of the administrator would be obtained. Furthermore, under insolvency law in England and Wales, some of our subsidiaries' debts may be subject to preferential claims, including amounts owed in respect of occupational pension schemes in respect of the 12-month period prior to insolvency, unpaid employees remuneration in respect of the four month period prior to insolvency and administration or liquidation expenses.

Any insolvency proceedings applicable to the Guarantors may be governed by Dutch insolvency laws. There are two applicable corporate insolvency regimes under Dutch law: (a) moratorium of payment (*surseance van betaling*), which is intended to facilitate the reorganization of a debtor's debts and enable the debtor to continue as a going concern; and (b) bankruptcy (*faillissement*), which is primarily designed to liquidate and distribute the assets of a debtor to its creditors. In practice, a moratorium of payment nearly always results in the bankruptcy of the debtor.

A recovery under Dutch law could involve a sale of the assets of the Guarantors in a manner that does not reflect their respective going concern value. Consequently, Dutch insolvency laws could preclude or inhibit a restructuring of the Guarantors on a going concern basis. In Dutch bankruptcy proceedings, the assets of a debtor are generally liquidated and the proceeds distributed to the debtor's creditors on the basis of the relative priority of the claims of those creditors and, to the extent claims of certain creditors have equal priority, in proportion to the amount of such claims.

Insolvency proceedings in relation to Amber may be governed by Jersey insolvency laws. Various insolvency procedures are available in Jersey, although none are equivalent to administration or any other rescue or restructuring procedure. The most widely used insolvency procedure in Jersey is known as *désastre*, which is a formal declaration of bankruptcy. The purpose of the declaration is to collect and realize the debtor's assets for the benefit of its creditors, subject to the priority of claims of any secured creditors, costs associated with the *désastre* and certain preferential claims such as those for employee wages or salary and other entitlements and certain amounts of taxes and social security or similar payments, rates and rent. Once a declaration of *désastre* has been made, a creditor cannot seek any other remedy against the property or person of the debtor, commence any legal proceedings to recover the debt or (except with consent or by court order) continue any such legal proceedings. The declaration of a *désastre* by the court is discretionary.

A creditors' winding up of a Jersey company (initiated by its shareholders rather than its creditors) is very similar in its treatment of creditors.

Some of the Guarantors are companies incorporated under the laws of Scotland (the ''Scottish Obligors''). Therefore, any insolvency proceedings by or against any of the Scottish Obligors would likely be based on Scottish insolvency laws. The relevant Scottish insolvency statutes empower Scottish courts to make an administration order in respect of a Scottish company in certain circumstances. An administrator can also be appointed out of court by the company, its directors or the holder of a qualifying floating charge and different procedures apply according to the identity of the appointor. During the administration, in general no proceedings or other legal process may be commenced or continued against the debtor, or security enforced over the company's property, except with leave of the court or the consent of the administrator. If any of the Scottish Obligors were to enter administration, it is possible that the guarantee granted by it may not be enforced while it is in administration. In addition, under Scottish insolvency law any debt payable in a currency other than pounds sterling (such as euro or U.S. dollars) must be converted into pounds sterling. Accordingly, holders of the notes may be subject to exchange rate risk.

There are circumstances under Scottish insolvency law in which the granting by a Scottish company of guarantees can be challenged. In most cases this will only arise if the company is placed into administration or liquidation within a specified period of the granting of the guarantee. Therefore, if during the specified period an administrator or liquidator is appointed to a Scottish company, he may challenge the validity of the guarantee given by such company. Gratuitous alienations or unfair preferences may apply as potential grounds for challenge to guarantees in terms of Scots law.

A transaction can be challenged as a gratuitous alienation if the Scottish company enters into liquidation or administration proceedings within a period of two years from the date the Scottish company grants the guarantee or five years in the case of an 'associate' of the Scottish Company. A transaction might be subject to being set aside as a gratuitous alienation if the company makes a gift to a person (save in certain specified circumstances), if the company receives no consideration or if the company receives consideration of significantly less value, in money or money's worth, than the consideration given by such company. If the court determines that the transaction was a gratuitous alienation the court can grant a reduction or for restoration of the property or assets or such other redress as may be appropriate. A transaction made at a time when a company is insolvent may also constitute a gratuitous alienation at common law. In these circumstances, no time limits apply in relation to challenging it. A gratuitous alienation may constitute wrongful (or indeed fraudulent) trading, or a breach of duty and lead to actions being raised against directors personally.

A transaction can be challenged as an unfair preference if the Scottish company enters into liquidation or administration proceedings within a period of six months from the date the Scottish company grants the security interest or the guarantee. A transaction may constitute an unfair preference if it has the effect of putting a creditor of the Scottish company (or a surety or Guarantor for any of the company's debts or liabilities) in a better position (in the event of the company going into insolvent liquidation) than such creditor, Guarantor or surety would otherwise have been in had that transaction not been entered into. If the court determines that the transaction was an unfair preference, the court may grant a reduction or restoration of the property or assets or such other redress as may be appropriate. An unfair preference may also constitute wrongful (or indeed fraudulent) trading, or a breach of duty, and lead to actions being raised against directors personally. A transaction made at a time a company is insolvent may constitute an unfair preference at common law. In these circumstances, no time limits apply in relation to challenging it. It may also constitute a fraudulent preference at common law.

The Guarantees will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability.

The Indenture will provide that certain Guarantees will be limited to the maximum amount that can be guaranteed by the relevant Guarantor without rendering the relevant Guarantee voidable or otherwise ineffective under applicable law and enforcement of each Guarantee will be subject to certain generally available defenses. These laws and defenses include those that relate to corporate benefit, fraudulent transfer or conveyance, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, rights of and defenses available to sureties, regulations or defenses affecting the rights of creditors generally.

Although laws differ among various jurisdictions, in general, under fraudulent conveyance and other laws, a court could subordinate or void the Guarantees and, if payment had already been made under a Guarantee, require that the recipient return the payment to the relevant Guarantor, if the court found that:

- the relevant Guarantee was incurred with actual intent to hinder, delay or defraud creditors or shareholders of the Guarantor or, in certain jurisdictions, even when the recipient was simply aware that the Guarantor was insolvent when it granted the relevant Guarantee or, in certain jurisdictions, where the effect of the transaction was to perpetrate a fraud on the relevant Guarantor's creditors;
- the Guarantor did not receive fair consideration or reasonably equivalent value for the relevant Guarantee and the Guarantor was: (i) insolvent or rendered insolvent because of the relevant Guarantee; (ii) under-capitalized or became under-capitalized because of the relevant Guarantee; or (iii) intended to incur, or believed that it would incur, indebtedness beyond its ability to pay at maturity;
- the relevant Guarantees were held to exceed the corporate objects of the Guarantor or not to be in the best interests or for the corporate benefit of the Guarantor; or
- the amount paid or payable under the relevant Guarantee was in excess of the maximum amount permitted under applicable law.

If a court were to find that the issue of the Notes or a Guarantee was a fraudulent conveyance or held it unenforceable for any other reason, the court could hold that the payment obligations under the Notes or such Guarantee are ineffective, or require the holders of the Notes to repay any amounts received with respect to the Notes or such Guarantee. In the event of a finding that a fraudulent conveyance occurred, you may cease to have any claim in respect of the relevant Guarantor and would be a creditor solely of the Issuer and, if applicable, of the other Guarantors under any Guarantees that have not been declared void.

In addition, the enforcement of a Guarantee may give rise to withholding taxes on the payment of interest (or other amounts due under the Notes other than the repayment of amounts subscribed for the Notes) by the relevant Guarantor or the enforcement of the Guarantee, subject to any claim which could be made under an applicable double taxation treaty or any other exemption which may apply.

If withholding taxes were to apply, subject to certain exceptions, such Guarantor will pay Additional Amounts so that the net amount each holder of the Notes receives is no less than the holder would have received in the absence of such withholding. See ''Description of Notes—Additional Amounts''.

The Guarantees of the Guarantors may be affected by the ultra vires provisions of the Dutch Civil Code.

The Guarantees of the Guarantors or any other transaction entered into by the Guarantors may be affected by the ultra vires provisions of Article 2:7 of the Dutch Civil Code (*Burgerlijk Wetboek*). These provisions give legal entities the right to annul a transaction if such transaction entered into by such entity exceeded its objects and the counterparties to such transaction knew, or without independent investigation, should have known, that such objects and purposes have been exceeded. All circumstances relevant in determining corporate benefit should be taken into account, including, without limitation, the wording of the objects clause of the articles of association and the level of (direct or indirect) benefit derived by the legal entity.

We may not have the ability to raise the funds necessary to finance a change of control offer if required by the Indenture.

Upon the occurrence of a change of control, as defined in the Indenture, the Issuer will be required to make an offer to purchase the Notes at a price in cash equal to 101% of their aggregate principal amount, plus any accrued and unpaid interest and certain other amounts, to the date of repurchase. Upon a change of control, we may be required to offer to repurchase or repay our outstanding indebtedness, including the Notes. We cannot assure you that we would have sufficient resources to repurchase the Notes or repay our other indebtedness, if such debt is required to be repurchased or repaid, upon the occurrence of a change of control, in any case, third-party financing most likely would be required in order to provide the funds necessary for the Issuer to make the change of control offer for the Notes and to refinance any other indebtedness that would become payable upon the occurrence of such events. We may not be able to obtain such additional financing on terms favorable to us or at all. See ‘‘Description of Notes—Repurchase at the Option of Holders—Change of Control’’.

The change of control provision contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events, including a reorganization, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a ‘‘change of control’’ as defined in the Indenture. Except as described under ‘‘Description of Notes—Repurchase at the Option of Holders—Change of Control’’, the Indenture will not contain provisions that would require the Issuer to offer to repurchase or redeem the Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction.

The definition of ‘‘change of control’’ in the Indenture will include a disposition of all or substantially all of the properties or assets of 2 Sisters and its subsidiaries taken as a whole to any person. Although there is a limited body of case law interpreting the phrase ‘‘all or substantially all’’, there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of ‘‘all or substantially all’’ of the assets of 2 Sisters and its subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

An active trading market may not develop for the Notes, in which case your ability to transfer the Notes will be more limited.

The Notes are new securities for which there is currently no market. We cannot assure you as to the liquidity of any market that may develop for the Notes, the ability of holders of the Notes to sell them or the price at which holders of the Notes may be able to sell them. Furthermore, the Notes and the Guarantees will not have the benefit of any exchange or registration rights under the Securities Act. Although application has been made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market, we cannot assure you that the Notes will become or remain listed. Although no assurance is made as to the liquidity of the Notes as a result of the admission to trading on the Euro MTF Market, failure to be approved for listing or the delisting of the Notes, as applicable, from the Official List of the Luxembourg Stock Exchange may have a material effect on a holder’s ability to resell the Notes in the secondary market. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. Any market for the Notes will likely be subject to similar disruptions.

The liquidity of any market for the Notes will depend on the number of holders of the Notes, prevailing interest rates, the market for similar securities and other factors, including general economic conditions and our own financial condition, performance and prospects, as well as third-party recommendations. The Initial Purchasers have informed us that they intend to make a market in the Notes. However, they are not obligated to do so and may discontinue such market-making at any time without notice. As a result, we cannot assure you that an active trading market for the Notes will develop or, if one does develop, that it will be maintained. If no active trading market develops, you may not be able to resell your Notes at fair value, if at all.

The liquidity of, and trading market for, the Notes may also be hurt by declines in the market for high yield securities generally. Such a decline may affect any liquidity and trading of the Notes independent of our or the Issuer's financial performance and prospects.

Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. The Issuer has not undertaken to effect any exchange offer for the Notes or file a shelf registration statement with respect to the notes. You should read the discussions in ''Notice to Investors'' for further Information about these and other transfer restrictions. It is your obligation to ensure that your offers and sales of Notes comply with applicable law.

Certain covenants will be suspended if we receive investment grade ratings.

The Indenture will provide that, if at any time following the date of the Indenture, the Notes receive an investment grade rating (Baa3 or better by Moody's and BBB− or better from S&P) and no default or event of default has occurred and is continuing, then beginning that day and continuing until such time as the Notes are no longer rated investment grade by either ratings agency, certain covenants will cease to be applicable to the Notes. See ''Description of Notes—Certain Covenants—Suspension of Certain Covenants when Notes Rated Investment Grade''.

At any time when these covenants are suspended, we will be able to, among other things, incur additional indebtedness, pay cash dividends and redeem subordinated indebtedness without restriction, each of which may conflict with the interests of holders of the Notes. There can be no assurance that the Notes will ever achieve an investment grade rating or that any such rating will be maintained.

A new 30% U.S. federal withholding tax under FATCA may apply to the Notes, and there would be no gross-up in respect of such tax.

Pursuant to the Foreign Account Tax Compliance Act (''FATCA''), if FATCA applies to a debt instrument, a 30% U.S. federal withholding tax generally will apply to payments of interest made after June 30, 2014, and payments of gross proceeds of a sale or other disposition made after December 31, 2016, to foreign financial institutions and certain other non-U.S. entities (regardless of whether such institutions or entities hold the debt instrument as beneficial owners or as intermediaries). FATCA generally will apply to debt instruments issued by U.S. issuers but may also apply to debt instruments issued by certain non-U.S. issuers. There can be no assurance that the Notes will not be considered debt obligations subject to FATCA. If any FATCA withholding is imposed in respect of any payment on the Notes or any Note Guarantee, no Additional Amounts will be payable in respect of such FATCA withholding. However, this potential withholding under FATCA applies to payments we make on the Notes only if we are a foreign financial institution and we believe we are not and do not expect to become a foreign financial institution.

USE OF PROCEEDS

The gross proceeds from the sale of the Notes offered hereby are estimated to be approximately £800.0 million. We intend to use the proceeds from the sale of the Notes (i) to repurchase the 2018 Notes in the 2018 Notes Tender Offers and to redeem any 2018 Notes that remain outstanding in the 2018 Notes Redemption, in full, (ii) to pay costs and administrative expenses, taxes, fees and indemnities in connection with, or otherwise related to, the Transactions and (iii) for working capital and general corporate purposes. The table below sets forth a breakdown of the sources and uses of funds from the Offering of the Notes assuming a closing as of July 7, 2014.

Sources	Amount	Uses	Amount
	(in millions of £)		(in millions of £)
Notes offered hereby[(1)]	820	Refinancing of 2018 Sterling Notes[(3)]	400
New Revolving Facility[(2)]	—	Refinancing of 2018 Euro Notes[(3)(4)]	272
		Accrued interest and premiums[(3)]	63
		Fees and expenses[(5)]	13
		Cash overfund[(6)]	72
Total Sources	£ 820	**Total Uses**	£ 820

(1) Amount is comprised of the 2019 Notes, the 2021 Sterling Notes and the 2021 Euro Notes. The 2021 Euro Notes have been converted at an exchange rate of €1.00 to £0.8005. See ''Exchange Rate and Currency Information''.

(2) The New Revolving Facility provides for senior secured revolving credit borrowings of up to £60.0 million. See ''Description of Certain Financing Arrangements—New Revolving Facility''. We anticipate that the New Revolving Facility will be undrawn at closing and will be used for working capital and general corporate purposes.

(3) Represents the purchase of the 2018 Notes pursuant to the 2018 Notes Tender Offers. Assumes that 100% of the aggregate principal amount of the 2018 Notes will be purchased pursuant to the 2018 Tender Offers at the applicable tender price plus accrued and unpaid interest to the date of settlement of the 2018 Notes Tender Offers, which is expected to be the Issue Date. The 2018 Notes will be refinanced in full using the net proceeds of the Offering pursuant to the 2018 Notes Tender Offers. To the extent that any of the 2018 Notes are not tendered in the 2018 Tender Offers, we intend to redeem any such remaining aggregate principal amount of 2018 Notes pursuant to the 2018 Notes Redemption. See ''Summary—Recent Developments—2018 Notes Redemption''. Actual amounts used in connection with the refinancing of the 2018 Notes may differ from amounts shown above depending on the amount of 2018 Notes purchased in the 2018 Notes Tender Offers and the settlement date thereof.

(4) The 2018 Euro Notes have been converted at an exchange rate of €1.00 to £0.8005. See ''Exchange Rate and Currency Information''.

(5) Reflects our estimate of fees and expenses which we will pay in connection with the Transactions. Fees include commitment, placement, financial advisory and other transaction costs and professional fees. We currently intend to roll-over existing interest and currency hedging agreements and thus do not expect to incur any unwind costs with respect to these hedges.

(6) Represents the anticipated overfunded amount following the Transactions. Amount will be used for working capital and general corporate purposes. This amount may change depending on the date of closing of the Transactions the rolling over of our existing interest and currency hedging agreements and the principal amount of the 2018 Notes tendered in the 2018 Notes Tender Offers.

CAPITALIZATION

The following table sets forth the cash and cash equivalents and capitalization of the Company (i) as of April 26, 2014 and (ii) as adjusted to give effect to the Transactions, including the Offering and the use of proceeds therefrom.

This table should be read in conjunction with ''Use of Proceeds'', ''Selected Historical Financial Information'', ''Management's Discussion and Analysis of Financial Condition and Results of Operations'' and the Consolidated Financial Statements included elsewhere in these Listing Particulars.

	As of April 26, 2014	
	Historical	**Adjusted**
Cash and cash equivalents(1)	116	187
Indebtedness:		
2018 Sterling Notes(2)	400	—
2018 Euro Notes(2)(3)	272	—
Existing Revolving Facility(4)	—	—
Other debt(5)	13	13
New Revolving Facility(6)	—	—
Notes offered hereby (sterling and euro)	—	820(7)
Unamortized funding costs(8)	(14)	(13)
Total indebtedness	671	820
Shareholders' funds(9)	(23)	(88)
Total capitalization	648	732

(1) Assuming a closing on July 7, 2014, we would anticipate our cash and cash equivalents to be materially lower at the closing of the Transactions due to a semi-annual interest payment on the 2018 Notes paid on April 30, 2014, and normal intra-quarter changes in cash balances as result of ongoing business. We make an effort to ensure that we have cash on hand on a periodic basis, which results in periods when we have higher cash balances as compared to other periods.

(2) We assume that all of the outstanding 2018 Notes will be purchased pursuant to the 2018 Notes Tender Offers at the applicable tender prices plus accrued and unpaid interest. To the extent that any of the 2018 Notes are not tendered in the 2018 Notes Tender Offers, we intend to redeem such remaining aggregate principal amount pursuant to the 2018 Notes Redemption. See ''Summary—Recent Developments—2018 Notes Redemption'' and ''Use of Proceeds''. Completion of the 2018 Notes Tender Offers and the 2018 Notes Redemption is conditioned upon the completion of this Offering.

(3) The €340.0 million senior notes due 2018 have been converted at an exchange rate of €1.00 to £0.8005. See ''Exchange Rate and Currency Information''.

(4) The Existing Revolving Facility provides for revolving credit borrowings of up to £40.0 million and is currently undrawn. The commitments thereunder will be cancelled in connection with the Transactions. We currently intend to roll over our existing interest and currency hedging agreements.

(5) Represents obligations under finance leases. Our other debt does not include the mark-to-market liability under our outstanding interest and currency hedging agreements.

(6) The New Revolving Facility provides for revolving credit borrowings of up to £60.0 million. See ''Description of Certain Financing Arrangements—New Revolving Facility''. We anticipate that the New Revolving Facility will be undrawn at closing and will be used for working capital and general corporate purposes.

(7) Reflects an exchange rate of €1.00 to £0.8005. See ''Exchange Rate and Currency Information''.

(8) The ''Historical'' column reflects unamortized funding costs relating to the 2018 Sterling Notes and 2018 Euro Notes in an amount of £14 million. The ''Adjusted'' column includes unamortized funding costs of £13 million relating to the Notes offered hereby (sterling and euro).

(9) The ''Adjusted'' Shareholders' funds reflects the write-off of unamortized funding costs relating to the 2018 Sterling Notes and 2018 Euro Notes in an amount of £14 million and the refinancing premium related to the 2018 Sterling Notes and 2018 Euro Notes in the amount of £51 million.

SELECTED HISTORICAL FINANCIAL INFORMATION

The selected historical consolidated financial information of the Company as at July 30, 2011, July 28, 2012 and July 27, 2013 and for the 52 week periods then ended, have been derived from the Audited Consolidated Financial Statements included elsewhere in these Listing Particulars. The selected historical condensed consolidated financial information of the Company as at April 27, 2013 and April 26, 2014 and for the 39 week periods then ended have been derived from the Unaudited Interim Condensed Consolidated Financial Statements included elsewhere in these Listing Particulars. The Unaudited Interim Condensed Consolidated Financial Statements have been prepared using the same accounting principles and on the same basis as the Audited Consolidated Financial Statements and, in the opinion of management, include all adjustments, consisting of normal recurring adjustments necessary for a fair representation of interim results. These interim results are not necessarily indicative of results to be expected for the full year.

During the periods presented, we completed a number of acquisitions and disposals, which impacts the comparability of our results. These include the Northern Foods Acquisition, the acquisition of Amber, the Brookes Avana Acquisition and the Vion Acquisition. See ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Events that Affected our Results of Operations—Acquisitions and Dispositions.'' Our financial information includes the results of operations of acquired entities from the date of acquisition.

Solely for the convenience of the reader, the tables below also provide certain of the Company's financial data as of and for the 52 weeks ended April 26, 2014, which have been calculated by adding the results for the 52 weeks ended July 27, 2013 and the 39 weeks ended April 26, 2014, and subtracting the results for the 39 weeks ended April 27, 2013.

The selected consolidated financial information should be read in conjunction with ''Use of Proceeds'', ''Capitalization'' and ''Management's Discussion and Analysis of Financial Condition and Results of Operations'', as well as with the Consolidated Financial Statements contained elsewhere in these Listing Particulars.

Consolidated Profit and Loss Account Information

	52 weeks ended			39 weeks ended		52 weeks ended
	July 30, 2011*	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014	April 26, 2014
	(in millions of £)					
Turnover:						
Continuing operations[1]	1,376.1	2,339.2	2,884.6	2,008.0	2,544.7	3,421.3
Cost of sales[2]	(1,202.7)	(1,966.3)	(2,475.6)	(1,713.6)	(2,171.6)	(2,933.6)
Gross profit	173.4	372.9	409.0	294.4	373.1	487.7
Distribution costs	(77.6)	(134.1)	(168.4)	(118.6)	(159.0)	(208.8)
Administrative expenses						
—before exceptional items	(56.1)	(131.4)	(149.6)	(102.9)	(154.4)	(201.1)
—exceptional items[3]	—	—	(6.4)	(2.1)	(26.3)	(30.6)
Administrative expenses	(56.1)	(131.4)	(156.0)	(105.0)	(180.7)	(231.7)
Other income	2.4	0.7	1.1	0.6	0.7	1.2
Operating profit before exceptional items						
—existing operations	30.1	110.5	102.8	78.3	60.4	84.9
—acquisitions[4]	12.9	(2.4)	(10.7)	(4.8)	—	(5.9)
Operating profit before exceptional items	43.0	108.1	92.1	73.5	60.4	79.0
—exceptional items[3]	(0.9)	—	(6.4)	(2.1)	(26.3)	(30.6)
Operating profit	42.1	108.1	85.7	71.4	34.1	48.4
Exceptional items[5]	(28.6)	(3.2)	(19.1)	(13.2)	(53.3)	(59.2)
Share of operating (loss)/profit from joint ventures	—	(0.4)	0.1	(1.5)	(1.2)	0.4
Interest receivable and similar income	1.5	0.2	0.3	0.1	0.2	0.4
Interest payable and similar charges						
—interest and charges	(26.7)	(74.3)	(80.2)	(56.7)	(58.2)	(81.7)
—foreign exchange (loss)/gain on financial instruments	(0.8)	26.5	(21.7)	(20.8)	1.8	0.9
—exceptional items[6]	(11.2)	—	—	—	—	—
Total interest payable and similar charges	(38.7)	(47.8)	(101.9)	(77.5)	(56.4)	(80.8)
(Loss)/profit on ordinary activities before taxation	(23.7)	56.9	(34.9)	(20.7)	(76.6)	(90.8)
Tax on (loss)/profit on ordinary activities	4.6	(14.3)	1.4	(4.8)	8.5	14.7
Tax on share of (loss)/profit from joint ventures	(0.1)	(0.1)	—	—	—	—
(Loss)/profit on ordinary activities after taxation	(19.2)	42.5	(33.5)	(25.5)	(68.1)	(76.1)
Equity minority interest	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)	(0.2)
(Loss)/profit for the financial period	(19.3)	42.3	(33.7)	(25.6)	(68.2)	(76.3)

Consolidated Balance Sheet Information

	July 30, 2011	July 28, 2012	July 27, 2013	April 26, 2014
	(in millions of £)			
Cash at bank and in hand	57.0	144.8	134.3	115.5
Operating working capital(7)	(60.3)	(148.2)	(170.7)	(149.7)
Total assets	1,320.1	1,387.6	1,492.9	1,432.1
Tangible fixed assets	400.9	390.8	420.1	383.6
Total debt(8)	687.6	660.0	683.3	689.5
Shareholders' funds/(deficit)	166.2	71.9	49.5	(23.1)

Consolidated Cash Flow Statement Information

	52 weeks ended			39 weeks ended		52 weeks ended
	July 30, 2011	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014	April 26, 2014
	(in millions of £)					
Net cash inflow from operating activities	59.2	253.8	150.6	102.7	64.5	112.4
Returns on investments and servicing of finance	(18.9)	(72.3)	(72.5)	(36.7)	(38.2)	(74.0)
Taxation	(14.8)	(22.4)	(3.0)	(2.2)	(2.0)	(2.8)
Capital expenditure and financial investment	(45.6)	(30.6)	(42.7)	(30.6)	(46.9)	(59.0)
Cash outflows for acquisitions	(299.9)	(32.7)	(43.1)	(43.1)	—	—
Equity dividends paid	(16.7)	—	—	—	—	—
Financing	364.6	(4.1)	(4.3)	(3.0)	6.2	4.9
Increase/(decrease) in cash in the period	27.9	91.7	(15.0)	(12.9)	(16.4)	(18.5)

* The information for Fiscal Year 2011 has been extracted from the audited financial statements as of and for Fiscal Year 2011, except for financial information related to ''Administrative expenses'', ''Operating profit before exceptional items—Existing Operations'', ''Operating profit before exceptional items'', ''Operating profit'', ''Interest payable and other similar charges—foreign exchange gain/(loss) on financial instruments'', and ''Total interest payable and similar charges'', which has been extracted from the comparative information presented for Fiscal Year 2011 in the audited financial statements as of and for Fiscal Year 2012.

(1) Turnover from continuing operations includes turnover from existing operations and, in Fiscal Year 2011, Fiscal Year 2012, Fiscal Year 2013 and the 39 weeks ended April 27, 2013 includes £321.8 million, £95.3 million, £365.2 million and £135.7 million of turnover from acquisitions, respectively.

(2) Costs of sales in Fiscal Year 2011 includes exceptional items of £0.9 million related to the impairment of tangible fixed assets.

(3) Administrative expenses include the following exceptional items: (i) in Fiscal Year 2013, £3.0 million of integration costs relating to costs incurred in the acquisition and integration of the assets acquired in the Vion Acquisition, in addition to the £3.4 million of ongoing integration of the Northern Foods, Amber, Five Star Fish and Brookes Avana businesses; (ii) in the 39 weeks ended April 27, 2013, £2.1 million relating to the ongoing integration of the assets acquired in the Vion Acquisition; and (iii) in the 39 weeks ended April 26, 2014, £26.3 million, consisting of restructuring costs of £23.7 million related to the closure of our Haughley Park and Letham sites (costs comprise of £3.3 million relating to redundancies, fixed asset impairments of £11.0 million, £1.4 million in respect of production transferred and onerous lease and other site closure costs of £8.0 million), business disruption costs of £1.5 million relating to costs incurred resulting from a contamination incident at Corby and costs of acquisition and integration of £1.1 million largely relating to ongoing costs of integration of the assets acquired in the Vion Acquisition, and other acquired businesses.

(4) Operating profit/(loss) includes the following profit attributable to acquisitions: (i) in Fiscal Year 2011, £12.9 million profit attributable to the Northern Foods Acquisition; (ii) in Fiscal Year 2012, £2.4 million loss attributable to the Brookes Avana Acquisitions; (iii) in Fiscal Year 2013, £12.1 million loss attributable to the Vion Acquisition; and (iv) in the 39 weeks ended April 27, 2013, £4.8 million loss attributable to the Vion Acquisition.

(5) Exceptional items include: (i) in Fiscal Year 2011, £20.9 million in respect of a make-whole payment with respect to the senior guaranteed notes issued by Northern Foods in private placements completed in 2005 and 2010, which were repaid in full in connection with the Northern Foods Acquisition, £11.2 million of interest payable on acquisition financing fees in relation to the Northern Foods Acquisition, loss on sale or termination of an operation of £7.2 million representing acquisition costs in connection with the Northern Foods Acquisition, and £0.5 million related to the impairment of property, plant and equipment; (ii) in Fiscal Year 2012, integration costs of £4.2 million and other costs of £0.9 million, offset by a net gain of £1.9 million from disposals relating to the sale of the trade and assets of the food assembly operation at Colnbrook near London Heathrow and the sale of a subsidiary; (iii) in Fiscal Year 2013, £15.7 million in costs relating to the closure of the Leicester trading site

acquired as part of the Brookes Avana Acquisition, £1.6 million in costs relating to changes to our manufacturing footprint and £1.8 million book loss related to the disposal of nine surplus properties; (iv) in the 39 weeks ended April 27, 2013, costs of £12.2 million relating to the closure of the Leicester trading site and £1.0 million of additional costs of fundamental restructuring relating to changes to our manufacturing footprint; and (v) in the 39 weeks ended April 26, 2014, costs of £53.3 million relating to closure of our Corby and Avana sites (costs comprise of £11.4 million relating to closure costs incurred to date, £21.2 million relating to provision made for future trading losses and closure costs and £20.7 million in impairments of fixed assets).

(6) Relates to interest payable on acquisition financing fees in Fiscal Year 2011.

(7) We define ''operating working capital'' as the sum of stocks, debtors due within one year, less creditors: amounts falling due within one year.

	July 30, 2011	**July 28, 2012**	**July 27, 2013**	**April 27, 2013**	**April 26, 2014**
			(in millions of £)		
Stocks	94.3	102.0	152.5	146.5	148.1
Debtors due within one year	208.9	211.3	264.3	285.0	289.0
Creditors: amounts falling due within one year	(363.5)	(461.5)	(587.5)	(591.9)	(586.8)
Operating working capital	(60.3)	(148.2)	(170.7)	(160.4)	(149.7)

(8) We define ''total debt'' as the sum of bank loans (net of fees), bond notes (net of fees) and bonds and obligations under finance leases.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the Consolidated Financial Statements included elsewhere in these Listing Particulars. The financial statements of the Company are prepared in accordance with U.K. GAAP.

Some of the measures used in these Listing Particulars are not measurements of financial performance under U.K. GAAP, and should not be considered as an alternative to measures of performance derived in accordance with U.K. GAAP, see ''Non-GAAP Financial Measures''.

The following discussion contains forward-looking statements. Actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in these Listing Particulars, particularly under ''Forward-Looking Statements'' and ''Risk Factors''.

Overview

We were founded in 1993 and are one of the leading diversified food manufacturers in the U.K. with the number one position in the U.K. chicken market. We are headquartered in the U.K. with operations spanning the U.K., Ireland, the Netherlands and Poland. We operate a total of 49 manufacturing sites and we have more than 23,500 employees. Our business consists of three segments: Protein, Chilled and Branded.

- Protein: In the U.K., we supply raw chicken, beef, lamb and fish and added value protein products, such as partially cooked or seasoned meats, to leading grocery retailers, foodservice, manufacturing and other clients. We also sell chicken and chicken by-products to pet food and other manufacturers. Outside of the U.K. we supply raw chicken and added value products to customers in Ireland, the Netherlands and Poland and other worldwide export markets.
- Chilled: We have a diversified product offering, supplying a number of retailer own label brands across chilled categories including ready meals, sandwiches, chilled pizza and selected bakery products.
- Branded: We have a number of branded product offerings across both frozen and biscuits categories. Our frozen brands include *Goodfella's Pizza, Donegal Catch Fish, Green Isle Vegetables, Holland's* and *McDougalls Pies*, which we supply in the U.K. and Ireland. In the biscuit segment our *Fox's* biscuit brand serves the sweet category with a core presence in the U.K. and developing international sales.

Our customer base includes (i) leading grocery retailers in the U.K. and European markets such as Tesco, Marks & Spencer, Sainsbury's, Aldi and Asda, (ii) foodservice operators such as KFC and Pret-a-Manger and (iii) food manufacturers such as Birdseye, Bakkavör and Greencore.

Events that Affected Our Results of Operations

We have made a number of acquisitions and dispositions since the beginning of the fiscal year ended July 30, 2011. Our acquisitions and dispositions affect our results of operations and the period-to-period comparability of our financial statements. We account for our acquisitions using the purchase method, and the results of the acquired businesses are included in our results from the date of the acquisition.

Acquisitions and Dispositions

We have historically acquired companies which we believe fit into the business strategy for long term expansion. Generally, the criteria we evaluate in exploring potential acquisitions include the benefits of increasing capacity, customer coverage, geographical coverage and product offering. While we are focused on growing and investing in our existing sites, we will continue to consider potential other opportunities as we grow and may decide that there are opportunities available to us in the future. In addition, we have historically disposed of businesses when we have made a commercial assessment that there would be an economic benefit to doing so.

Acquisitions have included:

- *Brink.* On November 1, 2010, our subsidiary 2 Sisters Europe B.V. acquired all outstanding and issued shares in Brink Pluimveeprodukten Holding B.V. for a purchase price of £6.7 million.

- *Northern Foods Acquisition.* On April 7, 2011, we acquired 100% of the issued share capital of Northern Foods Plc (re-registered as Northern Foods Limited on May 27, 2011) and as a result also acquired all of its subsidiaries and investment interests. The fair value of the total consideration was £352.3 million.
- *Five Star Fish and Amber.* On April 7, 2011, we acquired 100% of the issued share capital of Five Star Fish Limited and 100% of the issued share capital of Amber Foods Limited for total consideration of £110.0 million.
- *Sprundel.* On August 1, 2011, our subsidiary 2 Sisters Europe B.V. acquired all outstanding and issued shares in Branderhorst Freshfood B.V. for a purchase price of €0.6 million. The name of the company has been changed into Storteboom Sprundel B.V.
- *Brookes Avana.* On December 30, 2011, we acquired the Brookes Avana business, consisting of RF Brookes and Avana Bakeries. The fair value of the total cash consideration was £36.9 million. During Fiscal Year 2012, the acquired business contributed £95.3 million to our turnover.
- *Vion U.K.* On March 8, 2013, we acquired the trade and operating assets of the Vion U.K. Poultry and fresh beef and lamb businesses through the acquisition of 100% of the issued share capital of 2 Sisters Red Meat Limited and 2 Sisters Poultry Limited for total consideration of £37.4 million. During our fiscal year ended July 27, 2013, the acquired entities contributed £365.2 million to our turnover (of which £148.6 million was attributable to the acquired poultry operations and £216.6 million was attributable to the acquired fresh beef and lamb operations) and negative £7.9 million to our Adjusted EBITDA, and had a pre-exceptional operating loss of £10.7 million. We are currently on track to successfully implement our two-year integration plan for the Vion assets, which consists of facility rationalization and other cost-saving strategies that will bring these assets into profitability alongside our existing Protein operations.

Dispositions have included:

- *Dalepak.* In August 2010, Northern Foods, which we acquired on April 7, 2011, pursuant to the Northern Foods Acquisition, disposed of the Dalepak Frozen Foods (''Dalepak'') business to the Irish Food Processors Group, for net cash consideration of £6.1 million. Dalepak is a supplier of frozen food products, including meat and meat free grills, with brands such as Dalepak, Ross' and Grassington's. Of the proceeds from this transaction, £3.0 million was paid into the Northern Foods Pension Schemes as a special contribution.
- *Northern Foods Insurance Limited.* On March 27, 2012, we sold our subsidiary, Northern Foods Insurance Limited, for proceeds of £0.9 million, resulting in a loss of £0.3 million. The principal activity of the Company had been the underwriting of insurance risks for the Northern Foods group, but no premiums had been written for several years.
- *Colnbrook.* On July 27, 2012, we sold our food assembly operation at Colnbrook, near London Heathrow airport, to DHL Supply Chain. This disposition allows DHL to manage all the logistics activity associated with operations that supply British Airways, but we continue to supply food to British Airways via DHL on its short haul routes from London Heathrow. The trade and assets were sold for cash proceeds of £5.5 million, and the sale resulted in a gain of £2.2 million.
- *Avana Christmas Puddings Assets.* In accordance with the Office of Fair Trading decision regarding the Brookes Avana Acquisition, we sold the assets and business of the Avana Christmas puddings business, which sale became unconditional on October 26, 2012, for proceeds of £250,000.
- *Letham.* On December 8, 2013, we sold the Letham business in relation to the slaughter and processing of Halal chickens for proceeds of £1.00.

Factors that Affect Our Results of Operations

You should also consider the following factors when analyzing our financial condition and results of operations.

Consumer Preferences

We derive a substantial portion of our turnover and profits from the sale of protein, chilled and branded ambient and frozen food products to food retail customers, who resell these products to consumers in the United Kingdom. Our results of operations and financial condition are particularly affected by economic developments in the United Kingdom that affect consumer spending generally, as well as specific factors that affect consumer demand for retailer-branded fresh prepared foods.

The key impetus behind the growth of fresh prepared foods is consumer demand, which reflects changes in, and influences from, demographic, lifestyle and economic trends. In particular, we believe the U.K. consumer is increasingly focused on trends relating to health, quality and provenance, value and convenience. In addition to traditional chilled ready meals, consumers are increasingly turning to ''ready to cook'' poultry and beef offerings, and, following the horsemeat scandal, U.K. consumers have also expressed a strong preference for U.K.-sourced protein products. Accordingly, our financial performance depends on our ability to develop and produce food products that are in line with these consumer trends, as well as any future trends that may develop. We believe we are well placed with our integrated supply chain and strength in poultry to meet future growth trends.

We believe consumers view poultry largely as good value, healthy protein and as a non-discretionary item, which is demonstrated by the fact that during the recent economic downturn the U.K. and E.U. poultry markets have continued to grow, as poultry is an affordable, healthy source of protein. However, while the retail food sector has demonstrated resilience during periods of economic downturn, general economic factors may affect consumer confidence and levels of disposable income in general, which could result in consumers adopting a cautious approach to food spending, and seeking to economize by taking advantage of promotional offers, price reductions and value ranges offered by retailers seeking to attract customers. During such times of economic stress, consumers tend to shop around to find the best deals, and retailers seek to earn consumer loyalty by offering lower prices be that by promotions or offering ranges of products at different price points. Over the last three years, we have seen an increase in promotional activity with our retail customers across many product sectors. When our customers initiate such promotional offers or price reductions, in exchange for increases in sales volumes, they often seek additional discounts on the prices they pay. Although such activities may result in increased turnover due to increased volumes, this could have a negative impact on our profit percentage margins. However, we believe our efficient supply chain and flexible operations allow us to achieve economies of scale as a result of such increased volumes, which could mitigate any reduction in price. See ''—Supply Chain and Operating Fundamentals''. In addition, we have generally been able to offset the effect of such promotional activity through increased sales volumes. Further, through our comprehensive range of branded and own label products, we are able to effectively cater to the full spectrum of consumer demands, which has assisted us to grow our turnover period over period on a like-for-like basis during the last three full fiscal years despite difficult trading conditions.

Supply Chain and Operating Fundamentals

We believe our supply chain position in the U.K. is strong and offers high ''farm to fork'' traceability. Our poultry business is vertically integrated through Hook 2 Sisters, our joint venture with P D Hook, which reduces our risk of availability of U.K. poultry for processing in a market where demand exceeds supply. Hook 2 Sisters is one of three suppliers of live birds to 2 Sisters FG in the U.K., supplying approximately half of our weekly live bird requirements, with a large portion of our remaining live bird requirement supplied by 2 Agriculture Limited, a related party non-group company that was the supplier to the U.K. poultry business acquired through the Vion Acquisition. In addition, through Storteboom in the Netherlands we are able to scale up our E.U. poultry operations to meet increased demand in the U.K. Our overall supply chain also includes one of our business units, which vertically integrates within our supply chain the disposal of waste and by-products from all of our business segments for processing by third parties.

In addition, we believe that the nature of our manufacturing process with regards to our Protein segment and the sourcing of protein as an ingredient for ready meals in our Chilled segment enables us to move inventory quickly through our manufacturing facilities in both the U.K. and mainland Europe providing us with a platform to source key raw materials on a preferential or exclusive basis. Other than two sites in our Chilled segment dedicated to Marks & Spencer, none of our facilities are dedicated to a specific customer. As a result of this supply chain flexibility, we believe that we are able to accommodate increased volumes from our customers on very short notice, further enhancing our strong existing customer relationships. Further, our leading market position and the significant sales volumes we generate provide us with strong buying power with our suppliers and enable us to achieve economies of scale and cost efficiencies across our supply chain and competitive pricing, without sacrificing product quality. We believe that these factors have positive effects on our ability to increase turnover and profit margin.

In March 2013, pursuant to the Vion Acquisition, we acquired the U.K. poultry and fresh beef and lamb operations of Vion Food Group, securing a key supply chain for British beef, lamb and additional poultry capacity to satisfy customer demand for end-to-end supply chain integrity. For example, following the horsemeat scandal in the U.K. in 2013, all testing of our products indicated no traces of horse DNA. In our Chilled segment, we are able to source protein (primarily poultry and now potentially beef and lamb) from our Protein segment for use in our ready meals.

Retail Trends

We focus on providing major food retailers with food products offered by our Protein, Chilled and Branded segments, many of which are sold under the retailers' own brands. Accordingly, our results of operations and financial condition depend on our ability to help our customers anticipate and respond to trends in the retail food industry so that they and their customers will purchase the products we manufacture.

Retailers are increasingly turning to retailer-branded products and management estimates retailer branded products account for approximately three-quarters of the products that we supply through our Chilled and Branded segments. As a way to grow our business, improve margins and enhance customer loyalty, we actively work with our retail customers, who typically aim to update or change their own label ranges once every twelve months, to develop new products that fulfill this retail trend. As an example, we derived significant turnover from Marks & Spencer through their development, with our assistance, of the Oakham brand, their primary own label poultry brand. We also launched a number of new products to bring consumers back into the beef ready meals category following the horsemeat scandal.

In addition, retailers in the U.K. continue to experience strong price competition and the increasing market presence of discount retailers. Consumers are increasingly turning to the ''split shop'', or shopping at both premium and discount retailers, rather than sourcing all of their grocery needs from one retailer. There is also an increasing trend towards online grocery shopping. With our scale and diversity, we are well placed to meet these differing needs, working with customers to produce innovative products that allow them to differentiate themselves, and also maintain a margin, and also to supply discounters.

We believe opportunities exist to expand our share of our retail customers' Protein offerings, both in the U.K. and within mainland Europe, particularly given the increasing demand for British-sourced poultry and beef. We believe we are well positioned to capitalize on both of these opportunities. Furthermore, both the poultry and fish markets are forecasted to grow.

In addition, while our E.U. poultry business was historically focused principally on the supply of poultry to manufacturers and wholesalers, our strategy is to further diversify our E.U. poultry operations into the supply of poultry to retailers within the E.U., a business which typically generates higher margins, for example we supply Jumbo in the Netherlands. Retail customers comprised approximately 25% of turnover in the E.U. for the 52 weeks ended April 26, 2014.

Competition

Competition between manufacturers in the chilled and branded markets is strong. These markets are served by a number of well-established, national and international manufacturers within single or multiple product categories, and we face competition with regard to both branded and retail own label products. Our ability to compete effectively requires us to be successful in the sales and marketing of our existing products, new product development and innovation and cost rationalization. Furthermore, we cannot predict the pricing, promotional or marketing actions of our competitors or their effect on our ability to market and sell products. We expect promotional sales activity to remain intense and we may be required to increase promotional sales activity in response to market conditions to ensure our products remain competitive. Increases in our promotional sales activity and costs may not, however, translate into increases in volumes sold if the promotional trend is market-wide and also adopted by our competitors.

Changes in Prices of Raw Materials

Our results of operation and financial condition are affected by the cost of raw materials, and particularly the cost of feed and other input costs in our Protein segment are commodities such as wheat, fats and other food ingredients in our Chilled and Branded segments. For example, in our poultry business, the cost of feed and feed-related costs (which includes the cost of day old chicks) generally accounts for a substantial amount of our live bird costs and a large portion of the turnover in our poultry business.

Although there are no long term contracts with our retail customers, our Protein segment sells under well-established business terms. This type of customer relationship provides us with the flexibility to modify the prices we charge to our customers as the price of raw materials fluctuates. We have generally been able to achieve price increases from our customers as the price of raw materials increases, albeit with time lags, and have recently negotiated a ratchet mechanism with a significant number of our poultry customers whereby our prices are based on raw material prices. Due to our market share and strong relationships within the U.K. protein market, as well as the transparency that our customers have over the price of feed, the key raw material in the segment, we are able to recover raw material price increases more promptly in our Protein segment than in the Chilled and Branded segments, where the dynamics are more complex due to the wider range of raw material inputs. The time lags associated with recovery of raw material price increases in our Chilled and Branded segments have been increasing due to increasing downward price pressure on retailers and the increasing market share of the discount retailers.

Our strength in negotiating price increases is underpinned by our long term and ongoing relationships with our core customers, which we believe is critical in this business. As is typical with other suppliers in the retail food industry, we have used a number of ways to recover costs associated with increases in raw material and commodity prices. In addition, we attempt to reduce our exposure to price fluctuations to some extent over the short term by contracting when possible at opportune moments during the year. Although we believe we have been successful in recovering the costs associated with increased raw material and commodity prices, our ability to do so depends on the competitive conditions and the pricing environment of our relevant end-markets. There can be no guarantee that we will be able to pass on cost increases on a timely basis and/or in full to its customers through price rises. The failure to pass on the full impact of price increases on a timely basis may adversely affect our results of operation, financial condition and/or prospects. Even if we are able to pass through increases in prices, there is typically a time lag between cost increases impacting the business and implementation of product price increases, during which time our gross margin may be affected. We have limited price negotiation power for our retail own label products and certain of our smaller brands which makes us sensitive to cost increases in respect of such products. As a result of the foregoing factors, sequential quarterly comparisons may not be a reliable indication of our performance or how we may perform in the future.

We control costs by engaging in ongoing price negotiations with our suppliers, consolidating our supplier base and utilizing in-house processes instead of outsourcing. Due to the nature of our joint venture with P D Hook, which secures a substantial amount of our supply of chicks in the U.K., any increase or decrease in the prices to be paid by Hook 2 Sisters for feed is immediately passed on to us. We believe we have been successful in passing on price increases to our customers, and increasingly we are reducing risk in poultry by agreeing ratchets based on commodity price movements, albeit with certain time lags between cost increases and the implementation of price increases. Without an agreed ratchet however there can be no guarantee that our customers will agree to price increases in the future, in which case we must either look to recover our margins indirectly, either by agreeing on lower promotional contributions on future activity or reducing agreed discounts to our customers, which can have an impact on our ability to increase turnover, as well as our operating results and financial condition.

The price of feed has fluctuated over the last several years. For example, the average feed price as invoiced by an external party to Hook 2 Sisters changed by 18% between April of 2014 and March 2013. The price of feed increased over 20% from June 2012 to December 2012. Although we believe we successfully passed such increases on to our customers during this period, we believe we still had a decrease in our gross profit margin due to the time lag it takes for price negotiations to become effective with our customers. However, we believe we continue to be successful in renegotiating price increases with our customers. In the same way that there is a lag time in price increases being obtained, the business has also historically had periods where the price of feed decreases and there has been a time lag in returning the price decrease to the customer which allows for periods of increased profits. We are pursuing a strategy to make the pass through of feed price increases and decreases more mechanical in the arrangements we have with our customers in our poultry business, which we believe will mitigate this commodity risk. We continually monitor our raw material exposure. Our hedging policy with respect to poultry feed has evolved, from ad hoc purchases to a more formal policy.

Large scale food processing is also an energy intensive operation. We manage energy price exposure by entering into flex deals with energy suppliers whereby the commodity element is not fixed by the supplier so that we are able to manage the commodity exposure through the ability to buy and sell if necessary at times of our choosing. There can be no guarantee that we will be able to manage our energy usage or costs efficiently or that it will enter into fixed price arrangements to cover our future energy requirements on reasonable terms or at all. If energy prices were to increase, this could have an adverse effect on our performance. Our joint venture with P D Hook uses significant amounts of natural gas to heat its poultry growing facilities. Through our price ratchet mechanism, any increase or decrease in the price of natural gas is passed on to 2 Sisters FG. These increased costs also mean that we may, during certain periods, pay more for the purchase of live birds from our joint venture than would be the case for third-party purchases. If we were unable to pass these cost increases on to customers it would decrease our gross profit margin.

Although there is no similar joint venture agreement in our European business, increases in both the cost of feed and the cost of natural gas may impact the business due to the prices which our agricultural partners in Europe charge us being increased as their cost base is increased.

Other supplementary raw materials, including plastics and cardboard, are used in our manufacturing processes. Although such raw materials represent a relatively minor portion of our cost base, the price of these commodities is subject to fluctuation. An increase in the price of plastics or cardboard necessary for the packaging of our poultry products would have an impact on our operating results if we were unable to pass such increased costs along to our customers.

Customer relationships

Our top five customers by turnover, which include Tesco, Marks & Spencer, Sainsbury’s, Aldi and Asda, accounted for 61.0% of our turnover for the 52 weeks, with our top customer representing 28.4% of our turnover for the same period. The strength of these major food retailers bargaining position gives them significant leverage over suppliers in negotiating pricing, product specification and the level of supplier participation in promotional campaigns and offers. This leverage impacts the prices that we are able to negotiate for our products and ultimately our turnover and profitability.

In addition, the number and market share of discount retailers has grown in recent years, which has led to increased price competition between retailers, further intensifying pressure on prices for suppliers operating within our business segments. There is a risk that price pressure will continue and/or increase in the future and this will affect both the prices that we are able to negotiate for our products and ultimately turnover and profitability. In addition, we rely on a few major retailers in the U.K. for a large portion of our sales, and our results of operations could be materially impacted if such retailers continue to experience difficult trading conditions and lose market share to discount retailers.

Further, U.K. grocery retailers have also reduced the number of suppliers with which they do business to niche suppliers and a few, large scale suppliers, such as 2 Sisters, and have increasingly sought to pass responsibility (and associated costs) for quality control and procurement and storage to key suppliers. The increased competition arising from this trend, along with the increased costs passed to suppliers, could affect our results of operations. As part of the general terms of business we have with our retail customers, from time to time we also enter into arrangements where we are responsible for paying over rider discounts (value rebates) to such customers based on agreed levels of volumes and agreed sales percentages.

Seasonality

We operate a diversified portfolio with individual seasonal trading patterns, including Christmas seasonal build in our Chilled and Branded segments. However, our results as a whole are not seasonal in nature. Our Protein segment is generally not subject to significant seasonal fluctuation. While the product mix may change seasonally, for example with a buildup of stock in advance of the Christmas season, there is generally a continued demand for poultry and fresh beef and lamb throughout the year. However, extreme cold or adverse weather conditions during the winter months may delay shipping of our products and increase energy related expenses, while extreme heat in the summer months may increase the risk of temperature contamination of our products. In addition, our Chilled and Branded segments are subject to certain seasonal fluctuations. Turnover and cash flow in Chilled and Branded segments are historically greater in the autumn and winter months, primarily as a result of the increased demand for our biscuits, Christmas puddings and ready meals. Although approximately one half of our turnover is generated in the second half of our fiscal year, between the months of October and March, approximately 60% of our Adjusted EBITDA is generated in the same period. This reflects increased sales of the higher margin products in our ambient business during the Christmas period. However, although we experience seasonality by division, working capital for the overall group is generally flat over the course of each fiscal year. Of our total turnover in the fiscal year ended July 27, 2013, 21%, 22%, 27% and 30% was generated in the first quarter, second quarter, third quarter and fourth quarter, respectively.

Currency Fluctuations

We incur a portion of our expenses in currencies other than the pound sterling, including the euro and the Polish złoty. While nearly all of our turnover was derived in pounds sterling in the fiscal year ended July 28, 2012 and the fiscal year ended July 27, 2013, 23% of our turnover in the fiscal year ended July 27, 2013 was derived from subsidiaries whose functional currency is other than the pound sterling, largely the euro. Approximately half of our sales by foreign subsidiaries are made in a currency different to that in which the costs associated with such sales are denominated. If we are unable to match sales received in foreign currencies with costs paid in the same currency, our results of operations could be impacted by currency exchange rate fluctuations. Therefore, as appropriate, we will seek to mitigate the effect of exchange rate fluctuations through the use of derivative financial instruments.

We present our Consolidated Financial Statements in pounds sterling. As a result, we must translate the assets, liabilities, turnover and expenses of all of our operations with a functional currency other than the pound into pounds at the applicable exchange rates, being the spot rate for assets and liabilities, and the average period rate for turnover and expenses. Consequently, increases or decreases in the value of the pound may affect the value of these items with respect to our non-pound sterling businesses in our financial statements, even if their value has not changed in their currency. For example, a stronger pound sterling will reduce the reported results of operations of the non-pound sterling businesses and conversely a weaker pound sterling will increase the reported results of operations of the non-pound sterling businesses. These translations could significantly affect the comparability of our results between financial periods or result in significant changes to the carrying value of our assets, liabilities and shareholders' funds. We record the effects of these translations in our consolidated statement of comprehensive income as exchange differences on translation of foreign operations.

Factors that Affect Comparability of Results

We completed a number of acquisitions and disposals in the periods under review that impact the comparability of our results. See ''—Events that Affected Our Results of Operations—Acquisitions and Dispositions''.

Financial Periods

We present our annual accounts as at the Saturday closest to July 31 of each year, which occasionally results in a 53 week financial year.

Segments

For purposes of this Management's Discussion and Analysis of Financial Condition and Results of Operations we present certain information by dividing our business into three operating segments:

- Protein: In the U.K., we supply raw chicken, beef, lamb and fish and added value protein products, such as partially cooked or seasoned meats, to leading grocery retailers, foodservice, manufacturing and other clients. We also sell chicken and chicken by-products to pet food and other manufacturers. Outside of the U.K. we supply raw chicken and added value products to customers in Ireland, the Netherlands and Poland and other worldwide export markets.
- Chilled: We have a diversified product offering, supplying a number of retailer own label brands across chilled categories including, sandwiches, chilled pizza and selected bakery products.
- Branded: We have a number of branded product offerings across both frozen and biscuits categories. Our frozen brands include *Goodfella's Pizza, Donegal Catch Fish, Green Isle Vegetables, Holland's* and *McDougalls Pies*, which we supply in the U.K. and Ireland. In the biscuit segment our *Fox's* biscuit brand serves the sweet category with a core presence in the U.K. and developing international sales.

Explanation of Profit and Loss Account Items

Below is a summary description of the elements comprising the key line items of our profit and loss account and other related measures.

Turnover

Turnover represents amounts receivable for goods and services dispatched in the normal course of business, net of trade discounts or rebates, VAT and other sales-related taxes. Turnover from existing operations is turnover (as described above) which is obtained from operations that have been held for the complete duration of the financial period. Turnover from acquisitions relates to turnover obtained from businesses which were acquired during the relevant period. These consist of the Vion U.K. fresh beef and lamb, and poultry business acquired in the fiscal year ended July 27, 2013, pursuant to the Vion Acquisition, the Brookes Avana Acquisition in the fiscal year ended July 28, 2012 and in the fiscal year ended July 30, 2011 the Northern Foods plc businesses acquired pursuant to the Northern Foods Acquisition.

Cost of Sales

Cost of sales relates to the cost of goods and services directly related to the production and manufacture of the businesses products. This includes but is not limited to the price of chicken, beef, fish, packaging, direct wages, energy, rent of production facilities, direct agency cost and depreciation on assets used in the manufacturing process.

Gross Profit

Gross profit is total turnover less cost of sales.

Distribution Costs

Distribution costs relate to the cost of transporting finished product from the production facilities to the customers, as well as transferring product between group companies and separate sites, including moving primary products to sites for further processing.

Administrative Expenses

Administrative expenses consist of costs which form part of the overhead of the business but are not directly related to production. These include wages and salaries of administrative staff, amortization of goodwill, IT support facilities and legal and professional costs.

Other Income

Other income includes the amounts receivable as insurance income and income from government grants in the relevant periods. There is no other income of note.

Operating Profit before Exceptional Items

Operating profit is the total of turnover less the cost of sales, administrative expenses and distribution costs. For the purpose of the discussion in this ''Management's Discussion and Analysis of Financial Condition and Results of Operations'', this is split into operating profit arising from existing operations and acquisitions, before exceptional items.

Exceptional Items After Operating Profit

Exceptional items reported after operating profit consist of loss or profit on sale or termination of an operation, interest payable on acquisition financing fees, impairment of fixed assets, make-whole costs on redemption of debt instruments, costs of fundamental reorganization or restructuring and loss or profit on the sale of fixed assets.

Share of Operating (Loss)/Profit from Joint Venture

This relates to the 50% share of the results from our joint venture operations. For the periods referred to herein, this relates primarily to the Hook 2 Sisters joint venture. See ''Business—Joint Ventures—Hook 2 Sisters''. In addition, this includes the 50% share of results from our joint venture with Reliance Home Products Private Limited prior to December 18, 2013, when we sold our interest in the venture.

Net Interest

We refer to net interest as total interest payable and similar charges net of interest receivable and similar income.

Tax

Tax relates to the combined groups' tax charge. This will be impacted by the different jurisdictions in which the group operates. The tax charge is split between tax payable on ordinary activities and tax payable on profit from our joint venture.

Profit on Ordinary Activities after Taxation

Profit on ordinary activities after taxation relates to the operating profits after the addition (or deduction) of net interest, taxes and share of operating profits from our joint ventures.

Equity Minority Interest

Equity minority interest is the share of profits that relate to the 4% shareholding in Storteboom Hamrol Sp. z o.o. that is not owned by us, and as such, is not retained profits for our business.

Profit for the Financial Period

Profit for the financial period relates to the profit on ordinary activities less the equity minority interest of our business.

Operating Profit Margin

Operating profit margin is calculated as operating profit/(loss) from existing or continuing operations, before exceptional items, divided by turnover for the period.

Like-for-Like Measures

Like-for-like measures are comparisons of results from one fiscal period as compared to the corresponding prior fiscal period. Results in the periods are adjusted to address acquisitions, disposals and discontinued operations as well as the impact of changes in foreign exchange rates. Set forth below are the adjustments to our Group statutory profit and loss accounts to derive like for like measures for the periods presented in these Listing Particulars.

39 weeks ended April 26, 2014 compared to 39 weeks ended April 27, 2013

- The 39 weeks ended April 26, 2014 were adjusted to reflect the elimination of: (i) sales associated with the Vion Aquisition; (ii) sales associated with our Corby and Avana sites which have been discontinued; and (iii) the impact of the changes in foreign exchange rates.
- The 39 weeks ended April 27, 2013 were adjusted to reflect; (i) the elimination of sales associated with our Corby, Avana and Leicester sites which have been discontinued; and (iii) the reallocation of our Haughley Park added value poultry business from our Chilled segment to our Protein segment.

52 Weeks ended July 27, 2013 compared to 52 weeks ended July 28, 2012

- The 52 weeks ended July 27, 2013 were primarily adjusted to reflect the elimination of: (i) sales associated with the Vion Aquisition and Brookes Avana Acquisition; (ii) sales associated with Colnbrook which has been sold; and (iii) the impact of the changes in foreign exchange rates.
- The 52 weeks ended July 28, 2012 were adjusted to reflect the elimination of sales associated with Colnbrook which has been sold.

52 weeks ended July 28, 2012 compared to 52 weeks ended July 30, 2011

- The 52 weeks ended July 28, 2012 were adjusted to reflect the elimination of: (i) sales associated with the Brookes Avana Acquisition; and (ii) the impact of the changes in exchange rates.
- The 52 weeks ended July 30, 2011 are based on the statutory financials for such period adjusted on a *pro forma* basis to reflect the Northern Foods Acquisition and the acquisitions of Five Star Fish and Amber as if such acquisitions had occurred at the beginning of the period. This *pro forma* financial information was further adjusted to eliminate sales associated with Sprundel.

Results of Operations

The following tables set out, for the periods presented, our consolidated profit and loss account. The information contained in the table below should be read in conjunction with the Consolidated Financial Statements contained elsewhere in these Listing Particulars.

	52 weeks ended			39 weeks ended	
	July 30, 2011*	**July 28, 2012**	**July 27, 2013**	**April 27, 2013**	**April 26, 2014**
			(in millions of £)		
Turnover:					
Existing operations	1,054.3	2,243.9	2,519.4	1,872.3	2,544.7
Acquisitions	321.8	95.3	365.2	135.7	—
Continuing operations	1,376.1	2,339.2	2,884.6	2,008.0	2,544.7
Cost of sales	(1,202.7)	(1,966.3)	(2,475.6)	(1,713.6)	(2,171.6)
Gross profit	173.4	372.9	409.0	294.4	373.1
Distribution costs	(77.6)	(134.1)	(168.4)	(118.6)	(159.0)
Administrative expenses					
—before exceptional items	(56.1)	(131.4)	(149.6)	(102.9)	(154.4)
—exceptional items	—	—	(6.4)	(2.1)	(26.3)
Administrative expenses	(56.1)	(131.4)	(156.0)	(105.0)	(180.7)
Other income	2.4	0.7	1.1	0.6	0.7
Operating profit:					
—existing operations, before exceptional items	30.1	110.5	102.8	78.3	60.4
—acquisitions	12.9	(2.4)	(10.7)	(4.8)	—
Operating profit before exceptional items	43.0	108.1	92.1	73.5	60.4
—exceptional items	(0.9)	—	(6.4)	(2.1)	(26.3)
	42.1	108.1	85.7	71.4	34.1
Exceptional items:					
—(loss)/profit on the sale or termination of an operation	(7.2)	1.9	(15.7)	(12.2)	(32.6)
—costs of fundamental restructuring	(21.4)	(5.1)	(1.6)	(1.0)	—
—loss on disposal of fixed asset	—	—	(1.8)	—	—
—impairment of fixed assets	—	—	(1.8)	—	(20.7)
	(28.6)	(3.2)	(19.1)	(13.9)	(53.3)
Share of operating (loss)/profit from joint venture	—	(0.4)	0.1	(1.5)	(1.2)
Interest receivable and similar income	1.5	0.2	0.3	0.1	0.2
Interest payable and similar charges					
—before foreign exchange on financial instruments	(26.7)	(74.3)	(80.2)	(56.7)	(58.2)
—foreign exchange on financial instruments	(0.8)	26.5	(21.7)	(20.8)	1.8
—exceptional items	(11.2)	—	—	—	—
Total interest payable and similar charges	(38.7)	(47.8)	(101.9)	(77.5)	(56.4)
(Loss)/profit on ordinary activities before taxation	(23.7)	56.9	(34.9)	(20.7)	(76.6)
Tax on (loss) / profit on ordinary activities	4.6	(14.3)	1.4	(4.8)	8.5
Tax on share of (loss)/profit from joint ventures	(0.1)	(0.1)	—	—	—
(Loss)/profit on ordinary activities after taxation	(19.2)	42.5	(33.5)	(25.5)	(68.1)
Equity minority interest	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)
(Loss)/profit for the financial period	(19.3)	42.3	(33.7)	(25.6)	(68.2)

* The information for Fiscal Year 2011 has been extracted from the audited financial statements as of and for Fiscal Year 2011, except for financial information related to ''Administrative expenses'', ''Operating profit—Existing Operations before exceptional items'', ''Operating profit before exceptional items'', ''Operating profit'', ''Interest payable and similar charges—foreign exchange on financial instruments'', and ''Total interest payable and similar charges'', which has been extracted from the comparative information presented for Fiscal Year 2011 in the audited financial statements as of and for Fiscal Year 2012.

The following tables set out our turnover, operating profit and Adjusted EBITDA by business segment, and our turnover by geographic destination, for the periods presented.

Financial and Other Information by Business Segment and Geography

Turnover by Business Segment

	52 weeks ended		39 weeks ended	
	July 28, 2012	July 27, 2013	April 27, 2013[(a)]	April 26, 2014
	(in millions of £, except percentages)			
Protein	1,083.0	1,535.7	1,020.0	1,620.3
% Growth	*1.0%*	*41.8%*	—	*58.9%*
% Like-for-like growth[(b)]	*10.1%*	*9.2%*	—	*11.3%*
Chilled	793.5	896.2	678.3	625.4
% Growth	*351.4%*	*12.9%*	—	*(7.8)%*
% Like-for-like growth[(b)]	*10.5%*	*5.2%*	—	*(1.6)%*
Branded	462.7	452.7	309.7	299.0
% Growth	*261.2%*	*(2.2)%*	—	*(3.5)%*
% Like-for-like growth[(b)]	*6.8%*	*(1.9)%*	—	*(4.2)%*
Total	**2,339.2**	**2,884.6**	**2,008.0**	**2,544.7**
% Growth	*70.0%*	*23.3%*	—	*26.7%*
% Like-for-like growth[(b)]	*9.5%*	*5.6%*	—	*4.8%*

(a) Protein segment turnover for the 39 weeks ended April 27, 2013 includes the results of Five Star Fish, which we moved from our Branded segment to the Protein segment in the second quarter of the 2014 fiscal year.

(b) Like-for-like measures are comparisons of results of one fiscal period as compared to the corresponding prior fiscal period taking certain adjustments into account. For an explanation of adjustments in each period, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Like-for-Like Measures''.

Turnover by Geographic Destination

	52 weeks ended		39 weeks ended	
	July 28, 2012	July 27, 2013	April 27, 2013	April 26, 2014
	(in millions of £, except percentages)			
United Kingdom	1,982.8	2,476.1	1,725.9	2,187.2
% Growth	*84.6%*	*24.9%*	—	*26.7%*
Other European	354.5	404.7	281.2	351.9
% Growth	*17.4%*	*14.2%*	—	*25.1%*
Other	1.9	3.8	0.9	5.6
% Growth	*850.0%*	*100.0%*	—	*522.2%*

Operating Profit/(Loss) by Business Segment Before Exceptional Items

	52 weeks ended		39 weeks ended	
	July 28, 2012**	**July 27, 2013**	**April 27, 2013[(a)]**	**April 26, 2014**
	(in millions of £, except percentages)			
Protein	59.4	52.0	40.8	52.4
% Margin	*5.5%*	*3.4%*	*4.0%*	*3.2%*
% Like-for-like Margin[(b)]	*5.5%*	*5.3%*	*3.7%*	*5.2%*
Chilled	34.1	23.6	21.7	(12.0)
% Margin	*4.3%*	*2.6%*	*3.2%*	*(1.9)%*
% Like-for-like Margin[(b)]	*4.9%*	*3.0%*	*3.8%*	*(2.0)%*
Branded	14.6	16.5	11.0	20.0
% Margin	*3.2%*	*3.6%*	*3.6%*	*6.7%*
% Like-for-like Margin[(b)]	*3.2%*	*3.6%*	*3.6%*	*6.7%*
Total	**108.1**	**92.1**	**73.5**	**60.4**
% Margin	*4.6%*	*3.2%*	*3.7%*	*2.3%*
% Like-for-like Margin[(b)]	*4.9%*	*4.2%*	*3.7%*	*3.3%*

(a) Protein segment operating profit before exceptional items for the 39 weeks ended April 27, 2013 includes the results of Five Star Fish, which we moved from our Branded segment to the Protein segment in the second quarter of the 2014 fiscal year.

(b) Like-for-like measures are comparisons of results of one fiscal period as compared to the corresponding prior fiscal period taking certain adjustments into account. For an explanation of adjustments in each period, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Like-for-Like Measures''.

Adjusted EBITDA by Business Segment

	52 weeks ended		39 weeks ended	
	July 28, 2012	**July 27, 2013**	**April 27, 2013[(a)]**	**April 26, 2014**
	(in millions of £, except percentages)			
Protein	82.8	78.2	58.1	76.8
% Margin	*7.6%*	*5.1%*	*5.7%*	*4.7%*
% Like-for-like Margin[(b)]	*7.6%*	*7.3%*	*5.5%*	*6.9%*
Chilled	66.3	57.3	47.3	12.4
% Margin	*8.4%*	*6.4%*	*7.0%*	*2.0%*
% Like-for-like Margin[(b)]	*9.6%*	*7.0%*	*7.9%*	*2.1%*
Branded	41.2	42.5	29.8	38.0
% Margin	*8.9%*	*9.4%*	*9.6%*	*12.7%*
% Like-for-like Margin[(b)]	*8.8%*	*9.4%*	*9.6%*	*12.8%*
Total	**190.3**	**178.0**	**135.2**	**127.2**
% Margin	*8.1%*	*6.2%*	*6.7%*	*5.0%*
% Like-for-like Margin[(b)]	*8.4%*	*7.6%*	*6.9%*	*6.3%*

(a) Protein segment operating profit before exceptional items for the 39 weeks ended April 27, 2013 includes the results of Five Star Fish, which we moved from our Branded segment to the Protein segment in the second quarter of the 2014 fiscal year.

(b) Like-for-like measures are comparisons of results of one fiscal period as compared to the corresponding prior fiscal period taking certain adjustments into account. For an explanation of adjustments in each period, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Like-for-Like Measures''.

Quarterly Turnover and Adjusted EBITDA By Segment[a]

	13 weeks ended			
	July 27, 2013	**October 26, 2013**	**January 25, 2014**	**April 26, 2014**
	(in millions of £)			
Protein				
Turnover	551.5	539.8	532.7	536.2
% Like-for-like growth[b]	18.2%	20.0%	13.8	4.8%
Adjusted EBITDA	20.7	25.7	24.1	27.0
Adjusted EBITDA Margin	*3.8%*	*4.8%*	*4.5%*	*5.0%*
Like-for-like Adjusted EBITDA margin[b]	7.9%	8.7%	7.2%	5.6%
Chilled				
Turnover	217.9	228.6	212.3	184.5
% Like-for-like growth[b]	3.1%	1.6%	(5.5)%	(0.5)%
Adjusted EBITDA	10.0	9.6	0.5	2.3
Adjusted EBITDA Margin	*4.6%*	*4.2%*	*0.2%*	*1.2%*
Like-for-like Adjusted EBITDA margin[b]	4.6%	4.2%	0.2%	1.4%
Branded				
Turnover	107.2	116.9	103.0	90.7
% Like-for-like growth[b]	(8.6)%	(3.8)%	(3.6)%	(4.6)%
Adjusted EBITDA	12.1	14.3	11.5	12.2
Adjusted EBITDA Margin	*11.3%*	*12.2%*	*11.2%*	*13.5%*
Like-for-like Adjusted EBITDA margin[b]	11.6%	12.5%	11.3%	13.3%
Total				
Turnover	876.6	885.3	848.0	811.4
% Like-for-like growth[b]	7.7%	8.7%	3.9%	2.4%
Adjusted EBITDA	42.8	49.6	36.1	41.5
Adjusted EBITDA Margin	*4.9%*	*5.6%*	*4.3%*	*5.1%*
Like-for-like Adjusted EBITDA margin[b]	7.4%	7.8%	5.6%	5.6%

(a) Protein segment turnover, % like-for-like growth, Adjusted EBITDA, Adjusted EBITDA margin and like-for-like Adjusted EBITDA margin: (i) for the 13 weeks ended January 25, 2014 and April 26, 2014 include the results of Five Star Fish, which we moved from our Branded segment to the Protein sgement in the second quarter of the 2014 Fiscal year; and (ii) for the 13 weeks ended July 27, 2013 and October 26, 2013 do not include the results of Five Star Fish.

(b) Like-for-like measures are comparisons of results of one fiscal period as compared to the corresponding prior fiscal period taking certain adjustments into account. For an explanation of adjustments in each period, see ''Management's Discussion and Analysis of Financial Condition and Results of Operations—Like-for-Like Measures''.

Discussion and Analysis of our Results of Operations

The following tables set out, for the periods presented, our consolidated profit and loss accounts. In each case, the tables present the amounts reported by us for the comparative periods and the percentage change from period to period.

39 Weeks Ended April 26, 2014, Compared to 39 Weeks Ended April 27, 2013

	39 weeks ended		
	April 27, 2013	**April 26, 2014**	**Amount of Change**
		(in millions of £)	
Turnover:			
Continuing operations	2,008.0	2,544.7	536.7
Cost of sales	(1,713.6)	(2,171.6)	(458.0)
Gross profit	294.4	373.1	78.7
Distribution costs	(118.6)	(159.0)	(40.4)
Administrative expenses	(105.0)	(180.7)	(75.7)
Other income	0.6	0.7	0.1
Operating profit:			
Before exceptional items	73.5	60.4	(13.1)
Exceptional items	(2.1)	(26.3)	(24.2)
	71.4	34.1	(37.3)
Exceptional items	(13.2)	(53.3)	(40.1)
Share of operating loss from joint venture	(1.5)	(1.2)	0.3
Interest receivable and similar income	0.1	0.2	0.1
Interest payable and similar charges			
—interest and charges	(56.7)	(58.2)	(1.5)
—foreign exchange (loss)/gain on financial instruments	(20.8)	1.8	22.6
Total interest payable and similar charges	(77.5)	(56.4)	21.1
Loss on ordinary activities before taxation	(20.7)	(76.6)	(55.9)
Tax on loss on ordinary activities	(4.8)	8.5	13.3
Loss on ordinary activities after taxation	(25.5)	(68.1)	(42.6)
Equity minority interest	(0.1)	(0.1)	—
Loss for the financial period	(25.6)	(68.2)	(42.6)

Turnover

Turnover from continuing operations for the 39 weeks ended April 26, 2014, increased by £536.7 million, or 26.7%, from £2,008.0 million for the 39 weeks ended April 27, 2013, to £2,544.7 million for the 39 weeks ended April 26, 2014. This was primarily due to an increase in turnover in the Protein segment as a result of the Vion Acquisition, which contributed £600.3 million across the full reporting period for the 39 weeks ended April 26, 2014, compared to turnover of £135.7 million for the 39 weeks ended April 27, 2013, and new business wins. There were no acquisitions during the 39 weeks ended April 26, 2014 which had an impact on our operating results. Like-for-like turnover growth from the 39 weeks ended April 27, 2013 to the 39 weeks ended April 26, 2014 was 4.8%.

Segment Turnover from Continuing Operations—Existing Operations and Acquisitions

Protein

In our Protein segment, turnover from continuing operations increased by £600.3 million, or 58.9%, to £1,620.3 million for the 39 weeks ended April 26, 2014 from £1,020.0 million for the 39 weeks ended April 27, 2013. This turnover increase was driven by the impact on volumes of the Vion Acquisition across the full reporting period, which contributed £600.3 million across the full reporting period for the 39 weeks ended April 26, 2014 compared to turnover of £137.5 million for the 39 weeks ended April 27, 2013, a new customer contract which we won in March 2013 and growth in our European poultry operations from organic expansion and new business wins. Like-for-like turnover growth in our Protein segment from the 39 weeks ended April 27, 2013 to the 39 weeks ended April 26, 2014 was 11.3%.

Chilled

In our Chilled segment, turnover from continuing operations decreased by £52.9 million, or 7.8%, to £625.4 million for the 39 weeks ended April 26, 2014 from £678.3 million for the 39 weeks ended April 27,

2013. This turnover decrease was predominantly driven by businesses exited and the negative impact of the horsemeat scandal on beef ready meals volumes. Like-for-like turnover decline in our Chilled segment from the 39 weeks ended April 27, 2013 to the 39 weeks ended April 26, 2014 was 1.6%.

Branded

In our Branded segment, turnover from continuing operations decreased by £10.7 million, or 3.5%, to £299.0 million for the 39 weeks ended April 26, 2014 from £309.7 million for the 39 weeks ended April 27, 2013. This turnover decrease was driven by the sales mix impact of the trend towards own label and out of branded in the frozen vegetable, frozen pizza and biscuits markets, which resulted in increased volumes of lower value own label products and decreased volumes of branded products. Like-for-like turnover in our Branded segment from the 39 weeks ended April 27, 2013 to the 39 weeks ended April 26, 2014 declined by 4.2%.

Cost of Sales

Cost of sales increased £458.0 million, or 26.7%, from £1,713.6 million for the 39 weeks ended April 27, 2013 to £2,171.6 million for the 39 weeks ended April 26, 2014. This increase was due to the increase in turnover and growth in the Protein segment in the period.

Gross profit

Gross profit increased £78.7 million, or 26.7%, from £294.4 million for the 39 weeks ended April 27, 2013 to £373.1 million for the 39 weeks ended April 26, 2014. This increase was due to the increased turnover during the period driven by increased volume in our Protein segment. Our gross profit margin was unchanged at 14.7% for the 39 weeks ended April 27, 2013 and the 39 weeks ended April 26, 2014.

Distribution costs

Distribution costs increased in the period by £40.4 million. As a percentage of sales, distribution costs incurred have increased from 5.9% for the 39 weeks ended April 27, 2013 to 6.2% for the 39 weeks ended April 26, 2014. This increase was driven by the Vion Acquisition and increased distribution costs in our Chilled segment due to an increase in storage costs and the impact of reduced activity at Solway and Avana.

Administrative expenses

Administrative expenses increased from £105.0 million for the 39 weeks ended April 27, 2013 to £180.7 million for the 39 weeks ended April 26, 2014, mainly as a result of the impact of the Vion Acquisition of £44.1 million across the full reporting period, compared to £7.8 million for the 39 weeks ended April 27, 2013 as well as exceptional items of £26.3 million. Exceptional items included in administrative expenses in the 39 weeks ended April 26, 2014 were comprised mainly of restructuring costs related to the closure of Haughley Park and Letham sites following our decision to consolidate these operations.

Other income

We reported £0.6 million in other income for the 39 weeks ended April 27, 2013, and £0.7 million in other income for the 39 weeks ended April 26, 2014, relating to government grant income.

Operating profit before exceptional items

Operating profit (before exceptional items) decreased from £73.5 million for the 39 weeks ended April 27, 2013 to £60.4 million for the 39 weeks ended April 26, 2014. Operating profit margin (before exceptional items) decreased to 2.4% for the 39 weeks ended April 26, 2014, compared to 3.7% for the 39 weeks ended April 27, 2013. The decrease in operating profit margin from continuing operations (before exceptional items) was predominantly driven by the performance of our Chilled segment, with costs associated with the discontinuation of our salads business following the loss of business and product re-launches in beef ready meals in response to the horsemeat scandal impacting profit.

From acquisitions

There were no acquisitions completed during the 39 weeks ended April 26, 2014 which had an impact on our operating profit for the period.

Protein

In our Protein segment, operating profit (before exceptional items) increased by £11.6 million, or 28.4%, to £52.4 million for the 39 weeks ended April 26, 2014 from £40.8 million for the 39 weeks ended April 27, 2013. Operating profit margin (before exceptional items) of the Protein segment decreased to 3.2% in the 39 weeks ended April 26, 2014, from 4.0% in the 39 weeks ended April 27, 2013. This decrease in operating profit margin (before exceptional items) was driven by the dilutive impact of the loss-making Vion business across the full reporting period, partially offset by the benefit from declining feed prices during the short time lag before such declines were passed on to customers.

Chilled

In our Chilled segment, operating profit (before exceptional items) decreased by £33.7 million, to a loss of £12.0 million for the 39 weeks ended April 26, 2014 from a profit of £21.7 million for the 39 weeks ended April 27, 2013. Operating profit margin (before exceptional items) of the Chilled segment decreased to negative 1.9% in the 39 weeks ended April 26, 2014, compared to a margin of 3.2% in the 39 weeks ended April 27, 2013. This decrease was primarily driven by our heavy investment in additional costs to deliver a significant re-launch of ready meals in the Autumn to bring consumers back into the category following the impact of the horsemeat scandal. This major re-launch was accompanied by significant promotional activity which put negative pressure on our margins, which were also affected by additional operating costs including costs that we incur in order to deliver for our customers in the key Christmas period. Profitability was also impacted by loss of business when a customer decided to consolidate suppliers, which led us to close our Avana site, and our decision to discontinue operations at our Corby site. We are considering, among other things, a sale of these facilities to a related party for no more than £5 million.

Our salads business, based at our Corby facility, was in a ''ramp down'' phase during the 39 weeks ended April 28, 2014 following our decision to discontinue the business and close the facility, which we determined was non-core, loss-making and following a contamination incident.

Branded

In our Branded segment, operating profit (before exceptional items) increased by £9.0 million, or 81.8%, to £20.0 million for the 39 weeks ended April 26, 2014 from £11.0 million for the 39 weeks ended April 27, 2013. Operating profit margin (before exceptional items) of the Branded segment increased to 6.7% in the 39 weeks ended April 26, 2014, compared to 3.6% in the 39 weeks ended April 27, 2013. This increase was primarily driven by steady improvement in profitability of our biscuits business due to the exit from certain unprofitable lines, improved cost management.

Exceptional items after operating profit

For the 39 weeks ended April 26, 2014, we had £53.3 million of exceptional items reported after operating profit, which related to the closure of our Corby site in connection with the decision to discontinue our salads business and the closure of the Avana Bakeries Facility. For the 39 weeks ended April 27, 2013, we had £13.2 million of exceptional items reported after operating profit, which primarily relates to costs incurred in connection with the closure of our Leicester trading site acquired in the Brookes Avana Acquisition and changes to our manufacturing footprint.

Share of operating loss from joint venture

Our share of the operating loss from joint ventures for the 39 weeks ended April 26, 2014 was a loss of £1.2 million as a result of lower demand for birds earlier in the year resulting in farms not running to full capacity and longer turnarounds between crops increasing the cost base, as compared to a loss of £1.5 million in the 39 weeks ended April 27, 2013.

Net interest

The net interest charged decreased by £21.2 million, from a charge of £77.4 million in the 39 weeks ended April 27, 2013 to a charge of £56.2 million in the 39 weeks ended April 26, 2014. This decrease is a result of the foreign currency hedge agreement, dated February 2013, which fixed the forex on the interest element on 75% of the €340 million 2018 Euro Notes, therefore driving the decrease in the 39 weeks ended April 26, 2014 and eliminates the future impacts of translation.

Tax on loss on ordinary activities

The tax credit during the 39 weeks ended April 26, 2014 was £8.5 million, which was based on an estimated annual effective tax rate of 24.0%, compared to a tax charge of £4.8 million for the 39 weeks ended April 27, 2013, which was based on an estimated annual effective tax rate of 25.0%. The decrease in the effective rate is primarily due to the reduction in the main rate of corporation tax. The main rate of U.K. corporation tax fell to 23% from April 1, 2013, 21% from April 1, 2014, and will reduce further to 20% from April 1, 2015.

52 Weeks Ended July 27, 2013 Compared to 52 Weeks Ended July 28, 2012

Consolidated Profit and Loss Account Information	52 weeks ended July 28, 2012*	52 weeks ended July 27, 2013	Amount of Change
	(in millions of £)		
Turnover:			
Existing operations	2,339.2	2,519.4	180.2
Acquisitions	—	365.2	365.2
Continuing operations	2,339.2	2,884.6	545.4
Cost of sales	(1,966.3)	(2,475.6)	(509.3)
Gross profit	372.9	409.0	36.1
Distribution costs	(134.1)	(168.4)	(34.3)
Administrative expenses	(131.4)	(156.0)	(24.6)
Other income	0.7	1.1	0.4
Operating profit before exceptional items:			
—existing operations	108.1	102.8	(5.3)
—acquisitions	—	(10.7)	(10.7)
Operating profit before exceptional items	108.1	92.1	(16.0)
—exceptional items	—	(6.4)	(6.4)
Operating profit	108.1	85.7	(22.4)
Exceptional items	(3.2)	(19.1)	(15.9)
Share of operating (loss)/profit from joint venture	(0.4)	0.1	0.5
Interest receivable and similar income	0.2	0.3	0.1
Interest payable and similar charges			
—before foreign exchange on financial instruments	(74.3)	(80.2)	(5.9)
—foreign exchange on financial instruments	26.5	(21.7)	(48.2)
Total interest payable and similar charges	(47.8)	(101.9)	(54.1)
Profit/(loss) on ordinary activities before taxation	56.9	(34.9)	(91.8)
Tax on profit/(loss) on ordinary activities	(14.3)	1.4	15.7
Tax on share of profit/(loss) from joint ventures	(0.1)	—	0.1
Profit/(loss) on ordinary activities after taxation	42.5	(33.5)	(76.0)
Equity minority interest	(0.2)	(0.2)	—
Profit/(loss) for the financial period	42.3	(33.7)	(76.0)

* The information for Fiscal Year 2012 has been extracted from the comparative information presented for Fiscal Year 2012 in the audited financial statements as of and for Fiscal Year 2013.

Turnover

Turnover from continuing operations for the fiscal year ended July 27, 2013 increased by £545.4 million, or 23.3%, from £2,339.2 million for the fiscal year ended July 28, 2012, to £2,884.6 million for the fiscal year ended July 27, 2013. This increase was primarily driven by turnover from acquisitions, which was £365.2 million during the fiscal year ended July 27, 2013, reflecting the Vion Acquisition. The increase in turnover was also driven by organic growth and the full year effects of the Brookes Avana Acquisition made in December 2011, which contributed £157.7 million to our turnover in the period. Like-for-like turnover growth from the fiscal year ended July 28, 2012 to the fiscal year ended July 27, 2013 was 5.6%.

Segment Turnover from Continuing Operations—Existing Operations and Acquisitions

Protein

In our Protein segment, turnover from continuing operations increased by £452.7 million, or 41.8%, to £1,535.7 million for the fiscal year ended July 27, 2013 from £1,083.0 million for the fiscal year ended July 28, 2012. This increase was primarily driven by the effects of the Vion Acquisition, which contributed £365.2 million in turnover in the fiscal year ended July 27, 2013. Strong sales growth in Protein was also driven by a new contract with Sainsbury's which we won in March 2013, growth in our European operations which consisted of both organic expansion and new business wins, underlying growth with our U.K. retail customers supported by our ongoing investment to increase value and inflation. Like-for-like turnover growth in our Protein segment from the fiscal year ended July 28, 2012 to the fiscal year ended July 27, 2013 was 9.2%.

Chilled

In our Chilled segment, turnover from continuing operations increased by £102.7 million, or 12.9%, to £896.2 million for the fiscal year ended July 27, 2013 from £793.5 million for the fiscal year ended July 28, 2012. This turnover increase was primarily driven by the effects of the Brookes Avana Acquisition, which contributed £157.7 million on turnover in the fiscal year ended July 27, 2013 as compared to £95.3 million in the fiscal year ended July 28, 2012, as well as price increases as we sought to pass on commodity price increases, partially offset by the volume impact of the horsemeat scandal on consumer demand for ready meals. Like-for-like turnover growth in our Chilled segment from the fiscal year ended July 28, 2012 to the fiscal year ended July 27, 2013 was 5.2%.

Branded

In our Branded segment, turnover from continuing operations decreased by £10.0 million, or 2.2%, to £452.7 million for the fiscal year ended July 27, 2013 from £462.7 million for the fiscal year ended July 28, 2012. This decrease was primarily due to challenging trading conditions and the impact of changes in promotional behavior due to regulations governing price discounts, our exit from selected own label biscuits business arrangements and volume impact of the horsemeat scandal in frozen pies, partially offset by growth in lower-price own label biscuits. Like-for-like turnover in our Branded segment decreased from the fiscal year ended July 28, 2012 to the fiscal year ended July 27, 2013 by 1.9%.

Cost of sales

Cost of sales increased by £509.3 million, or 25.9%, from £1,966.3 million for the fiscal year ended July 28, 2012 to £2,475.6 million for the fiscal year ended July 27, 2013. This increase is primarily due to the increase in turnover due to the effects of the Vion Acquisition, which represented 13.5% of our costs of sales in the fiscal year ended July 27, 2013.

Gross profit

Gross profit increased by £36.1 million, or 9.7%, from £372.9 million for the fiscal year ended July 28, 2012 to £409.0 million for the fiscal year ended July 27, 2013. This increase was due to the increased turnover during the period driven by increased volume in our Protein segment, which was largely due to the Vion Acquisition. Our gross profit margin decreased, from 15.9% for the fiscal year ended July 28, 2012 to 14.2% for the fiscal year ended July 27, 2013. This decrease was driven primarily by inflation in commodity prices in the Chilled and Protein segments, as well as the impact of the horsemeat scandal on the Chilled segment and the dilutive impact of lower-margin Vion.

Distribution costs

Distribution costs increased in the period by £34.3 million, or 25.6%, from £134.1 million for the fiscal year ended July 28, 2012 to £168.4 million for the fiscal year ended July 27, 2013, £19.9 million of which was as a result of the Vion Acquisition. As a percentage of sales, distribution costs incurred have remained stable, increasing from 5.7% for the fiscal year ended July 28, 2012 to 5.8% for the fiscal year ended July 27, 2013.

Administrative expenses

Administrative expenses increased by £24.6 million, or 18.7%, from £131.4 million for the fiscal year ended July 28, 2012 to £156.0 million for the fiscal year ended July 27, 2013, mainly as a result of the effects of the Vion Acquisition, the administrative costs of which amounted to £24.7 million. Administrative expenses in the fiscal year ended July 27, 2013 included £3.0 million of acquisition and integration costs incurred as a result of the Vion Acquisition in addition to the £3.4 million of ongoing integration costs in respect of Northern Foods, Amber, Five Star Fish and Brookes Avana.

Other income

We reported other income of £1.1 million for the fiscal year ended July 27, 2013, which was related to government grant income, compared to £0.7 million in other income for the fiscal year ended July 28, 2012, which was also related to government grant income.

Operating profit before exceptional items

Operating profit (before exceptional items) decreased from £108.1 million for the fiscal year ended July 28, 2012 to £92.1 million for the fiscal year ended July 27, 2013. Operating profit margin (before exceptional items) decreased to 3.2% in the fiscal year ended July 27, 2013, compared to 4.6% in the fiscal year ended July 28, 2012. The decrease in operating profit margin (before exceptional items) was predominantly driven by the greater weighting of the business to the Protein segment as a result of the Vion Acquisition, which is lower-margin in comparison to Chilled and Branded, and the impact of challenging trading conditions in the Chilled segment as a result of the horsemeat scandal, partially offset by cost synergies achieved as the Vion business was undergoing integration. Although we successfully passed feed price increases to our customers in the period, the inflation in feed price impacted gross profit margin because of the time lag in price increase paid through and also due to the sustained increase in feed prices during the period as compared to fluctuating feed prices experienced in the prior period.

From acquisitions

Operating result (before exceptional items) from acquisitions was a loss of £10.7 million in the fiscal year ended July 27, 2013, which was a result of the Vion Acquisition, as compared to a loss of £2.4 million in the fiscal year ended July 28, 2012, which was a result of the Brookes Avana Acquisition.

Protein

In our Protein segment, operating profit (before exceptional items) decreased by £7.4 million, or 12.5%, to £52.0 million for the fiscal year ended July 27, 2013 from £59.4 million for the fiscal year ended July 28, 2012. Operating profit margin (before exceptional items) of the Protein segment decreased to 3.4% in the fiscal year ended July 27, 2013, compared to 5.5% in the fiscal year ended July 28, 2012. This decrease was primarily driven by investments in connection with the integration of the Vion assets, the results of the loss-making Vion assets and the dilutive impact of the lower-margin Vion fresh beef and lamb business included in our results from March 8, 2013, investments in customer sales growth in connection with our existing customers as well as in connection with a new contract which we won in March 2013 and in respect of which we pursued an aggressive pricing stance, as well as delays in recovering feed price inflation. This decrease was partially offset by the impact of synergies achieved as part of the ongoing integration of the Vion assets post-acquisition. During the fiscal year ended July 27, 2013 we recruited an Agriculture Director to drive quality and agricultural strategy across our Protein segment.

Chilled

In our Chilled segment, operating profit (before exceptional items) decreased by £10.5 million, or 30.8%, to £23.6 million for the fiscal year ended July 27, 2013 from £34.1 million for the fiscal year ended July 28, 2012. Operating profit margin (before exceptional items) of the Chilled segment decreased to 2.6% in the fiscal year ended July 27, 2013, compared to 4.3% in the fiscal year ended July 28, 2012. This decrease in operating profit margin (before exceptional items) was driven by the horsemeat scandal with resultant impact on revenue and sales mix, as well as the effects of commodity price inflation and difficult trading conditions. We focused on cost reductions in our Chilled segment in the fiscal year ended July 27, 2013, closing the Leicester factory as we reviewed our manufacturing footprint to improve efficiency.

Branded

In our Branded segment, operating profit (before exceptional items) increased by £1.9 million, or 13.0%, to £16.5 million for the fiscal year ended July 27, 2013 from £14.6 million for the fiscal year ended July 28, 2012. Operating profit margin (before exceptional items) of the Branded segment increased to 3.6% in the fiscal year ended July 27, 2013, compared to 3.2% in the fiscal year ended July 28, 2012. The increase in operating profit (before exceptional items) was driven by better margin mix and efficiency improvements as we continued our frozen recovery plan, which involved a cost efficiency drive and investments in brand refreshment to lower costs and drive sales. In the fiscal year ended July 27, 2013, the biscuits market remained very competitive with high levels of promotions, with growth in our lower margin own label biscuit products having a dilutive effect on profitability. Within the frozen sector during the fiscal year ended July 27, 2013, the pizza business continued to progress, with investment in the Goodfella's brand in the U.K. and Ireland. The pastry and pies business in the fiscal year ended July 27, 2013 continued to perform broadly in line with the comparable prior year period.

Exceptional items after operating profit

For the fiscal year ended July 27, 2013, we had £19.1 million of exceptional items reported after operating profit, which primarily related to the closure of the Leicester trading site acquired in the Brookes Avana Acquisition. For the fiscal year ended July 28, 2012, we had £3.2 million of exceptional items reported after operating profit, which primarily related to integration costs and a gain of £2.2 million on the sale of the trade and assets of the non-core activity of the food assembly operation at Colnbrook near London Heathrow to DHL Supply Chain.

Share of operating profit/(loss) from joint venture

Our share of the operating (loss)/profit from joint ventures for the fiscal year ended July 27, 2013 was a profit of £0.1 million, which was due to higher average bird weight in the year, as compared to a loss of £0.4 million in the fiscal year ended July 28, 2012.

Net interest

The net interest charged increased by £54.0 million, from a charge of £47.6 million in the fiscal year ended July 28, 2012 to a charge of £101.6 million in the fiscal year ended July 27, 2013. This increase is a result of the foreign exchange impact on re-translating the €340 million of 2018 Euro Notes, the rates on which were not fixed until February 2013.

Tax on profit/(loss) on ordinary activities

The tax credit during the fiscal year ended July 27, 2013 was £1.4 million, compared to a tax charge of £14.3 million for the fiscal year ended July 28, 2012. The U.K. Finance Act, which provides for a reduction in the main rate of corporation tax to 20% effective from April 1, 2015, was substantively enacted on July 17, 2013. This change in legislation was reflected in the deferred tax balances and the tax credit on ordinary activities in the year ended July 27, 2013. The effect of this rate change is a deferred tax credit of £6.5 million in the year. Balances in the fiscal year ended July 28, 2012 reflected the reduction in the main rate of corporation tax from 25% to 23% as this rate was substantively enacted on July 3, 2012.

52 Weeks Ended July 28, 2012 Compared to 52 Weeks Ended July 30, 2011

	52 weeks ended		
	July 30, 2011*	**July 28, 2012**	**Amount of Change**
		(in millions of £)	
Turnover:			
Existing operations	1,376.1	2,243.9	867.8
Acquisitions	—	95.3	95.3
Continuing operations	1,376.1	2,339.2	963.1
Cost of sales	(1,202.7)	(1,966.3)	(763.6)
Gross profit	173.4	372.9	199.5
Distribution costs	(77.6)	(134.1)	(56.5)
Administrative expenses	(56.1)	(131.4)	(75.3)
Other income	2.4	0.7	(1.7)
Operating profit before exceptional items:			
—existing operations	43.0	110.5	67.5
—acquisitions	—	(2.4)	(2.4)
Operating profit before exceptional items	43.0	108.1	65.1
—exceptional items	(0.9)	—	0.9
Operating profit	42.1	108.1	66.0
Exceptional items	(28.6)	(3.2)	25.4
Share of operating loss from joint venture	—	(0.4)	(0.4)
Interest receivable and similar income	1.5	0.2	(1.3)
Interest payable and similar charges:			
—before exceptional items	(26.7)	(74.3)	(47.6)
—foreign exchange on financial instruments	(0.8)	26.5	27.3
—exceptional items	(11.2)	—	11.2
Total interest payable and similar charges	(38.7)	(47.8)	(9.1)
(Loss)/profit on ordinary activities before taxation	(23.7)	56.9	80.6
Tax on (loss)/profit on ordinary activities	4.6	(14.3)	(18.9)
Tax on share of loss from joint ventures	(0.1)	(0.1)	—
(Loss)/profit on ordinary activities after taxation	(19.2)	42.5	61.7
Equity minority interest	(0.1)	(0.2)	(0.1)
(Loss)/profit for the financial period	(19.3)	42.3	61.6

* The information for Fiscal Year 2011 has been extracted from the comparative information presented for Fiscal Year 2011 in the audited financial statements as of and for Fiscal Year 2012.

Turnover

Turnover from continuing operations for the fiscal year ended July 28, 2012 increased by £963.1 million, or 70.0%, from £1,376.1 million for the fiscal year ended July 30, 2011, to £2,339.2 million for the fiscal year ended July 28, 2012. The increase in turnover from continuing operations in the fiscal year ended July 28, 2012 was driven by the full year effects of the Northern Foods Acquisition which took place in April 2011, and which contributed £1.1 billion to our turnover for the fiscal year ended July 28, 2012, and also by organic growth and good sales performance, with strong contributions from our Chilled and Protein (formerly Poultry) segments driving volumes, recovery in our Branded segment with solid and improving performance in our frozen and biscuits operations. Like-for-like turnover growth from the fiscal year ended July 30, 2011 to the fiscal year ended July 28, 2012 was 9.5%.

Turnover from continuing operations was also impacted as a result of the Brookes Avana Acquisition, which contributed £95.3 million in turnover in the fiscal year ended July 28, 2012.

Segment Turnover from Continuing Operations—Existing Operations and Acquisitions

Protein (formerly Poultry)

In our Protein (formerly Poultry) segment, turnover from continuing operations remained largely stable, increasing by £10.8 million, or 1.0%, to £1,083.0 million for the fiscal year ended July 28, 2012 from £1,072.2 million for the fiscal year ended July 30, 2011. Protein segment performance reflected continued investment with customers to drive sales volumes, continued diversification in our European poultry business to more supply into the retail market and significant new business wins in the U.K. Like-for-like turnover growth in our Protein segment from the fiscal year ended July 30, 2011 to the fiscal year ended July 28, 2012 was 10.1%.

Chilled

In our Chilled segment, turnover from continuing operations increased by £617.7 million to £793.5 million for the fiscal year ended July 28, 2012 from £175.8 million for the fiscal year ended July 30, 2011. This increase was driven by the full year impact of the Northern Foods Acquisition, which contributed £590.4 million to turnover in our Chilled segment in the period, the impact of the Brookes Avana Acquisition in December 2011, which contributed £95.3 million to turnover in our Chilled segment in the period, and strong sales growth, driven by volume growth, including in the growing ready meals, sandwiches and salads markets, and work with customers to develop new products such as British-themed offerings for the Queen's Diamond Jubilee, the Euro 2012 football championship and the Olympic Games. Like-for-like turnover growth in our Chilled segment from the fiscal year ended July 30, 2011 to the fiscal year ended July 28, 2012 was 10.5%.

Branded

In our Branded segment, turnover from continuing operations increased by £334.6 million to £462.7 million for the fiscal year ended July 28, 2012 from £128.1 million for the fiscal year ended July 30, 2011. This increase was driven by the full year impact of the Northern Foods Acquisition, which contributed £413.6 million to turnover in our Branded segment in the period. Branded segment results reflected a steady performance in our Biscuits business, with sales growth driven by price and increased promotional activity to meet the demands of cash-conscious consumers, and an improving performance in our Frozen business, where growth was driven by price and volume increases, with work to reinvigorate the Goodfella's pizza brand led to steady market share increases. Like-for-like turnover growth in our Branded segment from the fiscal year ended July 30, 2011 to the fiscal year ended July 28, 2012 was 6.8%.

Cost of sales

Cost of sales increased by £763.6 million, or 63.5%, from £1,202.7 million for the fiscal year ended July 30, 2011 to £1,966.3 million for the fiscal year ended July 28, 2012, primarily due to the full fiscal year effects of the Northern Foods Acquisition and the impact of the Brookes Avana Acquisition, which accounted for £81.5 million over seven months. For the fiscal year ended July 30, 2011, cost of sales included exceptional items consisting of a credit of £0.9 million relating to impairment of tangible fixed assets.

Gross profit

Gross profit increased £199.5 million from £173.4 million for the fiscal year ended July 30, 2011 to £372.9 million for the fiscal year ended July 28, 2012. This increase was primarily due to the turnover and cost of sales effects of the Northern Foods Acquisition. Our gross profit margin increased from 12.6% for the fiscal year ended July 30, 2011 to 15.9% for the fiscal year ended July 28, 2012. This increase was driven primarily by synergies achieved on the ongoing integration of Northern Foods, and the impact of the higher margin Northern Foods and Brookes Avana businesses on our sales mix.

Distribution costs

Distribution costs increased in the period by £56.5 million, from £77.6 million in the fiscal year ended July 30, 2011 to £134.1 million in the fiscal year ended July 28, 2012, primarily due to the full year effects of the Northern Foods Acquisition. However, as a percentage of sales, distribution costs incurred have remained relatively stable, increasing slightly from 5.6% for the fiscal year ended July 30, 2011 to 5.7% for the fiscal year ended July 28, 2012.

Administrative expenses

Administrative expenses increased from £56.1 million for the fiscal year ended July 30, 2011 to £131.4 million for the fiscal year ended July 28, 2012, mainly as a result of the impact of the Northern Foods and Brookes Avana Acquisitions.

Other income

We reported £2.4 million in other income for the fiscal year ended July 30, 2011, relating to insurance income following a fire at the Nijkerk site, compared to other income of £0.7 million for the period ended July 28, 2012 relating to government grants income.

Operating profit before exceptional items

Operating profit (before exceptional items) increased from £43.0 million for the fiscal year ended July 30, 2011 to £108.1 million for the fiscal year ended July 28, 2012. Operating profit margin (before exceptional items) increased to 4.6% in the fiscal year ended July 28, 2012, compared to 3.1% in the fiscal year ended July 30, 2011. The increase in operating profit margin (before exceptional items) was predominantly driven by cost reduction and synergy deliveries pursuant to our integration program for Northern Foods and Brookes Avana. Operating profit margin (before exceptional items) in the period was also affected by feed price inflation. Significant increases in feed prices continued to put pressure on food inflation, and although we aimed to progressively recover these increases through selling price increases, volumes and efficiency, there remained a time lag in passing on price increases to our customers which impacted operating profit.

From acquisitions

Operating profit from acquisitions was a loss of £2.4 million in the fiscal year ended July 28, 2012, which was a result of the Brookes Avana Acquisition. The Northern Foods Acquisition contributed operating profit of £12.9 million to our results in the fiscal year ended July 30, 2011.

Protein (formerly Poultry)

In our Protein (formerly Poultry) segment, operating profit (before exceptional items) increased by £17.4 million, or 41.4%, to £59.4 million for the fiscal year ended July 28, 2012 from £42.0 million for the fiscal year ended July 30, 2011. Operating profit margin (before exceptional items) of the Protein segment increased to 5.5% in the fiscal year ended July 28, 2012, compared to 3.9% in the fiscal year ended July 30, 2011. This increase was driven by continued diversification in our European poultry business to more supply into the higher margin retail market, partially offset by increasing feed prices resulting in short term margin pressure.

Chilled

In our Chilled segment, operating profit (before exceptional items) increased by £27.4 million to £34.1 million for the fiscal year ended July 28, 2012 from £6.7 million for the fiscal year ended July 30, 2011. Operating profit margin (before exceptional items) of the Chilled segment increased to 4.3% in the fiscal year ended July 28, 2012, compared to 3.8% in the fiscal year ended July 30, 2011. In the fiscal year ended July 28, 2012, we took several steps to manage costs in the Chilled segment. In the acquired Brookes Avana business, we announced the closure of the Leicester factory which was operating below capacity, and transferred our food assembly operation at Colnbrook, near London Heathrow airport, to DHL Supply Chain. This was a non-core activity, and we continue to supply food to British Airways on its short haul routes from London Heathrow.

Branded

In our Branded segment, operating profit (before exceptional items) increased by £20.3 million to £14.6 million for the fiscal year ended July 28, 2012 from an operating loss of £5.7 million for the fiscal year ended July 30, 2011. Operating profit margin (before exceptional items) of the Branded segment increased to 3.2% in the fiscal year ended July 28, 2012, compared to an operating profit margin (before exceptional items) of negative 4.4% in the fiscal year ended July 30, 2011. The increase in operating profit in our Branded segment was driven by the Northern Foods Acquisition, steady performance in Branded and improving performance in frozen.

Exceptional items after operating profit

For the fiscal year ended July 28, 2012, we had £3.2 million of exceptional items reported after operating profit, which primarily related to integration costs of £4.2 million and a gain of £2.2 million on the sale of the trade and assets of the non-core activity of the food assembly operation at Colnbrook near London Heathrow to DHL Supply Chain. For the fiscal year ended July 30, 2011, we had £28.6 million of exceptional items reported after operating profit relating to the Northern Foods Acquisition, including a make-whole payment of £20.9 million with respect to the senior guaranteed notes issued by Northern Foods in 2005 and 2010, which were repaid in full in connection with the Northern Foods Acquisition, interest payable on financing fees and acquisition costs including the closure of the Northern Foods head office, redundancy costs and professional fees.

Share of operating loss from joint venture

Our share of the operating loss from joint ventures for the fiscal year ended July 28, 2012 was a loss of £0.4 million as a result of the poor worldwide harvest in 2012 which affected wheat quality increasing the feed conversion ratio of the birds.

Net interest

Net interest charged increased by £10.4 million, from a charge of £37.2 million in the fiscal year ended July 30, 2011 to a charge of £47.6 million in the fiscal year ended July 28, 2012. This increase is a result of the full year impact of the 2018 Notes interest calculations, following issuance of the 2018 Notes in April 2011.

Tax on (loss)/profit on ordinary activities

The tax charge during the fiscal year ended July 28, 2012 was £14.3 million, which was based on an estimated annual effective tax rate of 24.0%, compared to a tax credit of £4.6 million for the fiscal year ended July 30, 2011, which was based on an estimated annual effective tax rate of 26.0%. The decrease in the effective rate is due to the reduction in the main rate of corporation tax. The main rate of corporation tax fell to 26% from April 2012 and reduced further to 23% from April 1, 2013.

Liquidity and Capital Resources

Our liquidity requirements arise primarily from the need to fund working capital and capital expenditures for the expansion, maintenance and refurbishment of our factories, information technology and other assets, as well as to service debt, make acquisitions and realize potential growth and cost saving opportunities from acquisitions and related synergies. Historically, we have generated cash flow to fund all of our business operations, other than significant acquisitions, which have been financed through short and long-term financial instruments. We believe that our operating cash flows and borrowing capacity under our New Revolving Facility will be sufficient to meet our requirements and commitments for the foreseeable future. We may also dispose of non-core businesses or enter into joint ventures or other partnerships that would generate cash. Our future financing requirements will depend on a number of factors, many of which are beyond our control.

On a *pro forma* basis giving effect to the Transactions, including the offering of the Notes hereby and the application of the proceeds therefrom, cash and cash equivalents is expected to be £159 million and we would have the full £60.0 million of availability under our New Revolving Facility, which will have remained undrawn. See ''Capitalization''.

Our primary source of liquidity is cash generated from operations. Net cash inflow from operating activities was £150.6 million for the year ended July 27, 2013 and £64.5 million for the 39 week period ended April 26, 2014. We do not have long-term contracts with our key customers and the terms of our arrangements with customer generally do not contain minimum purchase volumes. Although this type of customer relationship is common in the retail food supply industry and provides us with the flexibility to modify the prices we charge to our customers as the price of raw materials fluctuates, we remain subject to the risk that a short-term deterioration in our competitive position may have an immediate impact on our business, results of operation and financial condition. In addition, if any of our key customers were to delay or default in payment to us, it could have a material, adverse impact on our liquidity. See ''Risk Factors—Risks Relating to Our Business—We depend on a small number of large retailers for the majority of our sales'' and ''Risk Factors—Risks Relating to Our Business—We do not have long-term contracts with our key customers and the terms of our arrangements with customers generally do not contain minimum purchase volumes''.

We believe that, after giving effect to the Transactions, our working capital will be sufficient for current working capital requirements for at least the next 12 months. Amounts which will be available under the New Revolving Facility will provide further flexibility in the management of cash flows.

Consolidated Cash Flow

39 Weeks Ended April 26, 2014 Compared to 39 Weeks Ended April 27, 2013

The following table summarizes our consolidated cash flow statement for the 39 weeks ended April 26, 2014 and the 39 weeks ended April 27, 2013:

	39 weeks ended	
	April 27, 2013	April 26, 2014
	(in millions of £)	
Net cash inflow from operating activities	102.7	64.5
Returns on investments and servicing of finance	(36.7)	(38.2)
Corporation tax paid	(2.2)	(2.0)
Capital expenditure and financial investment	(30.6)	(46.9)
Cash outflows for acquisitions	(43.1)	—
Financing	(3.0)	6.2
Decrease in the period	(12.9)	(16.4)

Net cash inflow from operating activities

Net cash inflow from operating activities has decreased by £38.2 million for the 39 weeks ended April 26, 2014, due to a £13.1 million decrease in operating profit (before exceptional items) and a £24.2 million increase in exceptional items, including the one-off impact of working capital due to site exits. This was offset by pensions contribution of £14.4 million in the 39 weeks ended April 27, 2013, as compared to a payment of £4.2 million in the 39 weeks ended April 26, 2014.

Returns on investments and servicing of finance

The movements on the cash outflow for the returns on investment and servicing of finance are driven by the level of debt outstanding and the cash held on deposit as well as the rate of interest on these items during each year. Increased costs of £2.1 million in the 39 weeks ended April 26, 2014 relate to the increased cash outflow due to interest paid.

Capital expenditure and financial investment

Generally the business follows a policy of allocating approximately 2% per year over the medium term on capital spend but we have also considered avoiding such spending through acquisitions that build capacity. In our results of operations, capital expenditures are shown net of finance leases entered into of £9.3 million in the 39 weeks ended April 26, 2014 (there were no finance leases entered into in the 39 weeks ended April 27, 2013). In the 39 weeks ended April 26, 2014, approximately 21% of capital expenditure which would be classified as maintenance expenditure was made with the remaining expenditure being primarily due to an upgrade of equipment at our U.K. poultry sites and a factory development in Europe.

Cash outflows for acquisitions

There were no cash outflows for acquisition in the 39 weeks ended April 26, 2014. In the 39 weeks ended April 27, 2013 the £43.1 million in cash outflows included £37.4 million related to the Vion Acquisition, with the remainder attributable to a final settlement in relation to Brookes Avana working capital.

Financing

In the 39 weeks ended April 26, 2014, cash received related to financing costs were the result of receipts for finance lease payments, which totaled £9.3 million, less the capital element of finance leases acquired net of finance lease payments of £3.1 million. This financing receipt has changed from a charge in the corresponding period in the prior year due to a new lease in 2014.

52 Weeks Ended July 27, 2013, 52 Weeks Ended July 28, 2012, and 52 Weeks Ended July 30, 2011 Compared

The following table summarizes our consolidated cash flow statement for the 52 Weeks Ended July 27, 2013, July 28, 2012 and July 27, 2014:

	52 weeks ended		
	July 30, 2011	July 28, 2012	July 27, 2013
		(in millions of £)	
Net cash inflow from operating activities	59.2	253.8	150.6
Returns on investments and servicing of finance	(18.9)	(72.3)	(72.5)
Corporation tax paid	(14.8)	(22.4)	(3.0)
Capital expenditure and financial investment	(45.6)	(30.6)	(42.7)
Cash outflows from acquisitions	(299.9)	(32.7)	(43.1)
Equity dividends paid	(16.7)	—	—
Financing	364.6	(4.1)	(4.3)
Increase/(decrease) in cash in the period	27.9	91.7	(15.0)

Net cash inflow from operating activities

Net cash inflow from operating activities has decreased since the fiscal year ended July 28, 2012 as a result of a reduction of increase in creditors from £82.9 million in the fiscal year ended July 28, 2012 compared to £23.9 million in the fiscal year ended July 27, 2013 and operating profits for the fiscal year ended July 27, 2013 of £85.7 million, which was £22.4 million lower than in the fiscal year ended July 28, 2012.

The increase of cash inflow from operating activities of £194.6 million in the fiscal year ended July 28, 2012 to £253.8 million from £59.2 million in the fiscal year ended July 30, 2011 was driven by the effects of the Northern Foods Acquisition, including increases in operating profit from continuing operations from £42.1 million in the fiscal year ended July 30, 2011 to £108.1 million in the fiscal year ended July 28, 2012 and an increase in creditors from £7.2 million in the fiscal year ended July 30, 2011 to £82.9 million in the fiscal year ended July 28, 2012. Net cash inflow from operating activities includes special pensions contributions of £30.2 million in the 52 weeks ended July 27, 2013, £27.8 million in the 52 weeks ended July 28, 2012 and a contribution of £3.4 million in the 52 weeks ended July 30, 2011.

Returns on investments and servicing of finance

The movements on the cash outflow for the returns on investment and servicing of finance are driven by the level of debt outstanding and the cash held on deposit as well as the rate of interest on these items during each year. The cash outflow in the year is in line with the profit and loss charge. Full year interest cost in the fiscal years ended July 28, 2012 and July 27, 2013 reflect the full year charge with respect to the 2018 Notes, which were issued in April 2011.

Capital expenditure and financial investment

In the fiscal year ended July 27, 2013, approximately 21% of capital expenditure which would be classified as maintenance expenditure was made with the remaining expenditure being primarily due to spend in our poultry business and upgrades in the manufacturing equipment in the Scunthorpe facility to increase capacity and improve efficiencies.

Cash outflows for acquisitions and inflows from dispositions

The expenditure on acquisitions in the fiscal year ended July 30, 2011 was in relation to the acquisition of the Northern Foods business as well as the payment of deferred consideration relating to the acquisition of trade and assets of a former tulip business, which formed our Morecambe site. In the fiscal year ended

July 28, 2012, expenditure on acquisitions related to the Brookes Avana Acquisition. In the fiscal year ended July 27, 2013, the expenditure on acquisitions related to the Vion Acquisition.

Equity dividends paid

Equity dividends are paid to either meet the previous year's liability or as they are declared. At the end of the fiscal year ended July 27, 2013, there were no liabilities for dividends outstanding and no dividend has been declared or is currently expected to be declared.

Financing

The cash outflows of £4.3 million relating to financing in the fiscal year ended July 27, 2013 relate to £3.9 million of finance lease repayments and £0.4 million in relation to bank loans and bonds raised net of interest paid. In the fiscal year ended July 28, 2012, outflows of £4.1 million relate to £3.9 million of financial lease repayments and £0.2 million of overdraft repayment. In the fiscal year ended July 30, 2011, the cash inflows relating to financing is due to £4.2 million of finance lease payments received and £360.4 million net inflow from the bond financing.

Working Capital

The following table sets out the principal components of the cash impact of change in working capital for the periods presented:

	52 weeks ended			39 weeks ended
	July 30, 2011	July 28, 2012	July 27, 2013	April 26, 2014
	(in millions of £)			
Cash impact of change in stocks	(10.7)	(1.2)	(10.3)	3.4
Cash impact of change in debtors	17.4	13.0	15.2	(32.1)
Cash impact of change in creditors	7.1	82.9	23.9	9.4
Cash impact of change in working capital	**13.8**	**94.7**	**28.8**	**(19.3)**

Following the acquisition of Northern Foods in April 2011, we focused on a plan to improve the cash-based culture that stems from our entrepreneurial history and cashflow improvement across the business. We established a group procurement function that has been focused on consolidating the supply base and has succeeded in improving supplier terms. We have also worked with our customers to harmonize customer terms so as to improve overall terms since the acquisition. In addition, we have focused on improving inventory management and stock holding and reduced stock days across our segments.

The following table sets out our average debtor, creditor and inventory days for the periods presented.

	52 weeks ended			39 weeks ended
	July 30, 2011	July 28, 2012	July 27, 2013	April 26, 2014
Debtor days(1)	46.6	26.3	25.6	21.5
Creditor days(2)	68.3	54.3	56.0	44.5
Inventory days(3)	28.6	19.0	22.5	18.6

(1) ''Debtor days'' refers to days of revenue covered by the period end Trade Debtors balance.

(2) ''Creditor days'' refers to days of cost of sales covered by the period end Trade Creditors balance.

(3) ''Inventory days'' refers to days of cost of sales covered by the period end Inventory balance.

Contractual Obligations and Commercial Commitments

The table below sets out our contractual obligations and commitments for the consolidated group as at July 27, 2013. For a description of our current capital structure and our capital structure following the consummation of the Transactions, see ''Capitalization''.

Contractual obligations	Total	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years
			(in millions of £)		
Bank loans and bond notes	676.7	—	—	676.6	0.1
Finance leases	6.6	3.2	2.0	1.4	—
Total	683.3	3.2	2.0	678.0	0.1

Debt Obligations

As at April 26, 2014, after giving *pro forma* effect to the Transactions, our debt obligations would have consisted of the Notes and £6.6 million of finance leases.

Profits Sweep and Cash Management

There is a continuous focus on cash management in our business, where we operate strict cash sweep policies. On a weekly basis, all cash profits are identified and allocated as belonging to a reserve account. We make an effort to ensure that we have cash on hand on a periodic basis, which results in periods when we have higher cash balances as compared to other periods. We also measure profitability on a site-by-site basis, allowing us to analyze our operations with a high level of detail.

Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements.

Pension Obligations

Defined Contribution Schemes

We contribute to defined contribution schemes for all qualifying employees. The total cost charged to income of £9.2 million in the fiscal year ended July 27, 2013 (2012: £5.5 million) represents contributions payable to these by us at rates specified in the rules of the plans.

Defined Benefit Schemes

We have taken steps to reduce our defined benefit pension scheme liabilities. We operate a number of defined benefit schemes for qualifying employees, principally the Northern Foods Pension Scheme, Northern Foods Pension Builder and the Lloyd Maunder Limited Retirement Benefit and Life Assurance Scheme in the United Kingdom, the Green Isle Foods Group Retirement and Death Benefit Plan (the ''Plan'') in the Republic of Ireland and 2 Sisters Holland B.V. pension arrangements in the Netherlands. Under the Schemes, the Pension Builder and the Plan, employees are entitled to retirement benefits based on pay and service. The Schemes, Pension Builder and the Plan are funded schemes while our post-retirement medical benefit scheme is unfunded. The Schemes and the Plan are final salary schemes. The assets of all the Schemes, the Pension Builder and the Plan are held in trustee administered funds separate from the finances of the Group.

The Northern Foods Pension Scheme, and Northern Foods Pension Builder Scheme were both closed to future accrual with effect from November 1, 2011. A similar proposal became effective for the Green Isle pension scheme from October 31, 2012 which broke the link to salaries.

Our current contribution obligations towards the schemes are as follows:

- Northern Foods Pension Scheme: In 2011, the company agreed to deficit payments of £15 million per year through to 2021, along with expenses and levies. The next actuarial review is as at March 2013 and negotiations are on-going with the trustee to agree the deficit recovery plan, which could result in higher deficit recovery contributions being required from the employers compared to the rate currently payable. We have agreed with the trustee in the interim, to monthly payments of £1.3 million from June to December 2014 (inclusive), a lump sum payment of £3.9 million in January

2015, and thereafter annual payments of £15 million remain payable each April from April 2015 to April 2021 (inclusive), along with expenses and levies.

- Pension Builder: the scheme is currently in surplus on the relevant funding basis therefore the only contributions are in respect of expenses and levies. This position will be reviewed in line with the scheme's triennial actuarial valuation cycle.
- Green Isle: the scheme is closed to future accrual and deficit payments are being made in line with the agreement with the trustees. This position will be reviewed in line with the scheme's triennial actuarial valuation.
- Netherlands: the Dutch plans are financed by payments to an insurance company and two industry-wide pension funds (Stichting Bedrijfstakpensioenfonds voor Vlees, Vleeswaren, Gemaksvoeding en Pluimvlees and Stichting Prepensionering Vleeswaren- en Gemaksvoedingindustrie). The insured pension scheme is an average pay pension scheme with conditional indexation in line with the indexation provided by the industry-wide pension fund Stichting Bedrijfstakpensioenfonds voor Vlees, Vleeswaren, Gemaksvoeding en Pluimvlees. This pension scheme is financed by yearly actuarial contributions to the insurer.

Qualitative and Quantitative Disclosures about Market Risk

Our operations are exposed to market risks primarily as a result of changes in raw materials and changes in interest and foreign currency exchange rates. Derivatives that we use are primarily foreign currency forward contracts, interest rate swaps and commodities forward contracts for certain items. Our derivative activities are subject to the management, direction, and control of our senior financial officers.

We perform a sensitivity analysis to determine the effects that market risk exposures may have on our debt and other financial instruments. Information provided by the sensitivity analysis does not necessarily represent the actual changes in fair value that would be incurred under normal market conditions because, due to practical limitations, all variables other than the specific market risk factor are held constant

Commodity/Raw Materials Risk

We require substantial amounts of raw materials in our operations, including feed and gas. We are exposed to commodity price and supply risks for these raw materials, as well as for packaging materials, such as plastic. To the extent we are not able to leverage our purchasing power in the future as successfully as we have in the past, we may not be able to increase the selling price of our products to reflect increases in the costs of raw materials, or if we experience any interruptions or shortages in the supply of raw materials, our operating margins could be adversely affected. We seek to mitigate the effects of increased costs by passing on price increases to the customers, including ratchets for feed prices, and where possible reducing costs of manufacture to mitigate the increase in costs. We continually monitor our raw material exposure. Our hedging policy with respect to poultry feed has evolved, from ad hoc purchases to a more formal policy. Our target hedging policy includes securing forward purchases for 100% of our poultry feed a minimum of three months in advance, or longer, dependent on our view of the market.

Interest Rate Risk

There are currently certain customary hedging derivatives in place which address interest risk. Following the consummation of the Transactions, we expect to hedge our interest rate risk on our New Revolving Facility by engaging in customary hedging transactions.

Foreign Currency Risk

Although we report our results in pounds sterling, we conduct a significant portion of our business in countries that use other currencies, and as a result, we are exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the pound sterling. The euro is the primary currency giving rise to this risk. We expect to hedge our currency exposure on the Euro Notes by way of cross currency swaps. In addition, a portion of the Euro Notes is organically hedged by way of an internal loan to subsidiaries in jurisdictions that have adopted the euro. We endeavor to hedge this risk by matching sales received in foreign currencies with costs paid in the same country, but to the extent we are unable to do so, exchange rate fluctuations in that currency could have a material adverse effect on our business. We currently do not engage in any other translation or foreign exchange transactions to hedge our foreign currency risk.

Critical Accounting Policies and Estimates

Many of the amounts included in our Consolidated Financial Statements involve the use of judgment and/or estimation. These judgments and estimates are based on managements' best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the Consolidated Financial Statements. Information about the judgments and estimates are contained in the accounting policies and/or the notes to the Consolidated Financial Statements. The key areas are summarized below:

Turnover

Turnover is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, Value Added Tax and other sales related taxes. Turnover is recognized on delivery of goods and services.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. No depreciation is provided on freehold land. On assets other than freehold land, depreciation is provided evenly on the cost of the tangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Freehold and leasehold land buildings	2% - 5%
Leasehold improvements	20%
Leasehold land and buildings	2% - 5%
Plant and machinery	6.66% - 20%
Fixtures, fittings and equipment	10% - 25%
Motor vehicles	10% - 25%

Leased Assets

Leases are classified as finance leases whenever the terms of the lease involve the substantial transfer of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases and other similar contracts are capitalized as tangible fixed assets and included in property, plant and equipment at the lower of the minimum lease payments or fair value. Each asset is depreciated over the shorter of the lease term or its estimated useful life on a straight-line basis. The capital elements of the future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account to produce a constant rate on the capital balance outstanding.

Rental costs under operating leases are charged to our profit and loss account on a straight-line basis over the lease period.

Intangible Fixed Assets (Goodwill)

Goodwill arising on acquisition, representing the difference between the cost and the fair value of the net assets acquired in a business combination is capitalized in the period of acquisition and written off over its useful life which is taken as 20 years. Negative goodwill is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale. Provision is made for impairment where appropriate.

Taxation

Current tax, including U.K. corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized in respect of all timing differences that have originated, but not reversed, at the balance sheet date where transactions or events that result in an obligation to pay additional taxes in the future or a right to pay reduced taxes in the future have occurred at the balance sheet date. Timing differences are differences between our taxable profits and our results as stated in our financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognized in our financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognized only to the extent that on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognized in respect of the retained earnings of foreign subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute prior earnings in future has been entered into by such foreign subsidiary.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Provisions

Provisions are recognized when we have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations and a reliable estimate of the amount can be made. Provisions are measured at their present value and at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

Research and Development

Research and development costs are expensed in the period to which they relate. Costs comprise all directly attributable costs necessary to create and produce new products which are both brand new in design and those being modified. Costs classified as research and development include raw materials, labor costs, artwork origination and market research directly attributable to developing the product.

Derivative Financial Instruments

We use derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. We do not hold or issue derivative financial instruments for speculative purposes, and we do not adopt hedge accounting.

Joint Ventures

Investments in joint ventures are accounted for using the gross equity method. The consolidated profit and loss account includes the Company's share of the joint venture's profits less losses while the Company's share of the net assets of the joint venture is shown in the consolidated balance sheet.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within our control or the amount of obligation cannot be measured reliably. A contingent liability is not recognized but is disclosed in the notes to our financial statements. When an outflow becomes probable, it is recognized as a provision.

A contingent asset is a possible asset that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one of more uncertain events not wholly within our control. Contingent assets are not recognized but are disclosed in the notes to the audited consolidated accounts when an inflow of economic benefits is probable. When inflow is virtually certain an asset is recognized.

INDUSTRY OVERVIEW

Certain of the projections and other information set out in this section have been derived from external sources, including reports of Key Note, IGD Retail Analysis, Kantor Worldpanel and Neilson publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We believe that these industry publications, surveys and forecasts are reliable but we have not independently verified them and cannot guarantee their accuracy or completeness. See ''Market and Industry Data''.

The projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. Please see ''Risk Factors'' and ''Forward-Looking Statements''.

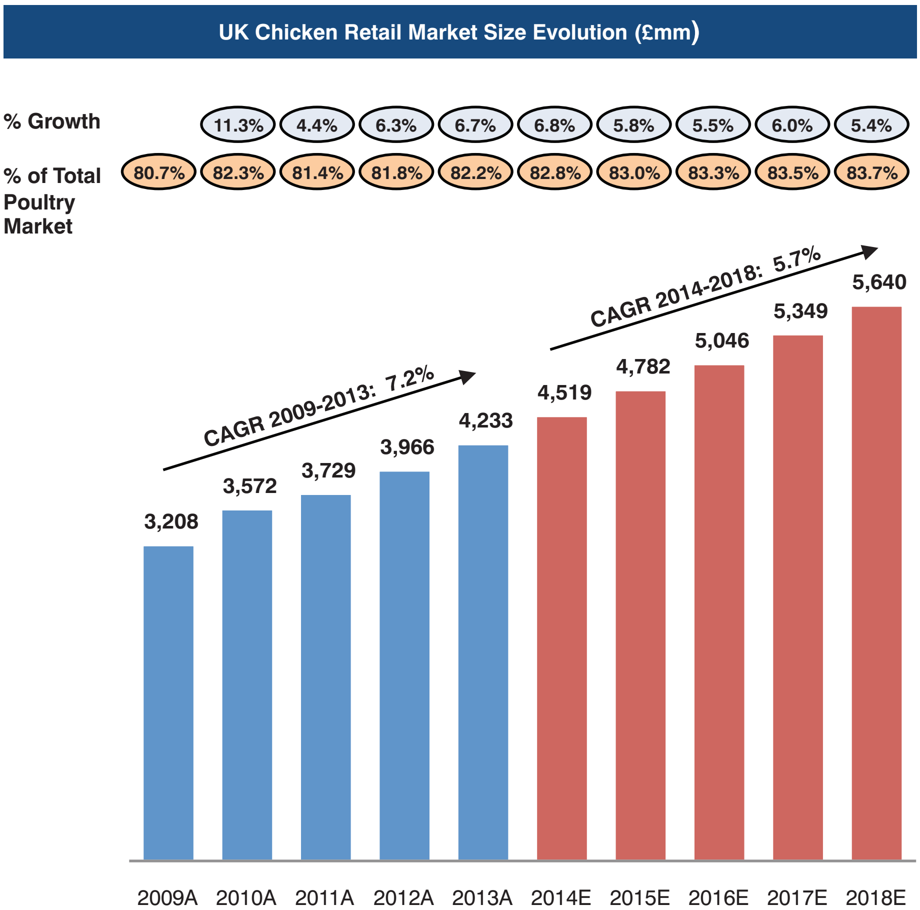
Overview

The grocery market in the U.K. has demonstrated resilience to the economic cycles. Over the last ten years from April 2003 to April 2013, the U.K. grocery market has grown from £115.8 billion to £169.7 billion at a compound average growth rate of 3.9% and is projected to grow at a compound average growth rate of 3.9% over the next five years, according to IGD.

Protein Market

Poultry

The U.K. poultry retail market was estimated to be £5.2 billion in 2013 and comprises chicken, turkey, duck and game products and grew at a compound average growth rate of 6.7% between 2009 and 2013, according to Key Note. U.K. chicken is a growing market within the broader poultry market (82% of total) and was estimated to be around £4.2 billion in 2013, according to Key Note. According to Key Note, the U.K. chicken market has grown at a compound average growth rate of 7.2% between 2009 and 2013 and is projected to grow at a compound average growth rate of 5.7% between 2014 and 2018, as illustrated in the chart below.



Factors driving growth in the chicken market include the widespread appeal of the protein (which is consumed by most religions), public perception of chicken as a healthy and versatile meat and its low cost compared with other protein categories.

We hold the number one position in the U.K. chicken sector, processing approximately 6.0 million birds per week. We believe our market share of retail fresh raw chicken is higher than our processing market share.

In recent years, U.K. domestic poultry producers have benefited from retailer promotion of British-reared birds to appeal to consumers concerned about environmental and welfare standards. However, there remains a shortage of supply of British-reared chicken, some of which is met by imports from Europe, where we have been well positioned to meet the excess demand from our ancillary European operations in the Netherlands and Poland.

Fresh Beef and Lamb

The fresh beef and lamb market in which we compete is estimated to be £2.6 billion. Fresh beef and lamb is an economical and versatile meats that can be used as the basis for a variety of meals and market participants foresee opportunities to recapture market share as consumer confidence in beef producers recovers in coming years. Additionally, the increasing customer and consumer focus on British beef benefits our operations given our integrated U.K. beef supply chain where we source our meat directly from 11,000 British farmers.

U.K. Chilled Foods Market

The chilled foods category within the U.K. grocery market comprises processed meat, ready meals, sandwiches, salads, pizza and fish or seafood as well as other smaller sub-categories. We primarily compete in the ready meals, sandwiches and chilled pizza sub-categories. Private label offerings have grown to dominate the category, aided by the development of premium own label supermarket ranges.

The U.K. chilled and processed segment is an attractive category with an estimated total market size of £8.6 billion for the 52 weeks ended April 27, 2014 according to Kantar TNS. Our Chilled segment is one of the largest chilled convenience food businesses in the U.K. supplying the major retailers with their own label products. Management estimates of market size and position within the various categories that we compete are shown in the below table.

	Market Size	Category Position
Ready meals	£ 2.1 billion	#1
Sandwiches	£ 1.3 billion	#2
Chilled Pizza	£ 0.5 billion	#3

Key trends driving growth within the prepared foods market include a focus on convenience, whereby consumers are increasingly seeking products that reduce the amount of time spent planning and preparing meals, supporting the demand for easy-to-prepare food options. Demand for timesaving products is forecast to further increase as the U.K.'s population continues to transition towards smaller and single-person households, with a larger proportion of meals eaten alone. The prepared foods market is also able to cater to a broad range of consumer bases with differing price sensitivities, ranging from low-cost to high-quality, health-oriented ranges.

U.K. Biscuit Market

The sweet biscuit market, is estimated by management to be £1.7 billion. This market position includes both our Fox's brand and retailer own label biscuit products. The U.K. biscuit market is an attractive segment, particularly as the U.K. is estimated to have the highest per capita consumption of biscuits in Europe.

U.K. Frozen Foods Market

The frozen foods category of the U.K. grocery market comprises frozen fish and seafood, potatoes, ready meals, poultry, vegetables and pizza as well as other smaller sub-categories. The total market for frozen foods is estimated by Kantar TNS to be £3.3 billion as of April 27, 2014.

Our U.K. frozen foods category consists of household brands in addition to private label sales. Our portfolio of frozen brands includes Goodfella's—the U.K.'s number two frozen pizza brand—San Marco pizzas, Holland's pies and Donegal Catch. Within Ireland, Goodfella's is the leading brand in the pizza market, Donegal Catch is the leading frozen fish brand and Green Isle is the leading frozen vegetables brand. Management estimates of market size and position within the various categories that we compete are shown in the table below.

	Market Size	Category Position
Frozen Pizza (U.K.)	£ 0.4 billion	#2
Frozen Pies (U.K.)	£145.0 million	#1
Frozen Fish (Ireland)	£ 69.0 million	#1
Frozen Pizza (Ireland)	£ 61.0 million	#1
Frozen Vegetables (Ireland)	£ 38.0 million	#1

BUSINESS

Overview

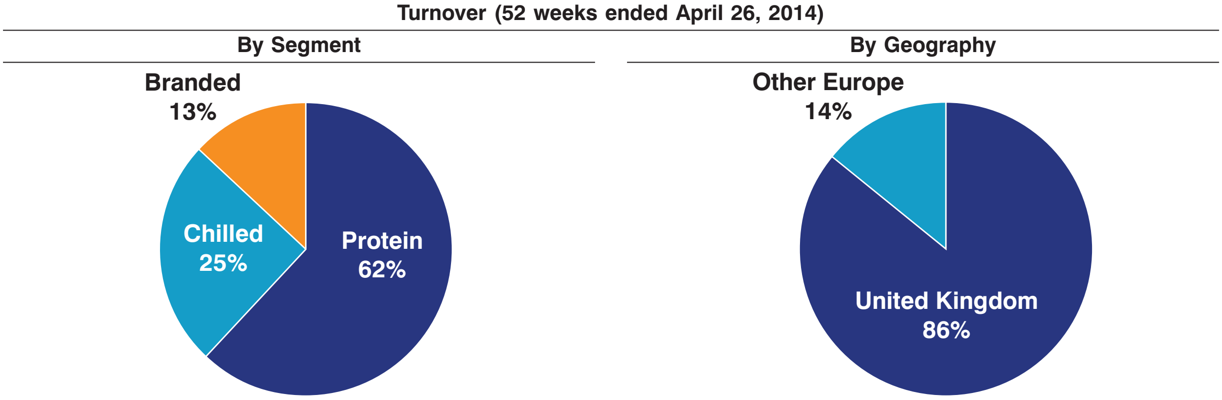
We were founded in 1993 and are one of the leading diversified food manufacturers in the U.K. with the number one position in the U.K. chicken market. We are headquartered in the U.K. with operations spanning the U.K., Ireland, the Netherlands and Poland. We operate a total of 49 manufacturing sites and we have over 23,500 employees. Our business consists of three segments: Protein, Chilled and Branded.

- Protein: In the U.K., we supply raw chicken, beef, lamb and fish and added value protein products, such as partially cooked or seasoned meats, to leading grocery retailers, foodservice, manufacturing and other clients. We also sell chicken and chicken by-products to pet food and other manufacturers. Outside of the U.K. we supply raw chicken and added value products to customers in Ireland, the Netherlands and Poland and other worldwide export markets.
- Chilled: We have a diversified product offering, supplying a number of retailer own label brands across chilled categories including ready meals, sandwiches, chilled pizza and selected bakery products.
- Branded: We have a number of branded product offerings across both frozen and biscuits categories. Our frozen brands include *Goodfella's Pizza, Donegal Catch Fish, Green Isle Vegetables, Holland's* and *McDougalls Pies*, which we supply in the U.K. and Ireland. In the biscuit segment our *Fox's* biscuit brand serves the sweet category with a core presence in the U.K. and developing international sales.

Our customer base includes (i) leading grocery retailers in the U.K. and European markets such as Tesco, Marks & Spencer, Sainsbury's, Aldi and Asda, (ii) foodservice operators such as KFC and Pret-a-Manger and (iii) food manufacturers such as Birdseye, Bakkavör and Greencore.

For the 52 weeks ended April 26, 2014, we generated turnover and Adjusted EBITDA of £3,421.3 million and £170.0 million, respectively. A breakdown of our turnover by segment and geography by destination is shown below.

Turnover (52 weeks ended April 26, 2014)



Our Strengths

Leading market positions in large and growing categories within the grocery retail industry

We are a diversified operator within the food industry with leading positions across a number of grocery categories. We believe that the complementary offerings of our Protein, Chilled and Branded segments provide us with the opportunity to innovate and develop our customer relationships and our brand knowledge of each business, increasing market share across all categories, including our operations in Ireland and mainland Europe.

Segment	Category	Market Size	Position	Key Brands
Protein (U.K.)	Chicken	£ 4.2 billion	#1	Own Label
	Fresh Beef & Lamb	£ 2.6 billion	#3	Own Label
Chilled (U.K.)	Ready meals	£ 2.1 billion	#1	Own Label
	Sandwiches	£ 1.3 billion	#2	Own Label
	Chilled Pizza	£ 0.5 billion	#3	Own Label
Branded	Sweet Biscuits (U.K.)	£ 1.7 billion	#3	Fox's/Rocky/Own Label
	Frozen Pizza (U.K.)	£ 0.4 billion	#2	Goodfella's/San Marco/Own Label
	Frozen Pizza (Ireland)	£ 61.0 million	#1	Goodfella's/San Marco/Own Label
	Frozen Pies (U.K)	£145.0 million	#1	Holland's/McDougalls/Own Label
	Frozen Fish (Ireland)	£ 69.0 million	#1	Donegal Catch
	Frozen Vegetables (Ireland)	£ 38.0 million	#1	Green Isle

We compete in several markets within the food industry that have experienced growing demand in the U.K. and elsewhere in Europe. For example, according to IGD, over the last ten years (from April 2003 to April 2013), the U.K. grocery market has grown from £115.8 billion to £169.7 billion with a compound annual growth rate of 3.9%.

In the Protein segment, we hold the number one position in the U.K. chicken market, processing approximately 6.0 million birds per week in the U.K. According to Key Note, the U.K. chicken market is a growing sector with opportunities to further develop our business, and in 2013 it had a market size of £4.2 billion. According to Key Note, this market experienced a historical growth rate of 7.2% between 2009 and 2013 and is projected to grow at a compound annual growth rate of 5.7% between 2014 and 2018. We believe that the factors driving this growth include the wide appeal of chicken (which is consumed by most religions), public perception of poultry products as healthy and versatile, and the low cost of poultry in comparison with other protein segments.

In the Chilled segment, we have strong positions in the U.K. in a number of markets including top three positions in ready meals, sandwiches, chilled pizza and Christmas puddings, with leadership in some of these, such as ready meals and Christmas puddings. We believe that the broader U.K. chilled market is an attractive category within the overall U.K. grocery market with an estimated total market size of £8.6 billion for the 52 weeks ended April 27, 2014, according to management's estimates based on third party data. We believe factors driving growth in this segment include the overall trend towards less time spent cooking, an increase in one person households and trends favoring convenience in meal choices.

In the Branded segment, we are the second largest frozen pizza producer in the U.K., the leading producer of frozen fish and vegetables in Ireland and the third largest sweet biscuit producer in the U.K. Kantar TNS estimated that the total market for frozen foods at £3.3 billion for the 52 weeks ended April 27, 2014. The biscuit market is an attractive segment, particularly as the U.K. is estimated to have the highest per capita consumption of biscuits in Europe.

Diversified and integrated business model with a strong focus on product innovation

We have a diverse portfolio of products in the across a wide range of categories within the three segments in which we operate. In our Protein segment, which accounted for 62.4% of our turnover in the 52 weeks ended April 27, 2014, we have a presence in the U.K. poultry, European poultry, U.K. fresh lamb and beef and fish markets and also poultry by-products and waste businesses. In our Chilled segment, which accounted for 24.6% of our turnover in the 52 weeks ended April 26, 2014, we have a presence across the U.K. markets for ready meals, sandwiches, chilled pizza and Christmas puddings. In our Branded segment, which accounted for 12.9% of our turnover in the 52 weeks ended April 26, 2014, we have a presence across a number of frozen categories in the U.K. and Ireland including frozen pizza, frozen pies, frozen fish and frozen vegetables as well as the biscuit segment.

We operate an integrated business with a goal of growing sales across our three segments. The majority of our major customers source products from across our three segments, which enables them to sell products meeting a variety of complementary meal occasions from snacks, treats and main meals and special occasions. Our integrated business model allows us to source from our Protein segment for our Chilled and Branded segment products where required. We continue to focus on sharing knowledge and best practices across our operations, including in relation to customer and industry trends, new product development, quality control, innovation, marketing, branding and sales. We also aim to source on a combined basis selected raw material to drive cost efficiency.

We are focused on working with our customers as partners and developing new and innovative products from an ingredient, packaging and taste perspective. We prioritize the monitoring of changing consumer tastes and aim to launch products that best cater to consumer demand at an affordable price. We see significant opportunity for product innovation and new product development across our segments which will drive further future growth, and we recently recruited an experienced Group Innovation Director to further drive innovation and new product development.

Longstanding relationships with leading U.K. retailers with a growing foodservice and food manufacturing customer base

We benefit from strong relationships with the U.K.'s leading food retailers. Our top five customers include Tesco, Marks & Spencer, Sainsbury's, Aldi and Asda, who together accounted for 61% of our turnover in the 39 weeks ended April 26, 2014, and who hold a combined 63% market share of the U.K. grocery retail market, according to Kantar TNS. Between the year ended July 28, 2012 and the twelve months ended April 26, 2014, our turnover generated from each of our top five customers grew by between 23% and 134%. We have longstanding relationships with our top five customers, which in some cases exceeds fifteen years. We believe we have been able to achieve such relationships by delivering value to consumers and excellent product quality, and as a results of our commitment to new product innovation and ensuring our facilities meet our customers' standards.

We have a growing customer base of foodservice and food manufacturing customers including KFC, Pret-a-Manger, Bakkavör, Birdseye and Greencore, and believe that our established British sourcing capabilities for chicken and beef beneficially position us to further capture growth in these channels. We focus on traceability and we believe that the degree of accountability that we strive for is a key focus for many of today's consumers and, as a result, our customers.

Integrated supply chain with strong British sourcing meeting both customer and consumer needs

We believe our integrated British supply chain in the Protein segment, specifically in relation to U.K. chicken and beef, well positions us to grow and take advantage of the increased demand for British sourced chicken.

Our U.K. poultry operations have a vertically integrated supply chain, which begins with our longstanding relationship with P D Hook (the largest supplier of day old chicks in the U.K.) through our Hook 2 Sisters 50/50 joint venture, from which we source our poultry and which raises the day old chicks it sources from P D Hook. P D Hook also supplies chicks to 2 Agriculture Limited, a live bird supplier that we have developed a relationship with as a result of its past supply to the businesses that we acquired in the Vion Acquisition. Our relationships with these suppliers, combined with our joint venture, allow us to maintain oversight of bird sourcing, development and welfare, which ensures that we are able to meet our customers' strict requirements for animal welfare and food quality standards.

In the U.K. beef market we are the third largest supplier in the U.K. and we directly source beef from approximately 11,000 British farmers. Our British sourcing practices provide us a competitive advantage in terms of meat traceability, which is a high profile issue due to reports in 2013 of certain European beef samples containing traces of horse DNA. As a result, we believe that suppliers, such as ourselves, who focus on locally sourced, traceable meat products, have an opportunity to gain market share as consumer trust in the fresh beef and lamb market stabilizes.

In the Netherlands and Poland, we source the majority of our chicken directly from approximately 300 farmers, generally through long-term contractual arrangements. We believe that our European poultry operations serve as a foothold in a market that we expect to grow in the coming years in terms of consumption. Furthermore, European poultry sourcing prices are lower than those in the U.K. and we are able to benefit from lower costs of living at our Polish site while maintaining quality of product and labor. We have a diversified customer portfolio throughout Europe, including sales into the U.K., the Netherlands, Germany, France and Poland, supplying customers in the retail industry, foodservice and quick-service restaurants segments, and are positioned to expand in these areas and markets.

We have 49 manufacturing sites that are designed to meet our customers' high standards and are strategically located to optimize logistics. We work in partnership with our customers and our operations are designed to meet strict client requirements and maintain the quality of our products. We maximize the use of temporary staff in order to increase operating flexibility and decrease operating gearing. We continue to prioritize innovation and the improvement of our product offering while maximizing efficiency and continuing to provide high levels of service.

Consistent track record of long-term top-line growth with strong Adjusted EBITDA and operating cash generation

Our business has grown significantly since inception from £7.8 million of turnover in 1994 to £3,421.3 million of turnover in the 52 weeks ended April 26, 2014. We have experienced robust like-for-like turnover growth of 9.5% and 5.6% in Fiscal Year 2012 and Fiscal Year 2013, respectively, and total absolute turnover growth of £1,508.5 million over the two fiscal years, driven largely by a growing customer base, internal product innovation and acquisitions.

We have generated stable Adjusted EBITDA over the last three fiscal years in the face of industry headwinds primarily related to the horsemeat scandal (despite the fact that we were not implicated in the scandal) and the fact that the Vion business acquired was a loss-making business. We believe that we have made good progress with our integration plan to bring the Vion assets into profitability as fully integrated components of our business as we have invested to consolidate our activities and lower our costs. As a result of stable capital expenditures, we have been successful in converting Adjusted EBITDA into operating cash flow. Our margin of Adjusted EBITDA to Adjusted EBITDA less capital expenditure (excluding acquisitions) has remained above 50% over the last three fiscal years and we are focused on managing working capital to drive strong cash generation in the business. Our strong cash flow generation has meant that we have been able to pursue selective, strategic acquisitions and site capacity expansion without the need for external financing (other than for the Northern Foods Acquisition) or drawing on our revolving credit facility.

Owner-led management supplemented with an independent Board of Directors

Our management team is led by our CEO Ranjit Singh, who founded the Company in 1993. The CEO is supported by a group of tenured industry executives who have significant relevant experience in the U.K. grocery and fast moving consumer goods sectors. We continue to recruit the best people, for example we recently recruited a New CFO, Stephen Leadbeater who has a wealth of experience in the food industry, including 10 years as CFO at Findus Group where he was instrumental in the successful delivery of a number of significant major financial and corporate projects.

We believe the composition of our Board of Directors demonstrates our commitment to high quality corporate governance that distinguishes us amongst private companies. Our Board is comprised of eight individuals, five of whom are independent including an independent Chairman and independent Chair of the Audit Committee. Our independent directors bring a wealth of food technology, marketing, strategy and financial expertise from their extensive prior experience in the U.K. multi-national landscape.

Our Strategies

Continue to follow the core principles of our "Virtuous Circle"

We use our industry experience to continue to grow our operations and structure our business based on the "virtuous circle" model that we have developed. The main premise is to to increase volumes, which drives improved efficiency in our factories and supply chain, lowering cost of production, allowing us to invest in providing better value to our customers and consumers to further increase volumes.

We believe that success in the categories in which we operate is ultimately related to scale, innovation and delivery of better value to end consumers. We believe that the robust history of our operations (over two decades in the U.K. grocery market), combined with the large scale of our operations (including 49 manufacturing sites, we have more than 23,500 employees and £3,421.3 million of turnover for the 52 weeks ended April 26, 2014) provides us with a significant long-term competitive advantage to compete effectively and grow successfully in our respective markets.

Continue to grow market share in core categories while maintaining profitability

We remain focused on growing market shares and further penetrating core categories in which we operate. These core categories include, in the Protein segment, U.K. chicken, European chicken, fresh beef and lamb, in the Chilled segment, ready meals, sandwiches, chilled pizza and puddings and, in the Frozen segment, pizza, pies, fish, vegetables and biscuits. We believe our scale and leading market positions (including many top three positions), attractive product offering with a focus on innovation combined with our experienced management teams favorably position us to compete in these categories and drive turnover growth and margin expansion. We also remain focused on exiting operations where we have sub-scale operations or that are not profitable, for example, in the current fiscal year we have made the decision to exit the salads and cakes businesses within our Chilled segment.

Product innovation and new product development remain core areas of focus within the organization and we continue to develop new products in close cooperation with our customers that are tailored to changing consumer tastes. In the Protein segment, there is a growing trend towards "ready to cook" meals where we believe our established British raw material supply chain, with a strong emphasis on traceability, and our expertise in ready meals well position us to compete. In the Chilled segment, we work on an ongoing basis with our customers to create new and innovative ready meals and other product offerings that differentiate our products in terms of taste, ingredients and packaging. In our Branded segment, we continue to develop new products that best align with evolving market trends and diversify and enahnce the customer proposition for our respective brands.

Deepen relationships with existing customers and expand relationships with new customers

We have longstanding relationships with our core customers to whom we have been supplying products in some instances for over 15 years. While we are an important supplier to our customers in the majority of the categories in which we compete, such as the raw poultry market and we believe there remains an opportunity to further expand our market share in core categories and grow market share in under-penetrated categories.

We also remain focused on growing our customer base across grocery retailers, foodservice operators and food manufacturing customers. We are aiming to take advantage of the emerging consumer trend of ‘‘split-shopping’’ where the consumer divides their shopping between traditional grocery stores for smaller purchases and discounters for larger purchases. We have strong and growing relationships with several discount retailers, and intend to continue to develop such relationships. We believe that our scale, established British supply chain and strong and diverse product offering, combined with our robust product innovation capabilities, position us to increase our customer base across channel types.

Continue to integrate recent acquisitions and streamline operations to drive synergies and efficiencies

In the last three years we have made the two strategic acquisitions of Brookes Avana and Vion. We acquired Brookes Avana in December 2011 for a total acquisition consideration of £36.9 million. The strategic rationale for acquiring Brookes Avana, which is part of our Chilled segment, was to further diversify our product offering along with the opportunity to increase capacity at the well-invested Rogerstone Park facility, which specializes in the production of ready meals.

We acquired Vion’s U.K. business in March 2013 for total acquisition consideration of £37.4 million. The strategic rationale for acquiring Vion included the desire to increase our U.K. poultry capacity, add a U.K. fresh beef and lamb business to our portfolio and take advantage of an opportunity to increase profitability. Since the Vion Acquisition, we have been implementing a two-year integration program, which has already begun to deliver greater efficiencies and cost savings across the Vion assets. To achieve this integration, we are focusing on consolidating operations and management, renegotiating customer contracts and restructuring our Scottish operations. For example, we have consolidated our cooked meat operations from three sites into two. These improvements are illustrated by increasing margins in our Protein segment quarter over quarter.

Going forward we aim to continue to integrate the Vion business from a supply chain, site, and employee perspective to create further efficiencies and generate cost savings across our consolidated operations.

Key Customer Relationships

We benefit from strong relationships with the majority of the U.K.’s leading food retailers. The strength of our customer relationships, in particular, allows us to take advantage of market opportunities. There is a core focus at the Company on leveraging, deepening and extending each of these relationships.

Tesco

Tesco is the U.K.’s largest grocery retailer with 26.6% U.K. grocery market share for the 12 months ended March 30, 2014. We have benefited from Tesco’s growth and rise to leadership in the U.K. grocery retail market, progressively supplying more of their product ranges. Following the Vion Acquisition, Tesco agreed to source fresh beef and lamb from us, having previously had a relationship with Vion.

Tesco is the largest of our customers by turnover. We have had a relationship with Tesco in excess of 15 years. We believe we have a strong and constantly improving relationship with Tesco as demonstrated by robust year on year growth in sales. Over the course of our long relationship, we have grown from being a minor poultry supplier to Tesco to become their largest. Management believes Tesco’s presence in the broader European retail market offers an opportunity for us to leverage the existing relationships and expand its European offerings.

Our Chilled and Branded segments supply Tesco with a range of products including own label sandwiches and chilled pizza as well as branded and own label biscuits and frozen pizza. Given that Tesco is positioned strongly in many of our core markets, our relationship with this customer continues to present an opportunity for further growth for these divisions.

We have worked together with Tesco to develop our supply chain to produce products specifically meeting Tesco’s and their customers’ needs.

Marks & Spencer

Marks & Spencer had a 3.1% U.K. grocery market share for the 12 months ended March 30, 2014. Although representing a small portion of the U.K. grocery market, Marks & Spencer is recognized as one of the key pioneers of the chilled, fresh and convenience sectors in the U.K. food industry, operating at the higher end of the grocery market. This has resulted in Marks & Spencer having a larger share of the chilled food market than its overall U.K. grocery share.

We have had a good relationship with Marks & Spencer for over ten years. Since the beginning of the relationship, we believe we have worked closely with Marks & Spencer, and by focusing on consumer needs, have helped Marks & Spencer reverse its declining share of the poultry market to growth. We collaborated with Marks & Spencer to invent the chilled ready meal and we work closely with them on product and business development.

As a core partner supplying a significant share of meal solutions, sandwiches, sushi and biscuits to Marks & Spencer, we believe we are well placed to capitalize on Marks & Spencer's commitment to retain its product leadership of the fresh/chilled convenience sector and desire to invest in growing its food business in the years to come.

Sainsbury's

Sainsbury's is the second largest retailer in the U.K. grocery market with a 15.0% share for the 12 months ended March 30, 2014. We have had a relationship with Sainsbury's for over five years. Our business with Sainsbury's began with poultry and has continued to grow steadily since inception. We also supply Sainsbury's with biscuits, pizza and frozen pastry.

Aldi

Aldi had a U.K. grocery market share of 3.1% for the year ended December 31, 2013. We have had a relationship with Aldi for over five years. Aldi is a leader in the competitive U.K. discount-retail market and has experienced market share gains in recent years. Aldi is positioned to continue in this state of growth due to the increase in ''split-shopping'' practices of consumers, who are increasingly inclined to divide their grocery shopping between premium retailers supplying higher-priced and quality products in some areas, and discounted food in others.

Our management has adapted to ensure we supply the discount retailer market where we see appropriate opportunities, and we will continue to adapt in coming years. Our relationship with Aldi includes our supply of biscuits and meal solutions and chilled pizza.

Asda

Asda is the U.K.'s third largest retailer with a 14.5% U.K. grocery market share for the year ended December 31, 2013. Asda's aim is to offer the best value with prices that are independently shown to be lower than its main competitors. Asda has also seen grocery market share gains in recent years.

We sell poultry and fish products to Asda, and increased our share of business in the Protein segment as a result of the Vion Acquisition. We believe, however, that there continues to be opportunity to grow our operations with Asda. In addition, we have a good relationship with Asda in our Chilled and Branded segments. As a retailer focused on the cash conscious consumer, but with tiered products across its categories, we supply a number of Asda's core categories including own label meal solutions and branded and own label frozen pizza, frozen pastry and biscuits.

Other Customers

We have a number of other customers, including Morrison's, The Cooperative, Lidl, KFC, Birds Eye, Bakkavör, Greencore, PDM, Iceland, as well as Harrods, Waitrose and a variety of other businesses such as Dunnes and Costco. We continue to focus on building and expanding on all of these existing relationships.

Our Business

Operating Segments

Protein

Our Protein segment comprises our U.K. and European poultry, U.K. fresh beef and lamb, and fish processing businesses. We are the market leader in the U.K. in terms of chicken production in terms of market share, and since the Vion Acquisition, a strong competitor in the fresh beef and lamb market. Our

Protein segment generated £2.1 billion in turnover, or 62.4% of our total turnover, in the 52 weeks ended April 26, 2014.

Poultry

Our primary chicken products are:

- Fresh chicken products, which are refrigerated (non-frozen) whole or cut-up chickens. When prepared for the retail channel, the fresh chicken is delivered as pre-packaged case-ready chicken, which includes various combinations of freshly refrigerated whole chickens and chicken parts in trays, bags or other consumer packs labeled and priced ready for the retail grocer's fresh meat counter.
- Prepared or ''added value'' chicken products, which are products such as breaded and roast chicken, barbeque chicken, component meats and savory liquids, such as gravy. These products are sold either refrigerated or frozen and may be fully cooked, partially cooked or raw. In addition, these products are breaded or non-breaded and either pre-marinated or non-marinated.
- Chicken by-products, which are remnants from the processing of chicken.

Our chicken products are sold primarily to:

- Major food retailers, such as grocery store chains, discount stores and other retail distributors. We sell branded and retail own label, pre-packaged fresh chicken products to our retail customers.
- Food service operators, such as chain restaurants. We sell retail own label, cut-up, fresh chicken products to our quick service restaurant customers.
- Food manufacturers, which are customers who use our product as an ingredient in their final prepared food. We sell primarily retail own label, fresh chicken products and some prepared chicken products, like roast chicken, to our food processor customers.

Our chicken by-products are sold to food and pet food manufacturers and rendering plants.

European Poultry (The Netherlands/Poland)

We have had a presence in mainland Europe for over ten years. We significantly increased the scale of our operations in Europe with the acquisition of Storteboom in 2010. The European division is focused on the supply of poultry products to food manufacturers and wholesalers throughout Europe. Our European poultry operations have also recently extended into directly supplying retailers, an area we believe has significant future growth potential and higher margin. Although the business is located in the Netherlands and Poland, management estimates that we exported approximately one-third of the products manufactured by these business units in Fiscal Year 2013 to the U.K. (including intercompany sales) to meet increasing demand for poultry in the U.K. Many of our customers limit their use of non-U.K. poultry due to consumer demand for British-sourced protein, although it is still frequently used as an ingredient in pre-prepared food such as sandwiches. For these products, our European supply can provide a source that meets our needs as and when they arrive, and can be sold into Europe when our needs are reduced. Our other products consist of retail own label fish products, which are battered, breaded or other processed whitefish products. These products are sold either refrigerated or frozen and may be fully cooked, partially cooked or raw.

U.K. Fresh Beef and Lamb/Manufacture

We acquired our fresh beef and lamb operations in March 2013 in connection with the Vion Acquisition. Our red meat operations predominantly supply Tesco with their beef and lamb requirements, and are also used in products in our Chilled division. Our primary production facilities are located in Merthyr, Victoria, Bodmin and Portlethen, and we source our beef from a geographically wide producer base of over 11,000 British farms.

Fish Processing

Through Five Star Fish, we are a U.K. based producer of fish products, including for use in soups, which we market to the retail and food service sectors. Our business offers branded and retail own label products, and operates from a well-invested plant in Grimsby. Customers include Iceland, Marks &

Spencer, Asda and JD Wetherspoon. We believe there are significant opportunities for growth in the Fish Processing division.

Chilled

The Chilled segment is focused on the meal solutions, sandwiches and chilled pizza markets. This segment generated £843.3 million in turnover, or 24.6% of our total turnover, in the 52 weeks ended April 26, 2014.

The major food retailers view the chilled foods market, particularly own label offerings, as a key driver of growth and differentiation.

- **Meal solutions:** We worked with Marks & Spencer to pioneer the U.K. chilled meal solutions market in the 1970s and introduced consumers to a diverse new range of recipes which has developed into sectors such as Italian, Chinese, Indian and traditional British meals and accompaniments. We are one of the leading suppliers in the industry and we manufacture chilled meal solutions for a number of our core retail customers across a range of recipe ranges including Traditional, Chinese and International cuisine.
- **Sandwiches and chilled pizza:** We hold leading positions in the key sandwich market. We produce a wide range of sandwiches and pizza and have developed a mixed offering that ranges from 'staple favorites' through to more premium products. Different bread formats such as specialty rolls and bloomers also add breadth to our range. Development of smaller convenience stores such as the Marks & Spencer 'Simply Food' or the Tesco Metro format have driven category growth and our sales within this segment.
- **Christmas puddings:** We hold the U.K.'s number one Christmas pudding business which supplies all major retailers and has a heritage dating back over 100 years. We also produce unique own label Christmas puddings for Harrods, Waitrose and Duchy Originals.

Branded

Our Branded segment, which trades in the ambient and frozen markets, produces well-known name items with a long history of popularity in the traditional British household. This division generated £442.0 million in turnover, or 12.9% of our total turnover, in the 52 weeks ended April 26, 2014.

An overview of our product offerings in our Branded segment is detailed below:

Fox's (Ambient)	The U.K.'s third largest biscuit brand in the sweet biscuit market. Fox's has a well-balanced split of branded and own label businesses for the major retailers. Its core strengths are creams, indulgences and assortments.
Goodfella's (Frozen)	The U.K.'s number two frozen pizza brand and the number one brand in Ireland, Goodfella's competes in all the major frozen pizza sub-categories. The range consists of Goodfella's thin and deep, takeaway, speciale, pocco's and flatbread offerings.
San Marco (Frozen)	A lower priced complement to the Goodfella's brand, allowing us to capture market share at the value end of the frozen pizza market.
Donegal Catch (Frozen)	Donegal Catch is the leading brand in the Irish frozen fish market. The Donegal Catch portfolio of products competes in all frozen fish sub-categories including breaded fillets and children's ranges.
Green Isle (Frozen)	The Green Isle brand has a strong heritage and is the number one frozen vegetable brand in Ireland.
Holland's Pies (Frozen)	Holland's produces frozen and chilled pies and is one of the longest established regional brands in the U.K. with a strong presence in the North West of England.

Product Development

We place a high value on continued innovation, in terms of improving our existing product offering and working with our customers to deliver innovation and added value, and adding to our portfolio. We take pride in the fact that a customer can prepare every course of their Christmas dinner from our product offerings, and we seek to continue to enhance this aspect of our business in terms of quality of products and breadth of offering.

Protein

In the Protein segment, we have experienced teams who work closely with our retail customers to develop products which will be attractive to the consumer. New product development often occurs through discussions and collaboration with our customers. Once a potential new product that we can produce on a commercial basis is identified, our dedicated teams develop the product by selecting appropriate ingredients and packaging, and evaluating food safety and quality while actively discussing with the customer their requirements. Before the product is launched, we commence production trials in which new products made in our manufacturing facilities are benchmarked against kitchen samples. After the product is launched, we work with our retailer customer to closely monitor the product's performance to understand consumer trends and patterns, which allows us to determine whether there is a need for further improvement.

Chilled and Branded

In the Chilled and Branded segments, we aim to increase brand value and sales growth through product innovation and quality, and by extending brands into new categories to increase purchase frequency, and also by making products more attractive and relevant to target additional eating occasions. We plan holistically to ensure that our products, packaging and sustainability of our brand offerings can meet the needs of consumers. This includes product development and taste testing, aligned with research into individual food markets.

Marketing

We invest significantly in brand marketing and innovation through our marketing teams in the Chilled and Branded segments. Our Chilled and Branded segment marketing investment behind our brand is made after detailed research into the needs and buying behavior of consumers. Marketing investment is often supported by promotional activity in store, alongside TV, radio and other marketing channels. We have been highly successful in marketing in recent years, and were able to enjoy robust profits due to our supply of food and meal solutions to events such as the Queen's Diamond Jubilee, the 2012 London Olympic Games and the 2012 European Cup. Currently, a primary focus of our marketing in our Chilled segment is a campaign aimed at encouraging consumers to increase consumption of beef-based meal solutions. Our sales in this sector were sharply affected by the horsemeat scandal in the U.K. in 2013, in spite of all testing of our products indicating no traces of horse DNA. In the Protein segment, our marketing focus is more focused on direct communications with retailers and leveraging our close relationships with them in regards to their own brand products to achieve access to their customers for our branded products.

In recent years, promotional activity has become increasingly critical in retail stores. Heightened regulation of retailing practices, such as decreased timing windows for discounting of individual products, has resulted in an intensified focus on promotional practices. As such, we have significantly invested in the promotional side of marketing in discussions with our customers, and we derive a significant amount of our turnover as a result of these practices.

All of our sales into retailers in the U.K. from our poultry operations are from retailer own brand products and we generally do not engage in the marketing of our branded products in the Protein segment.

Operations

We currently manufacture food products in four countries: Netherlands, Ireland, Poland and the U.K. We market our food products in the U.K. and mainland Europe.

Sourcing and Production

Sourcing

Protein

In our poultry business, we divide our sourcing by U.K. sourcing and Europe-based sourcing. In the U.K., we source approximately 6.0 million birds per week, predominantly through Hook 2 Sisters, a 50/50 joint venture with P D Hook, the U.K.'s largest supplier of broiler chicks, and 2 Agriculture Limited, a related party non-group company that was the supplier of the poultry businesses we acquired through the Vion Acquisition. We also source a small portion of our poultry from Harry Irwin, a supplier of high value products. Our sourcing is very tightly controlled and we place high value on traceability, aiming to produce a true ''farm-to-fork'' story for a wide variety of products. Due to the nature of our reliance on the joint venture with P D Hook, which secures a substantial amount of our supply of chickens in the U.K., any increase or decrease in the prices to be paid by Hook 2 Sisters for feed is immediately passed on to us. Although we believe we have been successful in passing on price increases to our customers, albeit with some time lags between cost increases and the implementation of price increases, there can be no guarantee that our customers will agree to price increases in the future. If that were to happen, we must look to recover our margins indirectly, either by agreeing on lower promotional contributions on future activity or reducing agreed discounts to our customers, which can have an impact on our ability to increase turnover, as well as our operating results and financial condition. We have recently negotiated a ratchet mechanism with a significant number of our customers whereby our prices are based on raw material prices, albeit with certain time lags between cost increases and the implementation of price increases.

In mainland Europe, we source approximately three million birds per week from a variety of external agricultural suppliers. We import poultry from our non-U.K. operations on an as-needed basis due to the demand for poultry in the U.K. outstripping supply. We source our fish from China (which is the biggest source in terms of volume), the U.K., Ireland, Holland and Iceland.

For our U.K. fresh beef and lamb operations, we source approximately 4,200 cattle and 21,500 lambs per week, from a geographically wide producer base of over 11,000 British farms.

Chilled and Branded

In our Chilled and Branded segments, our sourcing is based on a highly diverse basket of commodities, the majority of which are sourced from retailers in the U.K. In addition, we source poultry, beef and lamb from our Protein segment for use in certain of our products in the Chilled segment. For example, we source some of our beef and lamb for our meal solution products for Marks & Spencer from our Protein segment. Within the key commodities which we source, we have long standing relationships with our suppliers. The central procurement function of the company handles our supply chain. This centralized nature of the management of our commodities allows us to more easily manage our price exposure.

Production

Protein

Poultry

In our poultry business, we operate 23 production sites from which we produce our poultry products, ten of which are slaughtering sites dedicated to the initial processing of the chickens. The slaughtering plants are situated in the U.K. in Willand, Scunthorpe, Sandycroft, Llangefni, Coupar, Eye and Flixton, in the Netherlands in Kornhorn and Putten, and in Poland in Granowo. After this, the poultry is processed through our cutting sites. We have seven sites exclusively devoted to cutting, five of which are in the U.K. (four in West Midlands/Birmingham and one in Witham) and the other two in the Netherlands in Nijkerk. In our poultry producing division, we have six sites solely dedicated to the preparation of the chickens for retail trade. Four of the preparation sites are situated in the U.K. in Basildon, Thetford, Cambuslang and Sunderland and two are located in the Netherlands in Zeewolde and Sprundel. In 2013, we exited our facilities in Letham, Cuijk and Staphorst and transferred operations to our more cost-efficient properties. The Letham exit has assisted us in delivering cost-efficiencies in Scotland. There are also poultry preparation sites, which are dedicated to later stage processing of the chickens. In October 2013, we closed our Haughley Park facility and transferred its core operations to more cost-efficient locations. There is one poultry related products site, situated in the U.K., in West Bromwich, which focuses on distributing the poultry by-products. In addition, we have one dedicated fish site in the U.K., which is located in Grimsby.

We believe our U.K. production facilities are among the most modern and efficient facilities in the market and we have regularly invested in the development of facilities, and the Vion Acquisition provides us with further opportunity to improve efficiency. We are working to update our newly acquired facilities to bring them in line, in terms of technology and efficiency, with industry best practice. We believe our facilities and production lines ensure that we can create and deliver innovative products to our retailer customers quickly, helping them respond to changing consumer tastes and preferences more quickly than branded food competitors. We believe we have the capacity in our plants to grow and a portion of our sales growth is based on this extra capacity. All of our sites conform to the requirements of our retail customers.

Although much less centralized than the U.K. poultry market, the European poultry industry is moving away from local stores as the source of European's poultry, to the supermarket model. We believe this gives players like us an opportunity to build upon our strong relationships with retailers as they expand their geographic footprint. The European division is focused on the supply of poultry products to food manufacturers and wholesalers throughout Europe. Our European poultry operations have also recently extended into directly supplying retailers, an area we believe has significant future. The European poultry business exports poultry products into the U.K. and other countries. Our factories in Europe employed approximately 2,000 people as at April 26, 2014 and we believe are positioned to enable us to reach our major markets quickly and efficiently.

Fresh Beef and Lamb

We operate four production sites from which we produce our fresh beef and lamb products. Our Merthyr Tydfil, Portlethen and Bodmin facilities process beef and lamb products, and contain abattoirs and boning halls. The Merthyr Tydfil and Bodmin facilities also contain retail packing plants, with the Bodmin plant functioning mainly for promotional activities. Our Victoria facility contains retail packing processes for mince and value added products, which mainly include burgers and meatballs.

Chilled and Branded

The current portfolio of our Chilled and Branded segments extends to 21 producing facilities (ten chilled, six frozen and five ambient) in Ireland and in the U.K.

Distribution

Protein

Poultry

In our poultry business, we operate an outsourced distribution model that uses two major distribution partners wherever possible; MRCT and GIST in the U.K. and Wolter Koops Transporten in the Netherlands. We make use of a variety of flexible solutions provided by these logistics providers. Our warehousing operations are predominantly focused at site level, with external cold storage locations available for use, as they are required, but with a focus on minimizing their use to reduce costs. A dedicated internal team drives planning for logistical processes to ensure that operations are as low cost but as flexible as possible.

Fresh Beef and Lamb

In our fresh beef and lamb business, we use an outsourced distribution model that uses two major distribution partners Conway Bailey Transport Ltd (St Merryn Food operations in South West England and Wales) and Robert Burns Transport Ltd (McIntosh Donald in Scotland). Additionally, we use other hauliers on an as-needed basis to provide solutions for export. We warehouse our fresh products primarily on a site-by-site basis. St Merryn Food operations also operates a cold store holding, largely for frozen products. We also use a network of external cold stores that store frozen product and fresh at peak seasonal stock holding periods. A dedicated internal logistics team drives planning for distribution processes to ensure that operations are as low cost but as flexible as possible. Our commercial teams are responsible for managing the use of external cold storage facilities.

Chilled and Branded

In our Chilled and Branded segments, we work with a small number of key distribution partners with whom we have long standing relationships. For example, NFT Distribution, which we disposed of in 2006 because we decided providing distribution services was non-core, remains a distributor with whom we have a good relationship. Our distribution chains are managed at site level, and we consolidate our shipping at each site if possible, to reduce cost. Additionally, we utilize external warehousing, which is also principally managed at the site level.

Competitive Position

Protein

In our Protein segment, we compete with a small number of other operators. Our largest competitors in the poultry market are Moy Park, Faccenda and Cargill. Moy Park is a Northern Irish food processing company with operations across Europe. It is a vertically integrated business, which includes breeder and broiler hatcheries and primary and further processing facilities. We recently acquired the U.K. assets of Vion, a manufacturer of poultry products and a former competitor. Since the acquisition, we believe we are the largest poultry producer in the U.K. We compete with other poultry and fresh beef and lamb businesses in terms of our quality of service, including on time delivery, quality of product delivered and the ability to meet the customers' orders, as well as our ability to make capital investments in order to continue to offer quality and innovative products to the customer.

Chilled

In our Chilled segment, we compete with a small number of other operators including Greencore Group plc (''Greencore'') and Bakkavör. Greencore is an international manufacturer of convenience foods and ingredients. Their convenience foods division provides a wide range of chilled, frozen and ambient foods to major retail, manufacturing and foodservice customers in the U.K., Ireland, mainland Europe and the United States. Samworth is a U.K.-based privately owned chilled manufacturer to U.K. retailers. Bakkavör is a U.K.-based international producer of approximately 6,000 fresh prepared foods and produce with operations across ten countries and in 18 different product categories. The group is focused on fresh prepared foods and produce markets, fast-growing sectors of the food industry.

Branded

In biscuits, our key competitors are the private-equity owned United Biscuits, Burtons and Mondelez, amongst others. In frozen pizza, our main competitor is Dr. Oetker, which owns Chicago Town in the U.K.

The food industry is highly competitive and companies who have strong market positions and strong balance sheets and the ability to invest for the next generation of food manufacturing will be best placed to thrive.

Quality Assurance

In addition to manufacturing foods marketed under our brands, we also manufacture food on behalf of our retailer customers, marketed under their brands. Our retail customers set individual and specific standards for their foods for reputational purposes.

Our standards and quality assurance systems for the foods we manufacture assure that the products we sell meet our individual customers' specific brand requirements and expectations and enable us to maintain strict compliance with all applicable government mandates regarding the safe and legal manufacture of foods.

We require as a matter of policy that our manufacturing sites implement a Product Management System with a documented Quality Policy Statement, organizational structure, quality plan, quality manual, procedures manuals, monitoring and inspection records. All of our products are manufactured to agreed specifications, and conformance with those specifications is monitored daily, as part of routine quality assurance activities. Conformance with policy is regularly audited and independently confirmed at least once a year, via certification against the British Retail Consortium Global Standard for Food Safety, a requirement for all our manufacturing sites.

We use the Hazard Analysis Critical Control Point (''HACCP'') approach to food safety and require, as a matter of policy, that our sites implement a Food Safety Plan based on HACCP principles. HACCP is a systematic preventive approach to food safety that addresses potential hazards; our internal policy requires that potential microbiological, chemical, physical and allergen hazards are addressed, in line with internationally recognized best practice for food manufacture. Key actions are taken at Critical Control Points (''CCPs'') to reduce or eliminate risk of the potential hazards being realized. HACCP considers all key stages of a product's manufacture, ''from farm to fork'', from the inherent safety of the initial raw materials, through the validation of food safety controlling processes (e.g. washing, cooking, cooling), to confirmation of shelf life and end-consumer usage.

The HACCP approach requires that good manufacturing practices, good hygienic practices and proper training are in place as pre-requisites. Evaluation of those practices forms part of our daily quality assurance processes. Routine monitoring, validation and verification of the CCPs effectiveness also takes place, including testing the finished products for the hazards which the CCPs are designed to control. Our monthly microbiological key pathogen (*Salmonella spp.* and *Listeria monocytogenes)* testing program is an example of one of the processes in place. In September 2013, we opened a new laboratory at our BioCity Laurus site in Nottingham, which was established to conduct sample testing of a wide variety of products that are ready to eat and ready to cook.

Our quality assurance processes extend throughout our supply chain, from our sources of materials to our finished product points of sale. As a matter of policy, we buy all food materials and ingredients only from known, technically approved suppliers and against agreed, detailed technical specifications. Materials conformance with those specifications is assessed prior to delivery acceptance and intake processes may require additional inspection or testing by trained quality assurance staff against a risk assessed program, for example for the presence of microbiological, chemical, physical or allergen contaminants. Deliveries that do not meet our requirements are rejected and quality failures are reviewed with suppliers.

Our supplier approval and re-approval processes include visits to supplier sites where appropriate by trained, qualified supplier auditors. The results of these audits and our materials conformance inspections are monitored and action taken if any of our suppliers or materials fails to meet our requirements.

Our policy requires that our suppliers are able to trace materials to source. The effectiveness of our and our suppliers' materials traceability is routinely tested, audited and independently verified as part of our normal, routine quality assurance processes.

Joint Ventures

Hook 2 Sisters

2 Sisters FG and P D Hook entered into a joint venture agreement in 2006 (the ''Hook JVA'') whereby each party shares equally in the management of Hook 2 Sisters. Hook 2 Sisters and P D Hook (Hatcheries) Limited are parties to a supply agreement whereby P D Hook (Hatcheries) Limited supplies day old chicks to Hook 2 Sisters. P D Hook and Hook 2 Sisters are parties to a service agreement whereby P D Hook provides certain financial, information technology, administration, human resources and technical support services to Hook 2 Sisters. Finally, 2 Sisters FG and Hook 2 Sisters are party to a growing agreement, whereby Hook 2 Sisters grows the day old chicks it receives from P D Hook (Hatcheries) Limited into full grown chickens for slaughter. The contract provides for base prices and price ratchets with respect to the costs of feed, gas, chicks and compliance with the certain environmental controls, whereby if the price of any of these items goes up for Hook 2 Sisters, the price 2 Sisters FG pays for the chickens increases accordingly. Due to the nature of the joint venture with P D Hook, which secures a substantial amount of our supply of chickens in the U.K., any increase or decrease in the prices to be paid by Hook 2 Sisters for feed is immediately passed on to 2 Sisters FG. Although 2 Sisters FG has been successful in passing on price increases to our customers, albeit with some time lags between cost increases and the implementation of price increases, there can be no guarantee that our customers will agree to price increases in the future. If that were to happen, we must either look to recover our margins indirectly, either by agreeing on lower promotional contributions on future activity or by reducing agreed discounts to our customers, which can have an impact on our ability to increase turnover, as well as our operating results and financial condition.

The Hook JVA will continue in full force and effect until the earliest of: (1) the termination of the Hook JVA by mutual agreement of the parties; (2) expiry of a 180 day period from the date on which P D Hook ceases to carry on the agreed P D Hook business; or (3) either 2 Sisters FG or P D Hook serve 6 months' written notice of termination on the other party. The Hook 2 Sisters' business was previously operated by 2 Sisters FG.

Acquisitions and Dispositions

We have historically acquired companies which we believe fit into the business strategy for long term expansion. Generally, the criteria we evaluate in exploring potential acquisitions include the benefits of increasing capacity, customer coverage, geographical coverage and product offering. While we are focused on growing and investing in our existing sites, we will continue to consider potential other opportunities as we grow and may decide that there are opportunities available to us in the future. In addition, we have historically disposed of businesses when we have made a commercial assessment that there would be an economic benefit to doing so.

Acquisitions have included:

- *Brink.* On November 1, 2010, our subsidiary 2 Sisters Europe B.V. acquired all outstanding and issued shares in Brink Pluimveeprodukten Holding B.V. for a purchase price of £6.7 million.
- *Northern Foods Acquisition.* On April 7, 2011, we acquired 100% of the issued share capital of Northern Foods Plc (re-registered as Northern Foods Limited on May 27, 2011) and as a result also acquired all of its subsidiaries and investment interests. The fair value of the total consideration was £352.3 million.
- *Five Star Fish* and *Amber.* On April 7, 2011, we acquired 100% of the issued share capital of Five Star Fish Limited and 100% of the issued share capital of Amber Foods Limited for total consideration of £110.0 million.
- *Sprundel.* On August 1, 2011, our subsidiary 2 Sisters Europe B.V. acquired all outstanding and issued shares in Branderhorst Freshfood B.V. for a purchase price of €0.6 million. The name of the company has been changed into Storteboom Sprundel B.V.
- *Brookes Avana.* On December 30, 2011, we acquired the Brookes Avana business, consisting of RF Brookes and Avana Bakeries. The fair value of the total cash consideration was £36.9 million. During Fiscal Year 2012, the acquired business contributed £95.3 million to our turnover.
- *Vion U.K.* On March 8, 2013, we acquired the trade and operating assets of the Vion U.K. Poultry and fresh beef and lamb businesses through the acquisition of 100% of the issued share capital of 2 Sisters Red Meat Limited and 2 Sisters Poultry Limited for total consideration of £37.4 million. During our fiscal year ended July 27, 2013, the acquired entities contributed £365.2 million to our turnover (of which £148.6 million was attributable to the acquired poultry operations and £216.6 million was attributable to the acquired fresh beef and lamb operations) and negative £7.9 million to our Adjusted EBITDA, and had a pre-exceptional operating loss of £10.7 million. We are currently on track to successfully implement our two-year integration plan for the Vion assets, which consists of facility rationalization and other cost-saving strategies that will bring these assets into profitability alongside our existing Protein operations.

Dispositions have included:

- *Dalepak.* In August 2010, Northern Foods, which we acquired on April 7, 2011, pursuant to the Northern Foods Acquisition, disposed of the Dalepak Frozen Foods (''Dalepak'') business to the Irish Food Processors Group, for net cash consideration of £6.1 million. Dalepak is a supplier of frozen food products, including meat and meat free grills, with brands such as Dalepak, Ross' and Grassington's. Of the proceeds from this transaction, £3.0 million was paid into the Northern Foods Pension Schemes as a special contribution.
- *Northern Foods Insurance Limited.* On March 27, 2012, we sold our subsidiary, Northern Foods Insurance Limited, for proceeds of £0.9 million, resulting in a loss of £0.3 million. The principal activity of the Company had been the underwriting of insurance risks for the Northern Foods group, but no premiums had been written for several years.
- *Colnbrook.* On July 27, 2012, we sold our food assembly operation at Colnbrook, near London Heathrow airport, to DHL Supply Chain. This disposition allows DHL to manage all the logistics activity associated with operations that supply British Airways, but we continue to supply food to British Airways via DHL on its short haul routes from London Heathrow. The trade and assets were sold for cash proceeds of £5.5 million, and the sale resulted in a gain of £2.2 million.

• *Avana Christmas Puddings Assets.* In accordance with the Office of Fair Trading decision regarding the Brookes Avana Acquisition, we sold the assets and business of the Avana Christmas puddings business, which sale became unconditional on October 26, 2012, for proceeds of £250,000.

• *Letham.* On December 8, 2013, we sold the Letham business in relation to the slaughter and processing of Halal chickens for proceeds of £1.00.

Employees

As of May, 2014, we had 23,747 full-time employees. The table below shows the number of employees as of such date by segment and function.

Function	Protein	Chilled	Branded	Total
Production	10,507	6,342	3,048	19,897
Administration	1,741	1,371	738	3,850
Total	12,248	7,713	3,786	23,747

These additional employees allow us flexibility in our production requirements and help us to maintain flexibility our cost base.

In the U.K., many of our employees are members of U.K. trade unions, Unite the Union or USDAW, and we have Recognition Agreements with these unions at individual site level. We do not have an agreement with either union for national bargaining. The local agreements are ongoing, with no set term, and are reviewed by management and our human resources staff periodically. Each union recognition agreement has a ''procedure for the resolution of collective disputes'' in place to engage management and employees in the resolution of workplace disputes. If potential collective action arises, we initiate the resolution procedures with an agreement that there will be no partial or general stoppage of work, lockout, strike, restriction, ban or withdrawal of co-operation or any breach of the agreement until all the stages of the procedure have been completed and the result is known. If we are unable to reach a resolution at the end of this procedure, union members may initiate a ballot for strike action, which could lead to a potential strike by the union members at a particular site.

In our European business, we also have good employee relationships, with no disputes. There is a central works council and each site has a local committee representative on the Council. A small number of employees are members of either FNV or CNV trade unions. Our relationships with both trade unions is good and there are no disputes. Agreements are on-going and terms of employment are reviewed periodically by management.

Pensions

We have taken steps to reduce our defined benefit pension scheme liabilities. We operate a number of defined benefit schemes for qualifying employees, principally the Northern Foods Pension Scheme, Northern Foods Pension Builder and the Lloyd Maunder Limited Retirement Benefit and Life Assurance Scheme in the United Kingdom, the Green Isle Foods Group Retirement and Death Benefit Plan (the ''Plan'') in the Republic of Ireland and 2 Sisters Holland B.V. pension arrangements in the Netherlands. Under the Schemes, the Pension Builder and the Plan, employees are entitled to retirement benefits based on pay and service. The Schemes, Pension Builder and the Plan are funded schemes while our post-retirement medical benefit scheme is unfunded. The Schemes and the Plan are final salary schemes. The assets of all the Schemes, the Pension Builder and the Plan are held in trustee administered funds separate from the finances of the Group.

The Northern Foods Pension Scheme, and Northern Foods Pension Builder Scheme were both closed to future accrual with effect from November 1, 2011. A similar proposal became effective for the Green Isle pension scheme from October 31, 2012 which broke the link to salaries.

In connection with the Northern Foods Acquisition, on January 21, 2011, we entered into a Deed of Agreement with Northern Foods Trustees Limited, which was subsequently amended on September 30, 2011 and May 2, 2014, relating to the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme (together, the ''Northern Foods Pension Schemes''). Pursuant to the Deed of Agreement, we agreed, among other things, upon consummation of the Northern Foods Acquisition, to contribute to the Northern Foods Pension Schemes an amount per annum of not less than £15.0 million. As a result of the amendment, rather than pay an annual installment of £15 million at the end of April, 2014, we are now obligated to pay £1.3 million per month until January 2015, at which time we must make a lump sum payment of £3.9 million and then transition to an annual payment of £15 million, as was originally envisaged, beginning in April 2015 until April 2021 (inclusive), along with expenses and levies. We have ongoing negotiations with the pensions trustee to agree to the March 2013 deficit recovery plan.

Insurance

We maintain the types and amounts of insurance coverage that we believe are consistent with customary industry practices in the jurisdictions in which we operate and consider our insurance coverage to be adequate for our business. Our insurance policies cover employee-related accidents and injuries, property damage, machinery breakdowns, fixed assets, facilities, and liability deriving from our activities, including environmental liability. We maintain product liability insurance that covers liability arising from malicious product tampering by third parties and employees, as well as product recall expenses arising from accidental contamination and/or malicious product tampering. We maintain business interruption insurance for interruptions resulting from incidents covered by insurance policies. In certain circumstances we also maintain credit policies against losses from certain customers who fail to pay and a transit policy against losses during transport/delivery. Our insurance policies also cover directors' and officers' liability and third-party insurance. We have not had any material claims under our insurance policies that would either make them void or increase their premiums. We cannot assure you, however, that our insurance coverage will adequately protect us from all risks that may arise or in amounts sufficient to prevent any material loss.

Intellectual Property

We use brand and related logos in our sales and marketing efforts, including the Fox's, Goodfella's, Donegal Catch, Green Isle, Buxted and Devonshire Red brands. Each of the trademarks, service marks and trade names that we use in conjunction with the operation of our business is registered and/or pending registration, as appropriate for the needs of our relevant business.

Legal Proceedings

At any given time, we may be a party to litigation or be subject to non-litigated claims arising out of the normal operations of our businesses. We do not expect any liability arising from any of these legal proceedings to have a material impact on our results of operations, liquidity, capital resources or financial position. There are no material legal proceedings currently outstanding.

Properties

Our headquarters are located at Colmore Row, Birmingham, with our registered office at Trinity Park House, Wakefield, United Kingdom. We lease or own facilities in four countries. The table below shows the geographic location of each facility, the function of the facility, and whether it is owned or leased.

Country	Address	Function	Owned/Leased
The Netherlands	*Kornhorn* Provincialeweg 70, 9864 PG Kornhorn	Primary Processing	Owned
The Netherlands	*Nijkerk* Galvanistraat 2, 3861 NJ Nijkerk	Cutting	Owned
The Netherlands	*Nijkerk* Galvanistraat 26, 3861 NJ Nijkerk	Cutting	Owned
The Netherlands	*Putten* Voorthuizerstraat 148, 3881 SL Putten	Primary Processing	Owned
The Netherlands	*Sprundel* Korte Hei 8 4714 RD Sprundel	Retail	Leased
The Netherlands	*Zeewolde* Akkerweg 3, 3899 BL Zeewolde	Retail and Further Processing	Owned
Poland	*Poland* Kotowo 1A 62-066 Granowo	Primary, cutting and small retail	Owned
United Kingdom	*Site A* Unit 2 Bevan Way Alpha Business Park Smethwick Warley, West Midlands	Cutting	Leased
United Kingdom	*Site C* Unit 3 Bevan Way Alpha Business Park Smethwick Warley, West Midlands	Cutting	Leased
United Kingdom	*Colmore Row*, Birmingham	Headquarters	Leased
United Kingdom	*Site E* Gallus House, Lincoln Street, Wolverhampton West Midlands	Cutting	Leased
United Kingdom	*Scunthorpe* Ram Boulevard, Foxhills Industrial Est., Scunthorpe North Lincolnshire	Primary Processing	Owned
United Kingdom	*Trinity Park House* Trinity Business Park Fox Way, Wakefield	Shared Service Centre	Leased
United Kingdom	*Flixton* Grange Road Flixton, Bungay	Primary Processing	Owned

Country	Address	Function	Owned/Leased
United Kingdom	*Willand* Willand Cullompton, Devon	Primary Processing	Leased
United Kingdom	*Sunderland* Leechmere Industrial Est. Toll Bar Road Sunderland, Tyne & Wear	Prepared	Owned
United Kingdom	*Thetford* Caxton Way, Thetford	Prepared	Leased from a Related Party
United Kingdom	*Five Star Fish* Great Grimsby Business Park Athenian Way, Grimsby, North East Lincolnshire	Fish	Leased from a Related Party
United Kingdom	*Unit 1-3* Howard Street Ind Est, Hilltop, West Bromwich, West Midlands	By-products	Leased
United Kingdom	2180 Century Way Thorpe Park, Leeds	—	Leased/ Sublet
Ireland	*Green Isle Foods* I.D.A. Industrial Estate, Monread Road, Naas, Co Kildare	Frozen	Owned
Ireland	*Green Isle Foods* Ballymote, GurteenCo Sligo	Frozen	Owned
Ireland	*Green Isle Foods* Ballinalee Road, Longford Town, Co Longford	Frozen	Owned
Ireland	*Green Isle Foods* I.D.A. Industrial Estate Portumna, Co Galway	Frozen	Owned
United Kingdom	*Walter Holland & Sons* Baxenden, Accrington, Lancashire	Frozen	Owned
United Kingdom	*Fox's Biscuits* Wellington Street, Batley, West Yorkshire	Biscuits	Owned
United Kingdom	*Fox's Biscuits* Station Road, Kirkham, Lancashire	Biscuits	Owned
United Kingdom	*Fox's Biscuits* Wakefield 41	Biscuits	Leased
United Kingdom	*Fox's Biscuits* Dove Fields Road, Uttoxetter	Biscuits	Owned
United Kingdom	*Fox's Biscuits* Cheadle Road, Uttoxeter Staffordshire	Biscuits	Owned
United Kingdom	*Biocity* Biocity Pennyfoot Street Nottingham	Administrative	Leased

Country	Address	Function	Owned/Leased
United Kingdom	*Matthew Walker* Heanor Gate Road, Heanor, Derbyshire	Christmas Puddings	Owned
United Kingdom	*Cavaghan & Gray* Brunel House, Brunel Way, Carlisle, Cumbria	Chilled	Part Owned / Part Leased
United Kingdom	*Cavaghan & Gray* Eastern Way	Chilled	Leased
United Kingdom	*Convenience Foods* Grimsby Unit 1, Pegasus Way, Europarc, Grimsby North East Lincolnshire	Chilled	Leased
United Kingdom	*International House* Suites 1 and 2, Trinity Business Park, Wakefield	Poultry	Leased
United Kingdom	*Unit 8* Trinity Park House, Wakefield	Administrative	Leased
United Kingdom	*Gunstones Bakery* Stubley Lane, Dronfield, South Yorkshire	Chilled	Owned
United Kingdom	*Pennine Foods* Drakehouse Crescent, Waterthorpe, Sheffield South Yorkshire	Chilled	Owned
United Kingdom	*Solway Foods* 3 Godwin Road, Earlstrees Industrial Estate, Corby, Northants	Chilled	Owned
United Kingdom	*Solway Foods* 21 Godwin Road, Earlstrees Industrial Estate, Corby, Northants	Chilled	Leased/Owned
United Kingdom	*Solway Foods* Unit 7 Godwin Road, Earlstrees Industrial Estate, Corby, Northants	Chilled	Leased/Owned
United Kingdom	*External IT Data Centre* Global Switch House, Nutmeg Lange, Poplar, London	Group IT	Leased
United Kingdom	*Pensions Office* Saxon Way, Hull	Group Pensions	Leased
United Kingdom	*Salford Office* 2nd Floor, Navigation House, Furness Quay, Salford	Frozen	Leased
United Kingdom	*2 SFG Site D* Site D, Dial Lane, Off Richmond Street, West Bromwich	Poultry	Leased
United Kingdom	*2 SFG Scunthorpe* Ram Boulevard, Scunthorpe, Lincolnshire	Poultry	Owned

Country	Address	Function	Owned/Leased
United Kingdom	*2 SFG Flixton* Grange Road, Flixton, Suffolk	Poultry	Owned
United Kingdom	*2 SFG Sunderland* Leechmore Industrial Estate, Sunderland	Poultry	Owned
United Kingdom	*2 SFG Willand* Willand, Collumption, Devon	Poultry	Leased
United Kingdom	*2 SFG Thetford* Caxton Way, Caxton Industrial Estate, Thetford	Chilled	Leased
United Kingdom	*2 SFG Poultry Site B* Units 1, 2 and 3 Howard Street, Hill Top, West Brom	Amber Foods	Leased
United Kingdom	*Skelmersdale* Globe Road, Skelmersdale	Administrative	Leased
United Kingdom	*Rogerstone Park* Azales Road, Rogerstone, Newport	Chilled	Owned
United Kingdom	*Avana* Wern Trading Estate Newport	Chilled	Owned
United Kingdom	*Solway Foods* Manton Wood Enterprise Park, Worksop, Nottinghamshire	Chilled	Leased
United Kingdom	*The Pizza Factory* Gateside Road, Nottingham	Chilled	Leased
United Kingdom	*The Pizza Factory* Finch Close, Lenton Lane, Nottingham	Chilled	Leased
United Kingdom	*Coupar Angus* George Street, Coupar Angus	Poultry	Leased
United Kingdom	*Cambuslang* Westburn Farm Road, Cambusland	Poultry	Leased
United Kingdom	*Vion Llangefni* Industrial Trading Estate, Llangefni	Poultry	Leased
United Kingdom	*Sandycroft* Glendale Avenue, Sandycroft, Deeside	Poultry	Leased
United Kingdom	*Basildon* Unit 9, Harvey Road, Burnt Mills Industrial Estate, Basildon	Poultry	Leased
United Kingdom	*Witham* 14 Freebournes Road, Witham Essex	Poultry	Leased

Country	Address	Function	Owned/Leased
United Kingdom	*Eye* Magdelan Street, Eye, Suffolk	Poultry	Leased
United Kingdom	*St Merryn Foods, Merthyr Tydfil* Pengarnddu, Dowlais Top	Red meat	Leased
United Kingdom	*St Merryn, Victoria* Victoria Business Park, Roche, St. Austell	Red meat	Leased
United Kingdom	*St Merryn, Talgarrek House* Talgarrek House, Victoria Business Park, Roche, St. Austell	Red meat	Leased
United Kingdom	*St Merryn, Truro* Lighteridge Hill, Newham, Truro	Red meat	Leased
United Kingdom	*St. Merryn, Bodmin* Units 9, 18/19, Cooksland Industrial Estate, Bodmin	Red meat	Leased
United Kingdom	*St. Merryn, Trago Mills Shop* Tregagles, Liskeard	Red meat	Leased
United Kingdom	*McIntosh Donald, Portlethen* Portlethen, Aberdeen	Red meat	Leased

Material Contracts

Save as disclosed below, as we operate in sectors where business is undertaken without long-term contracts, there are no material contracts to which we or any member of the our group is a party which are material to the group.

Deed of Agreement with Pension Trustee

In connection with the Northern Foods Acquisition, on January 21, 2011, we entered into a Deed of Agreement with Northern Foods Trustees Limited, which was subsequently amended on September 30, 2011 and May 2, 2014, relating to the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme (together, the ''Northern Foods Pension Schemes''). Pursuant to the Deed of Agreement, we agreed, among other things, upon consummation of the Northern Foods Acquisition, to contribute to the Northern Foods Pension Schemes an amount per annum of not less than £15.0 million. As a result of the amendment, rather than pay an annual installment of £15 million at the end of April, 2014, we are now obligated to pay £1.3 million per month until January 2015, at which time we must make a lump sum payment of £3.9 million and then transition to an annual payment of £15 million, as was originally envisaged, beginning in April 2015 until April 2021 (inclusive), along with expenses and levies.

Regulation

Our facilities and products are subject to various local, national, European and international laws and regulations relating to food and to the safety of products, hygiene, animal welfare, safety and environmental control, including laws relating to air emissions, the remediation of contaminated soil and groundwater, wastewater, discharge, noise, odor and handling and the storage and disposal of waste. Failure to comply with these requirements may result in fines, penalties and liability for compliance costs and damages.

From time to time, we receive notices and inquiries from regulatory authorities and others asserting that we are not in compliance with such laws and regulations. In some instances, litigation ensues. In addition, individuals may initiate litigation against us. Many of our facilities are subject to environmental permits and other regulatory requirements, violations of which may be subject to civil and criminal sanction. In some cases, third parties may also have the right to sue to enforce compliance. We believe that we are currently in substantial compliance with all governmental laws and regulations affecting our business, including environmental and health and safety laws and regulations, and we maintain all material permits and licenses relating to our operations.

We work in close collaboration with the U.K.'s Health and Safety Executive (''HSE''), the U.K.'s independent watchdog for work-related health, safety and illness, to develop best practices in our industry.

We also collaborate with the U.K.'s Environment Agency (the ''EA'') when the opportunities arise.

Agriculture

All the farms from which we source our materials are registered with an accredited farm assurance body or an organized governing body: Red Tractor Farm Assurance for standard farms; RSPCA Freedom Foods or Red Tractor farm assurance (Free Range) for Free Range farms; and the Organic Food Federation, Organic Farmers and Growers or the Soil Association for organic farms. Farms are inspected by auditors from these assurance bodies. Failure to comply with the strict guidelines would result in the farm being suspended from the scheme and could lead to supply issues. Approval is checked at the relevant slaughter site under the member checking system or through the agricultural planning teams.

Each farm in a specific area is managed by a team of area managers who conduct regular farm visits and inspections.

Sites also have a visit from our internal compliance audit team to ensure compliance to all legislative and retail customer requirements as well as welfare checks. Some of our retail customers also conduct unannounced welfare inspections to ensure that all farms comply with their standards.

Each farm has to be registered with a veterinarian and both these and our internal veterinarians (for joint venture farms) may conduct visits, looking at bird health and welfare and, where necessary, make recommendations.

Each farm must produce a food chain information sheet, which is a legal requirement, to list any medications or health issues of the livestock. These are submitted to the designated slaughterhouse, ideally a minimum of 24 hours prior to slaughter for approval by the on-site veterinarian. The veterinarian then submits the information sheet to the Department for Environment, Food and Rural Affairs (''DEFRA'').

Any changes to legislation are notified to the farms by the Senior Area Managers for that area or through association or other bodies, such as NFU publications, and these changes are then followed by internal inspections to ensure compliance. The planning department is constantly monitoring and reviewing bird numbers and weights to ensure that full compliance with the regulations is achieved.

From time to time, we have been and are being investigated in respect of animal welfare and agricultural regulation, we are not aware of any animal welfare or agricultural liabilities that we would expect to have a material adverse effect on our business.

Food Safety Regulations

We are subject to extensive food safety regulations and food compositional controls in each of the countries in which we operate. European Commission Regulation EC/178/2002 provides the framework for a unified approach to food safety in the European Union and all Member States have implemented the requirements into national law. Among the other major requirements of Regulation EC/178/2002 are Article 17, which imposes on food business operators a general obligation to ensure that the operations under their control satisfy the relevant food law requirements and an obligation to verify that such requirements are met, and Article 18, which imposes a mandatory traceability requirement along the food chain. The traceability requirement applies to all food, animal feed, food-producing animals and all types of food chain operators including in the farming, processing, transportation, storage, distribution and retail sectors. Information including the name, address of the producer, nature of the products and date of transaction must be systematically registered by each operators' traceability system. This information is kept for three years and upon request, must be made immediately available to the competent authorities. We have implemented careful internal recording systems to ensure that we comply with this requirement and we assisted the U.K. regulator, the Food Standards Agency, in their development of traceability requirements, our internal standards having long predated and exceeded the regulatory requirement.

In addition to the general requirements of Regulation EC/178/2002, we are subject to the specific food hygiene requirement for HACCP, which has been implemented in all of our operating divisions and production facilities. Our internal requirements are aligned with the highest international standards and we have assisted many enforcement authorities in their development of HACCP plans. We are also regularly inspected by various national and local regulatory authorities, and by our retail customers.

Our internal food microbiological testing facility independently accredited to ISO 17025 as UKAS Testing Laboratory No. 2087.

Environmental Regulations

We are subject to a number of local, national and regional laws and other requirements relating to the protection of the environment and the safety and health of personnel and the public. These requirements relate to a broad range of our activities, including:

- the discharge of pollutants into the air and water;
- the identification, generation, storage, handling, transportation, disposal, record-keeping, labeling, reporting of, and emergency response in connection with, hazardous materials (including asbestos) associated with our operations;
- noise emissions from our facilities; and
- safety and health standards, practices and procedures that apply to the workplace and the operation of our facilities.

A number of our manufacturing sites are of sufficient scale to be subject to a requirement for Part A environmental permit, under the terms of Directive 2008/1/EC and Directive 2010/75/EU. In order to comply with these requirements, we may need to spend substantial amounts of money and other resources from time to time to: (i) construct or acquire new equipment; (ii) acquire or amend permits to authorize facility operations; (iii) modify, upgrade or replace existing and proposed equipment; and (iv) clean up or decommission facilities. Our capital and operating budgets include costs and expenses associated with complying with these laws. If we do not comply with environmental requirements that apply to our operations, regulatory agencies could seek to impose civil, administrative and/or criminal liabilities, as well as seek to curtail our operations. Under some circumstances, private parties could also seek to impose civil fines or penalties for violations of environmental laws or recover monetary damages, including those relating to property damage or personal injury.

The presence of hazardous materials at our facilities may expose us to potential liabilities associated with the clean-up of contaminated soil and groundwater, and we could be liable for (i) the costs of responding to and remediating that release and (ii) the restoration of natural resources damaged by any such release, among other things. We have not incurred, nor do we anticipate incurring, material expenditures made in order to comply with environmental laws or regulations. From time to time, we have been and are being prosecuted for discharges and other potential environmental liabilities. We are not aware of any environmental liabilities that we would expect to have a material adverse effect on our business.

We understand that sustainability and environmental commitment makes great business sense and can deliver competitive advantage. In 2014, we expect to release our Sustainability Plan focusing on waste, water, energy and ethical behavior. The project identified water and energy usage as the main areas in which the business could make the most difference. We have been working to review our carbon footprint and align our business with the World Resource Institute's Greenhouse Gas Protocol, and in 2014 began working on carbon footprints for our Supply Chain.

Progress on environmental issues is assessed by the operating board on a monthly basis. Energy, waste and water reduction targets have developed. Five sites have achieved the international standard

ISO14001 for Environmental Management Systems, and others are working towards that standard. Every site is working towards implementing an Environmental Management system by 2015.

Health and Safety Management

We have an effective health and safety leadership model and have embedded processes at board, divisional and site level in accordance with the Institute of Directors guidance on 'Leading Health and Safety at Work'. We have an audit protocol with focus on strong operational risk management. This focus has generated detailed improvement plans, driven investment in physical risk-reduction initiatives, and is a key part of our health and safety management system.

From time to time, we have been and are being investigated and prosecuted for health and safety violations. We are not aware of any liabilities resulting from health and safety that we would expect to have a material adverse effect on the business.

We work in close collaboration with the HSE, the U.K.'s independent watchdog for work-related health and safety, to develop best practices in our industry. We also work with other key stakeholders such as our insurers who have been involved in our annual health and safety conference and Best Practice Awards.

MANAGEMENT

Board of Directors

The following table sets out the names, ages and titles of our Board of Directors as at the date of the Offering Memorandum. The business address of each director is Trinity Park House, Fox Way, Wakefield WF2 8EE. The directors of the Issuer are Stephen Henderson, Baljinder Boparan and Ranjit Singh Boparan. Stephen Leadbeater is also an incoming director for the Issuer, with tenure to commence on July 26, 2014.

Name	Age	Position
Lord Charles Allen	57	Independent Non-executive Chairman
David Gregory	60	Independent Non-executive Director
Mark R Hunter	51	Independent Non-executive Director
Andrew G Cripps	56	Independent Non-executive Director
Baroness Neville-Rolfe	61	Independent Non-executive Director
Ranjit Singh Boparan	47	Director
Antonio Boparan	27	Alternate Director
Baljinder Kaur Boparan	46	Director
Stephen Henderson	56	Director
Stephen Leadbeater	53	Incoming Director

Director Biographies

Lord Charles Allen of Kensington Kt CBE

Lord Allen has served as Chairman at the Company since 2011. Lord Allen is Chairman of the Board and brings a wealth of experience to the role from a range of retail and consumer business sectors, including food, hotels, entertainment, music and media. He has held the role of Chief Executive at ITV plc, Granada Group plc, Granada Media plc and Compass Group and was Chairman of Forte Group and EMI. He has also served as a non-executive director of Tesco plc. Lord Allen is currently Chairman of Global Radio, a senior adviser to Goldman Sachs Private Equity and Chairman of the ISS Group, a board member of Get AIS and a partner of Xsequor Partners. He was Vice Chairman of the London 2012 Bid and on the Board of LOCOG (London Organising Committee for the Olympic Games 2012). He is also chair of a charity called the Join in Trust.

David Gregory

Mr. Gregory has served as a non-executive director of the Company since 2010. He is a member of both the Audit and Remuneration Committees and chairs the Safety & Governance Committee, which oversees Health & Safety, Food Safety and Environmental matters. Mr. Gregory also currently serves on the board of directors at several other U.K. companies. Currently Mr. Gregory is Chairman of the board of directors of Assured Food Standards Ltd, a U.K. based food assurance and quality scheme, Chairman of trustees of British Nutrition Foundation Ltd., a member of the Governing Council and Chairman of the Audit Committee of the Biotechnology and Biological Sciences Research Council, a U.K. government funding agency for academic research and training and a non-executive director of the British Retail Consortium Trading Ltd. Mr. Gregory is also a visiting professor in the Centre for Food Security at the University at Reading and a Chartered Scientist and Fellow of the Institute of Food Science and Technology. From 1983-2009, Mr. Gregory worked for Marks & Spencer plc culminating in the position of Director of Technology for the food division and was also a director and trustee of the Institute of Food Research, Norwich from 2006 until March 2014.

Mark R Hunter

Mr. Hunter has served as Non-Executive Director at the Company since 2011. Mr. Hunter is a non-executive director, a member of the Audit Committee and Chair of the Remuneration Committee. He brings a wealth of experience from consumer businesses, with a specific emphasis on sales and marketing, and brand development. He is currently Chief Executive of Molson Coors Europe, with operations in 11 countries, and has held a number of Board level sales, marketing and commercial roles both in the U.K. and Canada. His experience in brand development led him to be appointed as President of the Incorporated Society of British Advertisers in 2009 for a two year period.

Andrew Cripps

Mr. Cripps has served as Non-Executive Director at the Company since November 2011. Mr. Cripps is a non-executive director and Chair of the Audit Committee and a member of the Audit and Remuneration Committee. Andrew has extensive experience within the consumer goods sector, including roles in corporate strategy, finance and mergers and acquisitions, coupled with significant non-executive and audit chair credentials across a number of international listed companies. An Economics graduate from Trinity College, Cambridge, Andrew qualified as a chartered accountant with KPMG before spending over 20 years with Rothmans International and BAT plc. He has held a number of non-executive roles including Molins plc, Trifast plc, Helphire Group plc and Carreras Group Limited. He is currently Deputy Chairman of Swedish Match AB and a non-executive director and Chair of the Audit Committee of Booker Group plc and of Stock Spirits Group plc.

Baroness Neville-Rolfe DBE CMG

Baroness (Lucy) Neville-Rolfe has served as Non-Executive Director at the Company since 2013. She brings a wealth of experience from the retail industry, from Government and from other boards. She is Non-Executive President of Eurocommerce, Brussels, and on the boards of ITV Plc, PwC, Metro AG and the London Business School. She joined Tesco in 1997 and served on the Plc Board as Executive Director (Corporate and Legal) from 2006 until January 2013. She was Director of the Deregulation Unit, Cabinet Office, from 1995 to 1997 and a Member of the Prime Minister's Policy Unit from 1992 to 1994. She also served in DEFRA (then MAFF) and has poultry farming roots. She acted as an adviser to 2 Sisters Food Group during the Vion Acquisition.

Ranjit Singh Boparan

Mr. Boparan founded what has become the Company in 1993. It has grown to become a U.K.-focused food manufacturing business covering protein, chilled, frozen and ambient products. Mr. Boparan has been Chief Executive Officer of the Company since its establishment. The Company's first major acquisition, of Hillsdown, occurred in 2000, and was followed in 2006 with John Rannoch, in 2008 by Scot Lad and 2009 by Lloyd Maunder. Mr. Boparan led further acquisitions which included Storteboom (a Dutch-based poultry business) in 2010, Five Star Fish (a U.K. food processor) also in 2010, Northern Foods plc (now Limited) in 2011 followed by the protein operations of Vion's U.K. operations in March 2013 (now 2 Sisters Red Meat Limited and 2 Sisters Poultry Limited). Mr. Boparan is an accomplished Chief Executive Officer, experienced in the management, acquisition and integration of food manufacturing businesses.

Antonio Boparan

Antonio Boparan has held a number of operational roles within the U.K. poultry business and, until recently was Managing Director of the U.K. Poultry business. Antonio is now focusing on business development to lead initiatives to further grow the business across all segments. Antonio also serves as an alternate director for Baljinder Boparan.

Baljinder Kaur Boparan

Mrs. Boparan is a principal shareholder and a director of the Company and also devotes time to supporting the work of the Boparan Charitable Trust, a children's charity.

Stephen Henderson

Mr. Henderson has served as Director at the Company since 2011, when he was appointed Group Finance Director following the Northern Foods Acquisition. Mr. Henderson is Incumbent CFO of 2 Sisters Food Group. Mr Henderson is an Ernst & Young qualified FCA and brings a wealth of experience to the role, including over 16 years with Northern Foods plc in a variety of finance roles prior to the acquisition of Northern Foods in 2011. From November 2010 to April 2011 he was the acting Group Finance Director of Northern Foods plc. He has extensive debt funding and M&A experience and strong pensions experience.

Stephen Leadbeater

Mr. Leadbeater is incoming CFO and director of the Company. He has a wealth of experience in the food industry, including 10 years as CFO at Findus Group where he was instrumental in the successful delivery of a number of significant major financial and corporate projects. He also previously worked for Young's Seafood and its precursor Ross Group. Other roles include working for divisions of United biscuits Plc and Associated British Foods Plc. He has major business transformation and financing experience and has had significant exposure in dealing with the City.

General Management

The following table sets out the names, ages (as of June 20, 2014) and titles of our senior management as at the date of the Offering Memorandum.

Name	Age	Position
Ranjit Singh Boparan	47	Chief Executive Officer
Stephen Henderson	56	Incumbent Chief Financial Officer
Stephen Leadbeater	53	Incoming Chief Financial Officer
Eddie Power	67	Managing Director Frozen
Aart Voets	51	Managing Director 2 Sisters Food Group Europe
Steve Ellis	42	Managing Director U.K. Poultry
Simon Wookey	48	Managing Director Meal Solutions
Lochlain Feeley	50	Managing Director Bakery
Veepul Patel	41	Managing Director Food to Go
Olivier Goudineau	50	Managing Director Added Value
Chris Walker	51	COO Grocery / Group Procurement, Supply Chain Director
Dominic Turner	47	Managing Director Red Meat
Colin Smith	44	Managing Director Biscuits
Jane Berry	42	Managing Director Business Development
April Preston	46	Innovation & Product Development

The following is biographical information for each of the members of our senior management team who do not serve on the board of directors:

Eddie Power

Mr. Power was appointed as Managing Director for 2 Sisters Frozen in 2010. Mr. Power's experience during his thirty year career in the food industry includes positions as Group Managing Director of the Grampian Country Food Group, Chairman of Cranberry Foods (turkey producer) and Non-Executive Director QV Foods Limited (fruit and vegetable producer). Born in Ireland, Mr. Power is a Chartered Engineer by qualification.

Aart Voets

Mr. Voets has been the Managing Director of 2 Sisters Food Group Europe since 2012. Previously, Mr. Voets was Managing Director at the Hendrix Meat Group of Nutreco n.v., Member of the Executive Board of Sligro Group n.v. and CEO of Stegeman (Sara Lee Corporation). Mr. Voets also held several positions at Ahold n.v. Mr. Voets holds a masters degree in animal sciences from the Agricultural University of Wageningen, the Netherlands.

Steve Ellis

Mr. Ellis is Managing Director of 2 Sisters Food Group's U.K. Poultry division. He joined the business in 2011 to lead the integration of the Northern Foods acquisition and has also held Managing Director positions at the business's Added Value poultry division, and the former Vion Poultry division following acquisition by 2 Sisters. Mr. Ellis was previously at Molson Coors where he was a member of the U.K. Board as Strategy and Sales Director.

Simon Wookey

Mr. Wookey joined 2 Sisters Food Group in September 2012 to take up a leadership position in the Chilled Division. Prior to joining 2 Sisters, he gained five years of international experience in North American as President of Maple Leaf Foods' Fresh Prepared Foods Division, which is based in Canada. He also spent time working in the United States, leading the international expansion effort of Greencore. Prior to coming to 2 Sisters, he spent 20 years working in the U.K. for Greencore Hazlewood Food, with a number of roles, including as Managing Director of the Company's Chilled Convenience Foods Division.

Lochlain Feeley

Mr. Feeley was appointed as Managing Director for 2 Sisters Bakery Division on April 1, 2014. Mr. Feeley's previous experience in the food industry includes positions as Managing Director and

Director of Marketing at Uniq plc (subsequently Greencore plc) as well as Research and Development Director at PepsiCo International Ltd, Walkers Snacks, Frito Lay and KFC.

Veepul Patel

Mr. Patel has been with 2 Sisters Food Group since September 2004, when he joined as Finance Director at Solway Foods. He has since served as Divisional Director, Managing Director of the Bakery Division and is currently Managing Director of the Food To Go Division. Mr. Patel has experience in developing customer relationship, change management and strategic planning and development. He also served as a director on the board of Northern Foods Trustees Limited from 2008 to 2013.

Olivier Goudineau

Mr. Goudineau was appointed as Managing Director for 2 Sisters Food Group Added Value in 2012. Previously Mr. Goudineau served as General Manager of Cevital Food in Algeria and held several positions at Nestlé, including General Manager of Nestlé's ice cream division in Italy, General Manager of Nestlé Schöller, Business Advisor at the Nestlé corporate head office, Commercial Director of Nestlé China, Division Head of Nestlé Morocco, Sales and Marketing Manager at Nestlé Egypt, Project Manager at Nestlé Syria, and Project Engineer at Nestlé France. Prior to this, Mr. Goudineau was a Commercial and Technical Engineer at Bureau Veritas and Blezat Ferrat Alimentaire. Mr. Goudineau holds a masters degree in process engineering from ENSIA, France.

Chris Walker

Mr. Walker joined the 2 Sisters Food Group as Procurement and Supply Chain Director in 2011 and has served as Chief Operating Officer since 2013. Prior to his appointment, Mr. Walker held positions as Senior Buyer in various departments of Asda, Produce Director of Morrisons, Fresh Foods Director of Hutchinson Whampoa (Hong Kong), and Senior Trading Director of fresh and frozen foods at Morrisons.

Dominic Turner

Mr. Turner came to 2 Sisters Food Group along with the Vion Acquisition in March 2013 and he serves as Managing Director of red meat operations. Prior to joining 2 Sisters Food Group, Mr. Turner served as Commercial Director for the beef operations at Vion Food Wales and West England Limited and 2 Sisters Red Meat Limited.

Colin Smith

Mr. Smith was appointed Managing Director of the Biscuits division in March 2013. Before joining 2 Sisters Food Group, he spent seven years at Muller in several roles, including Commercial Director of Muller U.K. and Ireland, two years as Chief Executive Officer of Muller Italy and Sales Director of Muller U.K. and Ireland. Prior to joining Muller, Mr. Smith served in a variety of positions at AB InBev and as Sales Director at Bulmers. His early career included positions at Mars and Rank Hovis McDougall.

Jane Berry

Ms. Berry has served as Managing Director of Business Development since 2011. She was appointed following the Northern Foods Acquisition and previously worked at Northern Foods plc for six years.

April Preston

Ms. Preston came to 2 Sisters Food Group in January 2014 to serve in the newly created role of Group Director of Innovation. Prior to her joining, she worked for Marks & Spencer for 18 years. During this time, Ms. Preston worked with every food category across the business in a product development role. She began as product developer and was promoted to a position in management after three years. Throughout the subsequent 15 years, she worked in a variety of management roles, and was appointed as one of two leaders of product development.

PRINCIPAL SHAREHOLDERS

The Issuer

All of the Issuer's issued and outstanding shares are held by Boparan Holdings Limited.

Boparan Holdco Limited

Boparan Holdco Limited, the Company's ultimate parent company, currently has 500,801 ordinary shares, each with a nominal value of £1. Ranjit Singh Boparan, our Chief Executive Officer, holds 250,501 shares, or 50.02%, and Baljinder Kaur Boparan, his wife, holds 250,301 shares, or 49.98%, of the total outstanding shares of Boparan Holdco Limited.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Rental Charges

In the fiscal years ended July 30, 2011, July 28, 2012, and July 27, 2013, and the 39 weeks ended April 26, 2014, we incurred rental charges of £1.8 million, £2.6 million, £3.5 million, and £1.8 million, respectively, from Amber Real Estate Investment Limited, a related party by virtue of common ownership. As at April 26, 2014, there was no outstanding balance.

In the fiscal year ended July 27, 2013, and the 39 weeks ended April 26, 2014, we incurred rental charges of £1.0 million and £0.5 million, respectively, from 2 Agriculture Limited, a related party by virtue of common ownership. Our total purchases by from 2 Agriculture Limited during these periods were £121.1 million and £237.7 million, respectively. As at April 26, 2014, the total creditor outstanding was £22.6 million.

In the 39 weeks ended April 26, 2014, we incurred rental charges of £2.3 million from Wales & West England Limited, a related party by virtue of common ownership. As at April 26, 2014, the total creditor outstanding was £0.4 million.

Related Party Sales

In the fiscal year ended July 27, 2013, and the 39 weeks ended April 26, 2014, our sales to Noblesse Proteins Investments B.V., a company in which we hold a 26% interest, were £0.8 million and £1.2 million, respectively. As at April 26, 2014, there was an outstanding loan balance of £0.2 million and outstanding trade receivables of £0.2 million.

In the fiscal years ended July 28, 2012, and July 27, 2013, our sales to Booker Group plc, a related party by virtue of a common non-executive director, were £1.2 million and £2.2 million, respectively. As at July 27, 2013, there were outstanding trade receivables of £0.3 million.

In the fiscal year ended July 27, 2013, we generated £3.0 million in cash from the disposal of nine surplus sites to Amber Real Estate Investment Limited and the surrender of an onerous long term lease. The sales proceeds were equivalent to the estimated market value of the combined portfolio (based on the sale of sites as industrial development land) less the cost of the onerous lease.

Related Party Loans

Hook 2 Sisters is a related party by virtue of our 50% investment. Our loan made to Hook 2 Sisters Limited of £1.3 million was repayable on February 9, 2012 remained outstanding at the 39 weeks ended April 26, 2014. Our total purchases from Hook 2 Sisters Limited were £317.0 million, £330.6 million, £373.9 million, and £282.4 million for the fiscal years ended July 30, 2011, July 28, 2012, and July 27, 2013, and the 39 weeks ended April 26, 2014, respectively. As at April 26, 2014, the total creditor outstanding was £26.1 million.

During the fiscal years ended July 30, 2011, July 28, 2012, and July 27, 2013, and the 39 weeks ended April 26, 2014, we also traded with Storteboom Hamrol Sp. z o.o, of which Boparan Holdings Limited indirectly owns 96%. We made purchases of £4.5 million, £6.1 million, £1.2 million and £1.6 million in the respective periods. As at April 26, 2014, there was an outstanding balance of £0.2 million.

During the fiscal year ended July 27, 2013, Lord Allen of Kensington took a loan in relation to his participation in the Growth Securities Ownership Plan of which £350,000 was outstanding at the period end.

Related Party Investments

On December 9, 2013, we sold assets with no net book value to 1 Stop Halal Limited, a related party by virtue of common ownership, for proceeds of £1.

In the 39 weeks ended April 26, 2014, we also paid £1.5 million in respect of the sale of our previously provided for lease in relation to our closed Haughley Park sale to Amber Real Estate Investment Limited.

Charitable Donations

We donated £0.1 million in the fiscal year ended July 27, 2012, to the Boparan Charitable Trust, a related party by virtue of common ownership.

DESCRIPTION OF CERTAIN FINANCING ARRANGEMENTS

In connection with the Transactions, the Company and certain of the Guarantors have entered into the New Revolving Facility and the Intercreditor Agreement. Certain material terms of the New Revolving Facility and the Intercreditor Agreement are summarized below.

New Revolving Facility

The following is a summary of certain material provisions of the New Revolving Facility.

Structure and Purpose

The New Revolving Facility provides for revolving credit borrowings in an aggregate amount up to £60.0 million, which amount may be increased (on an uncommitted basis) to £80.0 million at the option of the Company. Borrowings under the New Revolving Facility may be used by the Company and its subsidiaries for working capital and general corporate purposes and may be utilized by the drawing of loans and the issue of bank guarantees and/or letters of credit. Any lender may make all or part of its commitment available by way of an ancillary facility, such as overdrafts, letters of credit and foreign exchange facilities.

Interest and Fees

Loans under the New Revolving Facility will initially bear interest at LIBOR or, for loans in euro, EURIBOR plus 2.50% per annum (the ''Margin''). The Margin will be determined based upon a total leverage ratio, and may reduce from its initial level, but in no event will the Margin exceed 2.50% per annum. During the continuance of an Event of Default, interest due under the New Revolving Facility will bear interest at a rate of 2.50% per annum.

We are also required to pay a commitment fee on available commitments under the New Revolving Facility at an annual rate equal to 40% of the applicable Margin times the daily average undrawn portion of the New Revolving Facility. This commitment fee is payable quarterly in arrears, on any cancelled commitments at the time of such cancellation and on the day the New Revolving Facility is permanently repaid and commitments are terminated.

Security and Guarantees

The New Revolving Facility, together with the Notes, will be secured by the same collateral that secures the Notes. The New Revolving Facility is guaranteed by the Issuer and the Guarantors of the Notes.

Financial Undertakings

The New Revolving Facility requires us to maintain Adjusted EBITDA of at least £100 million tested quarterly if more than 25% of the New Revolving Facility is outstanding.

Additional Undertakings

The New Revolving Facility contains various undertakings that are substantially similar to the terms of the Notes together with some specific undertakings which are only applicable to the New Revolving Facility.

Maturity and Amortization

The New Revolving Facility matures on the date falling four years and six months from the Issue Date. Loans under the New Revolving Facility may be reborrowed.

Prepayments

We will be required to mandatorily repay outstanding amounts under the New Revolving Facility without premium or penalty (other than standard breakage and similar costs) upon the occurrence of certain events, including, without limitation, certain change of control events and illegality of any lender (in the case of the latter, with a repayment only of the affected lender's participation).

We may make voluntary repayments under the New Revolving Facility without premium or penalty (other than standard breakage and similar costs); *provided* that loans will be prepayable only on the last day of the related interest period unless the relevant RCF Borrower pays any related breakage costs.

Events of Default

The New Revolving Facility includes standard events of default, that are substantially similar to the terms of the Notes together with some specific events of default applicable only to the New Revolving Facility.

Intercreditor Agreement

To establish the relative rights of certain of the Issuer's and each other Debtors' (as defined below) creditors under the financing arrangements of the Company and its subsidiaries (the ''Group''), the Company and certain of its subsidiaries will enter into an intercreditor agreement (the ''Intercreditor Agreement'') to govern the relationships and relative priorities among:

(i) the Trustee on behalf of itself and the holders of the Notes (the ''Noteholders'');

(ii) the hedge counterparties under certain hedging agreements (the ''Hedge Counterparties'');

(iii) the priority hedge counterparties (the ''Priority Hedge Counterparties'') which are a party to the hedging agreements (each a ''Priority Hedge Agreement'') that have been entered into for the purpose of hedging interest rate and/or currency risks under or in connection with the liabilities under the Notes issued on the Issue Date (the ''Priority Hedge Liabilities'');

(iv) certain future creditors of the Issuer and its restricted subsidiaries;

(v) certain intra-group creditors and debtors;

(vi) Boparan Midco Limited as the original investor (the ''Original Investor'');

(vii) Boparan Holdings Limited as the original shareholder in the Issuer (the ''Parent'');

(viii) the Lenders under the New Revolving Facility;

(ix) various creditor representatives; and

(x) The Law Debenture Trust Corporation p.l.c. as the Security Agent.

The Issuer, Boparan Midco Limited Parent and each of its subsidiaries that incurs any liability or provides any guarantee under the Indenture or the Super Senior Facilities (as defined below) or the Pari Passu Debt (as defined below) documents and which is a party to the Intercreditor Agreement are together referred to in this description as ''Debtors'' (and each a ''Debtor'').

The Intercreditor Agreement will set out:

- the relative ranking of certain indebtedness of the Debtors;
- the relative ranking of certain security granted by the Debtors;
- when payments can be made in respect of certain indebtedness of the Debtors;
- when enforcement actions can be taken in respect of that indebtedness;
- the effect of certain insolvency events;
- turnover provisions; and
- when security and guarantees will be released to permit a sale of the Collateral.

After the full and final discharge of the New Revolving Facility, the Intercreditor Agreement allows for the Debtors to enter into new super senior credit facilities (including any other Credit Facilities (as defined under ''Description of Notes—Certain Definitions.'')) (together with the New Revolving Facility ''Super Senior Facilities''); *provided* that such Super Senior Facilities do not breach the terms of the Indenture, any other agreement documenting any Super Senior Facilities then outstanding and any agreement documenting any Pari Passu Debt then outstanding.

Subject to the following sentence or as otherwise set out in this description, the Super Senior Facilities shall rank in right and priority of payments, and the Collateral shall rank and secure the liabilities owed under the Super Senior Facilities, *pari passu* to the Notes. In respect of the proceeds of the enforcement of the Collateral (and certain other amounts, including amounts received as a result of any Distressed Disposal (as defined below)), the Super Senior Facilities shall rank in right and priority of payments super senior to the Notes.

The lenders of the Super Senior Facilities (the ''Super Senior Lenders'' and together with the Priority Hedge Counterparties, the ''Super Senior Creditors'') will have rights under the Intercreditor Agreement which are summarized below. For the purposes of this description, any references to the Super Senior

Facilities or Super Senior Lenders or Super Senior Facilities Liabilities (as defined below) should be read as including any other super senior credit facilities or any refinancing debt in respect of the Super Senior Facilities.

The Intercreditor Agreement will also contain provisions relating to future indebtedness that may be incurred by the Debtors; *provided* that it is not prohibited by the terms of the Indenture and any agreement documenting Super Senior Facilities then outstanding, which may rank in right and priority of payments *pari passu* to the Notes and be secured by the Collateral (the ''Pari Passu Debt'') and *provided, further*, that it is permitted by the terms of any other Pari Passu Debt then outstanding, subject to the terms of the Intercreditor Agreement.

The creditors of the Pari Passu Debt (the ''Pari Passu Creditors'') will have rights under the Intercreditor Agreement which are summarized below.

The Intercreditor Agreement will also contain provisions relating to hedging liabilities that may be incurred by the Debtors; *provided* that such liabilities are not prohibited by the terms of the Indenture, any agreement documenting Super Senior Facilities then outstanding and any agreement documenting any Pari Passu Debt then outstanding, which may rank in right and priority of payments *pari passu* to the Notes and be secured by the Collateral (the ''Hedging Liabilities''), in addition to the Priority Hedge Liabilities subject to the terms of the Intercreditor Agreement.

The Hedge Counterparties and Priority Hedge Counterparties will have rights under the Intercreditor Agreement which are summarized below.

By accepting a Note the relevant holder thereof shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement.

The following description is a summary of certain provisions that will be contained in the Intercreditor Agreement. It does not restate the Intercreditor Agreement in its entirety nor does it describe provisions relating to the rights and obligations of holders of other classes of our debt. As such, we urge you to read the Intercreditor Agreement because it, and not the discussion that follows, defines the rights of the Noteholders.

Ranking and Priority

The Intercreditor Agreement will provide, subject to the provisions regarding ''—Collateral'' and ''—Permitted Payments'' below, that the right and priority of payment of all present and future liabilities and obligations under the Notes (the ''Notes Liabilities''), of all present and future liabilities and obligations under the Super Senior Facilities (the ''Super Senior Facilities Liabilities''), the present and future liabilities and obligations of any Debtor to any agent under the debt documents (the ''Agent Liabilities''), the present and future liabilities and obligations of any Debtor to any agent under the debt documents (the ''Arranger Liabilities''), the Hedging Liabilities, the Priority Hedging Liabilities and the Pari Passu Debt will rank *pari passu* in right and priority of payment without any preference or payment between them. The Super Senior Lenders and Priority Hedge Counterparties will be paid in priority to other creditors from the proceeds of any enforcement of the Collateral and certain other amounts paid to, or recovered by, the Security Agent in accordance with the terms of the Intercreditor Agreement, including amounts received as a result of any Distressed Disposal. This is discussed further under ''Risk Factors—Risks Relating to the Notes—Creditors under other debt are entitled to be repaid with the proceeds of the Collateral sold in any enforcement sale, the proceeds of any distressed disposal and from other amounts paid to the Security Agent pursuant to the terms of the Intercreditor Agreement, in priority to the Notes''.

These liabilities will rank ahead of any liabilities of the Debtors to the Issuer and its subsidiaries (the ''Intra-Group Liabilities'') or any debt to the Parent or any future direct shareholder in the Issuer who accedes to the Intercreditor Agreement (the ''Investors'') (the ''Investor Liabilities'' and together with the Intra-Group Liabilities, the ''Subordinated Liabilities'' and the holders of any Subordinated Liabilities, the ''Subordinated Creditors''). The Intercreditor Agreement does not purport to rank any of the Subordinated Liabilities as between themselves.

Collateral

The Noteholders, the Super Senior Lenders, the Hedge Counterparties, the Priority Hedge Counterparties, the agent, the arranger and the Pari Passu Creditors will benefit from a common guarantee and security package.

Subject to the provision regarding the ''—Application of Proceeds'' below, the Collateral shall rank and secure the liabilities owed to the Noteholders, the Super Senior Lenders, the Hedge Counterparties, the Priority Hedge Counterparties and the Pari Passu Creditors *pari passu* and without any preference between them. The Super Senior Lenders and Priority Hedge Counterparties will be paid in priority to other creditors from the proceeds of any enforcement of the Collateral and any Distressed Disposal and certain other amounts paid to, or recovered by, the Security Agent in accordance with the terms of the Intercreditor Agreement. See ''Risk Factors—Risks Relating to the Notes—Creditors under other debt are entitled to be repaid with the proceeds of the Collateral sold in any enforcement sale, the proceeds of any distressed disposal and from other amounts paid to the Security Agent pursuant to the terms of the Intercreditor Agreement, in priority to the Notes.''

In addition, the Intercreditor Agreement provides that the guarantees and security over the Collateral will be released in certain circumstances described further below in ''—Release of Security and Guarantees—Non-distressed Disposals'' and ''—Release of Security and Guarantees—Distressed Disposals.''

Permitted Payments

The Intercreditor Agreement will permit payments to be made, at any time, by the Debtors under the Indenture and any Pari Passu Debt documentation (*provided* such payments are permitted under such documents and unless, in the case of a redemption, repurchase or repayment, any documentation relating to the Super Senior Liabilities or the Notes Liabilities or the Pari Passu Debt (as applicable) restricts such redemption, repurchase or repayment).

The Intercreditor Agreement will permit payments to be made, at any time, by the Debtors under the Super Senior Facilities agreement (*provided* such payments are permitted under any documentation relating to such Super Senior Facilities).

The Intercreditor Agreement includes restrictions on payments to Hedge Counterparties and Priority Hedge Counterparties except certain specified permitted payments.

Provided that no acceleration event has occurred, subject to certain conditions, the Intercreditor Agreement permits payments to lenders of Intra-Group Liabilities. If an acceleration event has occurred payments to lenders of Intra-Group Liabilities may only be paid if the requisite consents required under the Intercreditor Agreement for those payments to be made are given or the payment is being made to facilitate the payment of Notes Liabilities, Super Senior Liabilities, Hedging Liabilities, Priority Hedging Liabilities, Pari Passu Debt or amounts owed to the Trustee.

No payments may be made in respect of Investor Liabilities except to the extent not prohibited by the Indenture, any documentation for the Super Senior Facilities and the Pari Passu Debt documentation or if the requisite consents required under the Intercreditor Agreement for those payments to be made are given.

An acceleration event includes the relevant creditor representative exercising any or all of its rights under the acceleration provisions of the Indenture, Super Senior Facilities agreement (or any other equivalent acceleration provisions under any replacement or additional facility agreement for the Super Senior Facilities) and/or the Pari Passu Debt documentation (as applicable).

Restrictions on certain payments

The Intercreditor Agreement will provide that following the occurrence of an Distress Event (as defined below) (until the occurrence of the Super Senior Lender Discharge Date) (unless, at any time at which the Security Agent is required to act in accordance with Enforcement Instructions issued by the Majority Super Senior Creditors pursuant to ''—Enforcement'' below), the Majority Super Senior Creditors give notice to the Security Agent that the restrictions in the Intercreditor Agreement on the making of any payment, prepayment, repayment, redemption, repurchase, defeasance or discharge (each a ''Payment'') with respect to Super Senior Lender Liabilities, Priority Hedge Liabilities, Hedging Liabilities, Notes Liabilities and Pari Passu Debt will cease to apply) no member of the Group may make Payment of the Super Senior Lender Liabilities, Priority Hedging Liabilities, Hedging Liabilities, Notes Liabilities and Pari Passu Debt except from proceeds of an Enforcement distributed in accordance with ''—Application of Proceeds'' below, other than any distribution or dividend out of any Debtor's unsecured assets (*pro rata* to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets.

Enforcement

Enforcement Instructions

The Security Agent may refrain from enforcing the Collateral unless instructed otherwise by the Instructing Group (as defined below).

Subject to the Collateral having become enforceable in accordance with its terms, the Instructing Group may give instructions to the Security Agent to enforce the Collateral as they see fit, *provided* that the instructions as to enforcement given by the Instructing Group are consistent with the security enforcement principles set out in the Intercreditor Agreement (the ''Security Enforcement Principles'').

In the case of the enforcement of Collateral, the Intercreditor Agreement defines ''Instructing Group'' as the Majority Super Senior Creditors (being, 66⅔% by value of the Super Senior Lenders) and the Majority Senior Creditors (being, 50% by value of the Noteholders, the Hedge Counterparties and the Pari Passu Creditors) (in each case acting through its respective creditor representative).

Other than in certain specified circumstances set out in the Intercreditor Agreement, the Hedge Counterparties may not, independently, take any enforcement action in respect of the Hedging Liabilities.

No secured party shall have any independent power to enforce, or to have recourse to enforce, any security or to exercise any rights or powers arising under the security documents except through the Security Agent.

Enforcement Instructions

If either of the Majority Super Senior Creditors or the Majority Senior Creditors wish to instruct the Security Agent to commence enforcement of the Collateral, such group of creditors must deliver a copy of the proposed instructions as to such enforcement (the ''Enforcement Proposal'') to the Security Agent and the agent/representative of each creditor class at least ten business days prior to the proposed date of issuance of instructions under such Enforcement Proposal (the ''Proposed Enforcement Instruction Date'').

Subject to paragraphs (a), (b) and (c) below the Security Agent will act in accordance with enforcement instructions received from the Majority Senior Creditors.

(a) (i) If the Majority Senior Creditors have not either:

(A) made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing); or

(B) appointed a financial adviser to assist them in making such a determination,

within three months of the date the first enforcement instructions were issued; or

(ii) the date of which all of the Super Senior Facilities Liabilities and Priority Hedging Liabilities have been discharged (the ''Super Senior Discharge Date'') has not occurred within six months of the date the first enforcement instructions were issued,

then the Security Agent will act in accordance with instructions received from the Majority Super Senior Creditors until the Super Senior Lender Discharge Date has occurred;

(b) If an insolvency event (other than an insolvency event directly caused by any enforcement action taken by the Security Agent (or the relevant creditor representative) on the request or direction of the Majority Senior Creditors or any Super Senior Creditor) is continuing with respect to a Debtor then the Security Agent will, to the extent the Majority Super Senior Creditors elect to provide such enforcement instructions, act in accordance with enforcement instructions received from the Majority Super Senior Creditors (which shall prevail over any enforcement instructions given to it by the Majority Senior Creditors) until the Super Senior Discharge Date has occurred; or

(c) If the Majority Senior Creditors have not either:

(A) made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing); or

(B) appointed a financial adviser to assist them in making such a determination, and the Majority Super Senior Creditors:

(A) determine in good faith (and notify the other creditor representatives and the Security Agent) that a delay in issuing enforcement instructions could reasonably be expected to have a material adverse effect on the ability to effect a Distressed Disposal or on the expected realisation proceeds of any enforcement; and

(B) deliver enforcement instructions which they reasonably believe to be consistent with the Security Enforcement Principles before the Security Agent has received any Enforcement instructions from the Majority Senior Creditors,

then the Security Agent will act in accordance with the enforcement instructions received from the Majority Super Senior Creditors (*provided* that they are consistent with the Security Enforcement Principles) until the Super Senior Discharge Date has occurred.

Turnover

Primary Creditors

Subject to certain exclusions, if any Noteholder, Super Senior Lender, Pari Passu Creditor, Priority Hedge Counterparty or Hedge Counterparty (or any of their respective creditor representatives) receives or recovers the proceeds of any enforcement of any Collateral or any Distressed Disposal (as defined below) except in accordance with ''—Application of Proceeds'' below, that person must:

(a) in relation to amounts not received or recovered by way of set-off, hold that amount on trust for the Security Agent and promptly pay an amount equal to that amount to the Security Agent; and

(b) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery,

in each case, to the Security Agent for application in accordance with the provisions of ''—Application of Proceeds'' below.

The Trustee shall only have an obligation to turn over or repay amounts received or recovered by it as described above (i) if it had actual knowledge of that obligation; and (ii) to the extent that, prior to receiving that knowledge, it has not distributed the amount of that receipt to the Noteholders in accordance with the Indenture.

Subordinated Creditors

There is a general turnover obligation on the Subordinated Creditors to turnover all amounts not received in accordance with the Intercreditor Agreement.

For example, if, following the occurrence of an insolvency event in respect of any Debtor:

(a) a Subordinated Creditor is entitled to receive a distribution out of the assets of that Debtor, that Subordinated Creditor must pay an amount equal to that distribution; or

(b) to the extent any liability owed to a Subordinated Creditor is discharged by way of set-off, that Subordinated Creditor must pay an amount equal to the amount discharged by way of set-off;

in each case, to the Security Agent for application in accordance with the provisions of ''—Application of Proceeds'' below.

Application of Proceeds

All amounts from time to time received or recovered by the Security Agent in connection with the realization or enforcement of all or any part of the Collateral or a Distressed Disposal shall be held by the Security Agent on trust and applied in the following order:

- *first*:

  (a) pro rata and *pari passu,* in payment of amounts owing to the Trustee and any amount owing to any agent/representative for the Super Senior Lenders and the Pari Passu Creditors, the Security Agent and any receiver or delegate; and then

  (b) pro rata and *pari passu,* in payment of all costs, expenses and liabilities incurred by any agent/representative of the Super Senior Lenders, the Noteholders or the Pari Passu Creditors (but not a Hedge Counterparty in its capacity as its own representative) and any receiver, attorney or agent in connection with any realization or enforcement of the Collateral in accordance with the terms of the Intercreditor Agreement;

- *second*, pro rata and *pari passu,* in payment of all costs and expenses incurred by the Super Senior Lenders, the Priority Hedge Counterparties, Hedge Counterparties, Noteholders and Pari Passu Creditors and their agent/representative in connection with the enforcement of the Collateral or any action taken at the request of the Security Agent;
- *third*, in payment to:

  (i) the Super Senior Agent on its own behalf and on behalf of the arrangers and the Super Senior Lenders; and

  (ii) the Priority Hedge Counterparties,

  for application towards the discharge of:

  (A) the super senior arranger liabilities and the Super Senior Lender Liabilities (in accordance with the terms of the super senior finance documents); and

  (B) the Priority Hedging Liabilities (on a pro rata basis between such Priority Hedging Liabilities of each Priority Hedge Counterparty),

  on a *pro rata* basis and ranking *pari passu* between paragraphs (A) and (B) above;
- *fourth*, pro rata and *pari passu,* in payment to (i) the Trustee on its own behalf and on behalf of the Noteholders for application towards the discharge of the Notes Liabilities in accordance with the Indenture; (ii) the creditor representatives of the Pari Passu Creditors for application towards the discharge of the Pari Passu Debt; and (iii) the Hedge Counterparties for application towards the discharge of the Hedging Liabilities; and
- *fifth*, after amounts referred to above have been repaid in full, in payment of the surplus (if any) to the relevant Debtor or other person entitled to it.

Application of proceeds of other group recoveries

All Group recoveries not referred to above shall be held by the Security Agent on trust, to the extent legally permitted, to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law in the following order of priority:

(a) first, in payment of the following amounts in the following order:

  (i) *pari passu* and pro rata any sums owing to the Security Agent, any receiver or any delegate, the super senior agent, any Pari Passu Debt representative and any Trustee amounts on a *pari passu* and pro rata basis; and then

  (ii) *pari passu* and pro rata all costs, expenses and liabilities incurred by any creditor representative (to the extent not included in (i) above and excluding any Hedge Counterparty in its capacity as its own creditor representative) and any receiver, attorney or agent appointed by such creditor representative under any Collateral (to the extent that such Collateral has been given in favour of such obligations) in connection with any action taken at the request of the Security Agent;

(b) second, *pari passu* and pro rata in or towards payment of all costs and expenses incurred by the primary creditors in connection with any action taken on the request of the Security Agent;

(c) third, in payment to:

  (i) the super senior agent on its own behalf and on behalf of the Arrangers and the Super Senior Lenders;

  (ii) the Priority Hedge Counterparties;

  (iii) each Senior Notes representative, on its own behalf and on behalf of the senior notes creditors;

  (iv) each Pari Passu Debt representative, on its own behalf and on behalf of the Pari Passu Debt creditors; and

  (v) the Hedge Counterparties, for application towards the discharge of:

    (A) the super senior arranger liabilities and the Super Senior Lender Liabilities (in accordance with the terms of the super senior finance documents);

(B) the Priority Hedging Liabilities (on a pro rata basis between such Priority Hedging Liabilities of each Priority Hedge Counterparty);

(C) the senior notes liabilities (in accordance with the terms of the Senior Notes finance documents);

(D) the Pari Passu Debt liabilities (in accordance with the terms of the Pari Passu Debt documents);

(E) the Hedging Liabilities (on a pro rata basis between such Hedging Liabilities of each Hedge Counterparty), on a pro rata basis and ranking *pari passu* between paragraphs (A) to (E) inclusive above; and

(d) fourth, after the final discharge date, the balance, if any, in payment to the relevant Debtor.

Priority Hedge Transfer: Noteholders and Pari Passu Creditors

Some or all of the Noteholders and Pari Passu Creditors (the ''Purchasing Senior Creditors'') may, after the occurrence of an acceleration event or the commencement of any enforcement of the Collateral (a ''Distress Event''), and subject to various conditions set out in the Intercreditor Agreement (including the grant of an acceptable indemnity against clawback to the Priority Hedge Counterparties), by giving not less than ten days' notice to the Security Agent require a transfer to it of the Priority Hedge Liabilities.

Option to purchase: Noteholders and Pari Passu Creditors

Some or all of the Purchasing Senior Creditors may, after a Distress Event and subject to various conditions set out in the Intercreditor Agreement (including the grant of an acceptable indemnity against clawback to the Super Senior Lenders), by giving not less than ten days' notice to the Security Agent or the super senior agent require the transfer to them (or to a nominee or nominees), in accordance with the assignment and transfer provisions of the Super Senior Facilities Agreement, of all, but not part, of the rights, benefits and obligations in respect of the Super Senior Lender.

Release of Security and Guarantees—Non-distressed Disposals

In circumstances where a disposal to a third party is not a Distressed Disposal (and the applicable agent/representative has notified the Security Agent that such disposal is permitted, or is not prohibited, by the terms of the Super Senior Facilities agreement and any Pari Passu Debt documentation and the Issuer certifies for the benefit of the Security Agent that such disposal is permitted under, or is not prohibited by, the Indenture or the Trustee authorises the release in accordance with the terms of the Indenture), the Security Agent is authorized:

(a) to release the Collateral or any other claim over the relevant asset; and

(b) if the relevant asset consists of shares in the capital of a Debtor, to release the Collateral or any other claim over that holding company's or Debtor's assets and the assets of any of their subsidiaries.

Release of Security and Guarantees—Distressed Disposals

''Distressed Disposal'' means a disposal of an asset or shares of a member of the Group which is:

(a) being effected at the request of the Instructing Group in circumstances where the Collateral has become enforceable;

(b) being effected by enforcement of the Collateral; or

(c) being effected, after an acceleration event or an enforcement of Collateral has occurred, by a Debtor to a person or persons which is not a member of the Group.

In circumstances where a Distressed Disposal is being effected, Security Agent is authorized:

(a) to release the Collateral or any other claim over the relevant asset;

(b) if the asset which is disposed of consists of shares in the capital of a Debtor, to release (i) that Debtor and any subsidiary of that Debtor from all or any part of its borrowing, guaranteeing or other liabilities; (ii) any Collateral granted over that Debtor's assets and the assets of any of its subsidiaries; and (iii) any other claim of a Debtor, an Investor or other intra-group lender over that Debtor's assets or over the assets of any subsidiary of that Debtor;

(c) if the asset which is disposed of consists of shares in the capital of any holding company of a Debtor, to release (i) that holding company and any subsidiary of that holding company from all or any part of its borrowing, guaranteeing or other liabilities; (ii) any Collateral granted over the assets of any subsidiary of that holding company; and (iii) any other claim of a Debtor, an Investor or other intra-group lender over the assets of any subsidiary of that holding company;

(d) if the asset which is disposed of consists of shares in the capital of a Debtor or any holding company of a Debtor, to dispose of all or any part of that Debtor's or the holding company of that Debtor's or any subsidiary of the Debtor or that holding company's borrowing, guaranteeing liabilities or other liabilities; *provided* that, if the transferee of such liabilities is to be treated as a Noteholder, Super Senior Lender, Hedge Counterparty or Pari Passu Creditor or otherwise benefit from the Collateral for the purposes of the Intercreditor Agreement, all Notes Liabilities, Super Senior Facilities Liabilities, Hedging Liabilities and Pari Passu Debts must be transferred to that transferee; and

(e) if the asset which is disposed of consists of shares in the capital of a Debtor or any holding company of a Debtor, to transfer Intra-Group Liabilities and debtor liabilities owed by that Debtor or holding company of a Debtor to another Debtor.

Any net proceeds of the disposal must be applied in accordance with the enforcement proceeds waterfall described above under ''—Application of Proceeds.''

Amendment

The Intercreditor Agreement may be amended only with the consent of the Majority Super Senior Creditors, the Trustee, the required percentage of Pari Passu Creditors (as set out in the relevant Pari Passu Debt documentation) the Issuer, the Parent and the Security Agent unless it relates to certain specified matters such as redistributions, application of proceeds, amendments and consents, certain provisions relating to protection of the Security Agent's own position and the order of any priority or subordination. Such amendments require consent from all Super Senior Lenders (acting through its creditor representative), the Trustee acting on behalf of the relevant Senior Notes Creditors (to the extent such amendments would materially and adversely affect the rights of the Senior Noteholders (taken as a whole), the agent/representative of the Pari Passu Creditors acting on their behalf (to the extent such amendments would materially and adversely affect the Pari Passu Creditors (taken as a whole)), the Issuer, the Parent and the Security Agent.

No amendment or waiver of the Intercreditor Agreement may impose new or additional obligations on or withdraw or reduce the rights of any party (other than in a way which affects creditors of that party's class generally) to the Intercreditor Agreement without the prior consent of that party or, in relation to the Noteholders or Pari Passu Creditors, the consent of their representatives.

The Intercreditor Agreement may be amended without the consent of the Noteholders in certain circumstances set out further in ''Description of Notes—Certain Covenants—Additional Intercreditor Agreements.''

To the extent the Debtors wish to enter into Pari Passu Debt or other additional or replacement indebtedness (''Additional Indebtedness'') which is permitted to share in the Collateral then the parties to the Intercreditor Agreement may be required to enter into a replacement intercreditor agreement as set out further in ''Description of Notes—Certain Covenants—Additional Intercreditor Agreements.''

DESCRIPTION OF NOTES

Boparan Finance plc (the ''*Issuer*'') will issue £250 million aggregate principal amount of 5.25% Senior Notes due 2019 (the ''*2019 Notes*''), £330 million aggregate principal amount 5.50% of Senior Notes due 2021 (the ''*Sterling 2021 Notes*'') and €300 million aggregate principal amount of 4.375% Senior Notes due 2021 (the ''*Euro 2021 Notes*'' and collectively with the 2019 Notes and the Sterling 2021 Notes, the ''*Notes*'') under an indenture (the ''*Indenture*'') among, *inter alios*, itself, as issuer, Boparan Holdings Limited (the ''*Company*''), as a guarantor, Citibank N.A., London Branch, as the trustee (the ''*Trustee*'') and as the paying agent and transfer agent and Citigroup Global Markets Deutschland AG, as registrar, in a private transaction that is not subject to the registration requirements of the U.S. Securities Act of 1933, as amended (the ''*U.S. Securities Act*''). Unless the context requires otherwise, references in this ''Description of Notes'' to the ''Notes'' include the 2019 Notes, the Sterling 2021Notes, the Euro 2021 Notes and any Additional Notes that are issued and references to ''Additional 2019 Notes'', ''Additional Sterling 2021 Notes'' and ''Additional Euro 2021 Notes'' shall be to Additional Notes that are 2019 Notes, Sterling 2021 Notes or Euro 2021 Notes, as applicable. The terms of the Notes include those set forth in the Indenture. The Indenture will not incorporate or include any of the provisions of, or otherwise be subject to, the U.S. Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the Indenture and the Notes and refers to the Intercreditor Agreement and the Security Documents. This description does not restate those agreements in their entirety. You are urged to read the Indenture, the Notes, the Intercreditor Agreement and the Security Documents because they, and not this description, define your rights as holders of the Notes. Copies of the Indenture, the form of Notes, the Intercreditor Agreement and the Security Documents are available as set forth below under ''—Additional Information.'' The Intercreditor Agreement is described under ''Description of Certain Financing Arrangements—Intercreditor Agreement.'' The Security Documents referred to below under the caption ''—Security'' will define the terms of security that will secure the Notes.

Certain defined terms used in this description but not defined below under ''—Certain Definitions'' have the meanings assigned to them in the Indenture. You can find the definitions of certain terms used in this description under the subheading ''—Certain Definitions.'' In this description, the term ''Company'' refers only to Boparan Holdings Limited, and not to any of its Subsidiaries and the term ''Issuer'' refers only to Boparan Finance plc.

The registered holder of a Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

BRIEF DESCRIPTION OF THE NOTES AND THE NOTE GUARANTEES

The Notes

The Notes will:

- be general obligations of the Issuer;
- rank *pari passu* in right of payment with all existing and future Indebtedness of the Issuer that is not subordinated to the Notes;
- rank senior in right of payment to any and all future obligations of the Issuer that are expressly subordinated to the Notes, if any;
- be fully and unconditionally guaranteed by the Guarantors, subject to limitations under applicable law;
- be effectively subordinated to the Issuer's existing and future secured Indebtedness to the extent of the value of the assets securing such Indebtedness (unless such assets also secure the Notes on an equal and ratable or prior basis); and
- be effectively subordinated to all obligations of the Company's Subsidiaries that are not Guarantors or the Issuer.

The Note Guarantees

On and from the Issue Date, the Notes will be guaranteed by:

- Boparan Midco Limited;

- Boparan Holdings Limited;
- 2 Sisters Europe B.V.;
- 2 Sisters Food Group Limited;
- Amber Foods Limited;
- Northern Foods Limited;
- Northern Foods Grocery Group Limited;
- Solway Foods Holdings Limited;
- Solway Foods Limited;
- BH Acquisitions Limited;
- Five Star Fish Limited;
- 2 Sisters Poultry Limited; and
- 2 Sisters Red Meat Limited.

Each Note Guarantee will:

- be a general obligation of the Guarantor;
- rank *pari passu* in right of payment with all existing and future senior Indebtedness of such Guarantor that is not subordinated in right of payment to its Note Guarantee (including Indebtedness under or guarantees of the New Revolving Facility);
- be senior in right of payment to all future Indebtedness of such Guarantor, if any, that is subordinated in right of payment to its Note Guarantee;
- be effectively subordinated to such Guarantor's existing and future secured Indebtedness to the extent of the value of the assets securing such Indebtedness (unless such assets also secure the Notes Guarantee on an equal and ratable or prior basis); and
- be structurally subordinated to all existing and future Indebtedness of any of the Guarantor's subsidiaries (other than the Issuer) that do not Guarantee the Notes.

The Guarantors will, jointly and severally, fully and unconditionally guarantee payment of the Notes on a senior basis.

Not all of the Company's Subsidiaries will guarantee the Notes. However, the Company and each of the Company's subsidiaries that guarantee the New Revolving Facility will guarantee the Notes. In the event of a bankruptcy, liquidation or reorganization of any non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debts, their trade creditors and their other obligors before they will be able to distribute any of their assets to a Guarantor. The Guarantors, on a consolidated basis, represented 92.0% of our consolidated turnover and 89.7% of our consolidated Adjusted EBITDA for the 52 weeks ended April 26, 2014, and held 86.1% of our consolidated total assets as of April 26, 2014. See the ''Summary Historical Financial and Other Information'' section in these Listing Particulars.

Guarantors (a) that are or become Dormant Subsidiaries will, on request from the Company, automatically be released as Guarantors without consent of the holders of the Notes; *provided* that, prior to or substantially concurrently with such release, such Dormant Subsidiary is released from its guarantee of the Indebtedness under the New Revolving Facility and any other Credit Facilities or (b) that have distributed all their respective assets (other than assets with a book value of no more than £1.0 million) to other Guarantors (including, without limitation, by means of a capital reduction) and are to be struck off or wound up pursuant to a solvent liquidation or solvent reorganization (''*Release Guarantors*'') will, on request from the Company, automatically be released as Guarantors without consent of the holders of the Notes; *provided* that, prior to or substantially concurrently with such release, such Release Guarantor will be released from its guarantee of the Indebtedness under the New Revolving Facility and any other Credit Facilities. See ''—*Note Guarantees Release*.''

The Issuer is a special purpose finance subsidiary with no independent business operations, and will be wholly dependent on payments from the Company to meet its obligations, including under the Notes. A significant portion of the operations of the Company are conducted through its Subsidiaries and, therefore the Company depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under its Note Guarantee. On and from the Issue Date, the Notes will be effectively subordinated in right of payment to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of the Company's non-guarantor Subsidiaries. Any right of the Company or any other Guarantor to receive assets of any of its non-guarantor Subsidiaries upon that non-guarantor Subsidiary's liquidation or reorganization (and the consequent right of the holders of the Notes to participate in those assets) will be effectively subordinated to the claims of that non-guarantor Subsidiary's creditors, except to the extent that the Company or such other Guarantor is itself recognized as a creditor of the non-guarantor Subsidiary, in which case the claims of the Company or such other Guarantor, as the case may be, would still be subordinated in right of payment to any security in the assets of the non-guarantor Subsidiary and any Indebtedness of the non-guarantor Subsidiary senior to that held by the Company or such Guarantor.

As of the Issue Date, all of the Company's Subsidiaries will be ''Restricted Subsidiaries'' for the purposes of the Indenture. However, under the circumstances described below under the caption ''—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries,'' the Company will be permitted to designate Restricted Subsidiaries as ''Unrestricted Subsidiaries.'' Most of the restrictive covenants in the Indenture do not apply to Unrestricted Subsidiaries. The Company's Unrestricted Subsidiaries will not guarantee the Notes.

Principal and Maturity

The Issuer will issue £250 million in aggregate principal amount of 2019 Notes, £330 million in aggregate principal amount of Sterling 2021 Notes and €300 million in aggregate principal amount of Euro 2021 Notes in this offering. The Issuer may issue additional Notes (''*Additional Notes*'') under the Indenture from time to time after this offering. Any issuance of Additional Notes is subject to all of the covenants in the Indenture, including the covenant described below under the caption ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock.'' The 2019 Notes, Sterling 2021 Notes and the Euro 2021 Notes will each constitute a separate series of Notes and, except with respect to right of payment and optional redemption, and as otherwise provided for in the Indenture, the 2019 Notes, the Sterling 2021 Notes and the Euro 2021 Notes issued in this offering and, if issued, any Additional Notes, will be treated as a single class for all purposes under the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase. The Additional Notes will be issued with the same identification number as the Notes if the Additional Notes are fungible with the Notes for U.S. federal income tax purposes. The Issuer will issue 2019 Notes and Sterling 2021 Notes in denominations of £100,000 and integral multiples of £1,000 in excess thereof and will issue Euro 2021 Notes in denominations of €100,000 and integral multiples of €1,000 in excess thereof. The 2019 Notes will mature on July 15, 2019 and the Sterling 2021 Notes and the Euro 2021 Notes will mature on July 15, 2021. The redemption price for the Notes at maturity will be 100.00%.

Interest

Interest on the 2019 Notes will accrue at the rate of 5.25% per annum. Interest on the Sterling 2021 Notes will accrue at a rate of 5.50% per annum. Interest on the Euro 2021 Notes will accrue at a rate of 4.375% per annum. Interest on the Notes will be payable semi-annually in arrears on February 15 and August 15 commencing on February 15, 2015. Interest on overdue principal and interest, including Additional Amounts, if any, will accrue at a rate that is 1% higher than the interest rate on the Notes. The Issuer will make each interest payment to the holders of record of such Notes on the immediately preceding February 1 and August 1.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

The rights of holders of Notes to receive the payments of interest on the Notes are subject to applicable procedures of Euroclear and Clearstream. If a particular interest payment date is not a Business Day, then the payment date will move to the next Business Day. Therefore the interest period will be one or more days longer.

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more paying agents (each, a "*Paying Agent*") for the Notes including a Paying Agent in London. The Issuer will ensure that it maintains a Paying Agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the European Union Directive 2003/48/EC (as amended from time to time) or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income, or any law implementing, or complying with or introduced in order to conform to, such directive. The initial Paying Agent will be Citibank, N.A., London Branch in London.

The Issuer will also maintain one or more registrars (each, a "*Registrar*") and one or more transfer agents (each, a "*Transfer Agent*"). The initial Registrar will be Citigroup Global Markets Deutschland AG and the initial Transfer Agent will be Citibank, N.A., London Branch. The Registrar, the Paying Agent and the Transfer Agent (as applicable) will maintain a register reflecting ownership of Definitive Registered Notes (as defined herein) outstanding from time to time, if any, and will make payments on and facilitate transfer of Definitive Registered Notes on the behalf of the Issuer.

The Issuer may change any Paying Agent, the Registrar or the Transfer Agent without prior notice to the holders of the Notes. However, for so long as the Notes are listed on the Euro MTF Market of the Luxembourg Stock Exchange and the Euro MTF Market rules of the Luxembourg Stock Exchange so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or Transfer Agent through the Company Announcements Office of the Luxembourg Stock Exchange. Such notice of the change in a Paying Agent, Registrar or Transfer Agent may also be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Transfer and Exchange

Each series of Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act will initially be represented by one or more global Notes in registered form without interest coupons attached (the "*144A Global Notes*"), and Notes sold outside the United States pursuant to Regulation S under the U.S. Securities Act will initially be represented by one or more global Notes in registered form without interest coupons attached (the "*Reg S Global Notes*" and together with the 144A Global Notes, the "*Global Notes*").

During the 40-day distribution compliance period, book-entry interests in the Regulation S Global Notes may be transferred only to non-U.S. Persons under Regulation S under the U.S. Securities Act or to persons whom the transferor reasonably believes are "qualified institutional buyers" within the meaning of Rule 144A under the U.S. Securities Act in a transaction meeting the requirements of Rule 144A or otherwise in accordance with applicable transfer restrictions and any applicable securities laws of any state of the United States or any other jurisdiction.

Ownership of interests in the Global Notes (the "*Book-Entry Interests*") will be limited to persons that have accounts with Euroclear or Clearstream or Persons that may hold interests through such participants. Ownership of interests in the Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "Notice to Investors." In addition, transfers of Book-Entry Interests between participants in Euroclear or Clearstream will be effected by Euroclear or Clearstream pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream and their respective participants.

Book-Entry Interests in the 144A Global Note, or the "*Restricted Book-Entry Interest*," may be transferred to a person who takes delivery in the form of Book-Entry Interests in the 144A Global Note, as applicable, or the "*Reg S Book-Entry Interests*," only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S under the U.S. Securities Act.

No Book-Entry Interest in any Global Note representing the 2019 Notes (the "*Global 2019 Notes*") and no Definitive Registered Note issued in exchange for a Book-Entry Interest in the Global 2019 Notes (the "*Definitive Registered 2019 Notes*") may be transferred or exchanged for any Book-Entry Interest in any Global Note representing the Sterling 2021 Notes (the "*Global Sterling 2021 Notes*") or any Definitive Registered Note issued in exchange for a Book-Entry Interest in the Global Sterling 2021 Notes (the

“*Definitive Registered Sterling 2021 Notes*”), or any Book-Entry Interest in any Global Note representing the Euro 2021 Notes (the “*Global Euro 2021 Notes*” or any Definitive Registered Note issued in exchange for a Book-Entry Interest in the Global Euro 2021 Notes (the “*Definitive Registered Euro 2021 Notes*”). No Book-Entry Interest in the Global Sterling 2021 Notes and no Definitive Registered Sterling 2021 Note may be transferred or exchanged for any Book-Entry Interest in any Global 2019 Note, any Definitive Registered 2019 Note, any Global Euro 2021 Note or any Definitive Registered Euro 2021 Note. No Book-Entry Interest in the Global Euro 2021 Note and no Definitive Registered Euro 2021 Note may be transferred or exchanged for any Book-Entry Interest in any Global 2019 Note, any Definitive Registered 2019 Note, any Global Sterling 2021 Note or any Definitive Registered Sterling 2021 Note.

Any Book-Entry Interest that is transferred as described in the immediately preceding paragraphs will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it was transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Definitive Registered Notes are issued, they will be issued only in minimum denominations of £100,000 principal amount and integral multiples of £1,000 in excess thereof with respect to Definitive Registered Notes representing 2019 Notes or Sterling 2021 Notes, or in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof with respect to Definitive Registered Notes representing Euro 2021 Notes, upon receipt by the applicable Registrar of instructions relating thereto and any certificates and other documentation required by the Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, as applicable, from the participant that owns the relevant Book-Entry Interests. Definitive Registered Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture or as otherwise determined by the Issuer in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under “Notice to Investors.”

Subject to the restrictions on transfer referred to above, Notes issued as Definitive Registered Notes may be transferred or exchanged, in whole or in part, in minimum denominations of £100,000 in principal amount and integral multiples of £1,000 in excess thereof with respect to Definitive Registered Notes representing 2019 Notes or Sterling 2021 Notes, or in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof with respect to Definitive Registered Notes representing Euro 2021 Notes, to persons who take delivery thereof in the form of Definitive Registered Notes. In connection with any such transfer or exchange, the Indenture will require the transferring or exchanging holder to, among other things, furnish appropriate endorsements and transfer documents, furnish information regarding the account of the transferee at Euroclear or Clearstream, where appropriate, furnish certain certificates and opinions and pay any Taxes in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the holder, other than any Taxes payable in connection with such transfer or exchange.

Notwithstanding the foregoing, the Issuer is not required to register the transfer of any Definitive Registered Notes:

(1) for a period of 15 days prior to any date fixed for the redemption of the Notes;

(2) for a period of 15 days immediately prior to the date fixed for selection of Notes to be redeemed in part;

(3) for a period of 15 days prior to the record date with respect to any interest payment date; or

(4) which the holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Sale Offer.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the Notes (whether or not in the form of Definitive Registered Notes), or by or on behalf of a Guarantor under or with respect to any Note Guarantee, will be made free and clear of, and without withholding or deduction for, or on account of, any present or future Taxes of whatever nature, unless a withholding or deduction of such Taxes is required by law. If any withholding or deduction for, or on account of, any Taxes imposed or levied by or on behalf of (1) any jurisdiction in which the Issuer or any Guarantor is then incorporated, organized, engaged in business or otherwise resident for tax purposes or any political subdivision thereof or therein or (2) any jurisdiction from or through which payment is made by or on behalf of the Issuer or any Guarantor (including the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a ''*Tax Jurisdiction*'') will at any time be required to be made from any payments made by or on behalf of the Issuer under or with respect to the Notes or any of the Guarantors with respect to any Notes Guarantee, including, without limitation, payments of principal, redemption price, purchase price, interest or premium, then the Issuer or the relevant Guarantor, as applicable, will pay such additional amounts (the ''*Additional Amounts*'') as may be necessary to ensure that the net amount received after such withholding or deduction (including any withholding or deduction from such Additional Amounts) will equal the amount that would have been received in respect of such payments in the absence of such withholding or deduction; *provided*, *however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes, to the extent such Taxes would not have been imposed but for the existence of any present or former connection between the holder or the beneficial owner of the Notes and the relevant Tax Jurisdiction (including being a citizen or resident or national of, incorporated in or carrying on a business in the relevant Tax Jurisdiction in which such Taxes are imposed), other than any connection arising merely from the acquisition, holding or disposition of a Note, the exercise or enforcement of rights under such Note or under a Note Guarantee or the receipt of any payments in respect of such Note or a Note Guarantee;

(2) any Taxes, to the extent such Taxes were imposed as a result of the presentation of a Note for payment (where Notes are in the form of Definitive Registered Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);

(3) any estate, inheritance, gift, sales, transfer or similar Taxes;

(4) any Taxes withheld, deducted or imposed on a payment to an individual that are required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of November 26 and 27 2000 on the taxation of savings income, or any law implementing or complying with or introduced in order to conform to, such directive;

(5) Taxes imposed on or with respect to a payment made to a holder or beneficial owner of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union;

(6) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Notes or with respect to any Note Guarantee;

(7) any Taxes to the extent such Taxes are imposed or withheld by reason of the failure of the holder or beneficial owner of Notes to comply with any reasonable written request of the Issuer addressed to the holder or beneficial owner (as may be relevant) and made at a time that would enable the holder or beneficial owner acting reasonably to comply with the request (but, in all events, at least 30 days before any such withholding or deduction would be payable), to satisfy any certification, identification, information or other reporting requirements, whether required by statute, treaty, regulation or administrative practice of a Tax Jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes imposed by the Tax Jurisdiction (including, without limitation, a certification that the holder or beneficial owner is not resident in the Tax Jurisdiction), but in each case, only to the extent the holder or beneficial owner is legally eligible to provide such certification or documentation;

(8) Any Taxes withheld or deduced pursuant to current sections 1471 through 1474 of the Code (or any amended or successor version that is substantively comparable and not materially to comply with), any current or future treasury regulations or other official administrative interpretations thereof or any intergovernmental agreements (or any law implementing such an intergovernmental agreement) implementing the foregoing (''FATCA''), except to the extent that such Taxes result from a failure of any Paying Agent to comply with FATCA; or

(9) any combination of items (1) through (8) above.

In addition to the foregoing, the Issuer and the Guarantors will also pay and indemnify each holder and beneficial owner for any present or future stamp, issue, registration, court or documentary Taxes, or any other excise or property Taxes, charges or similar levies (including penalties, interest and any other similar liabilities) which are levied by any Tax Jurisdiction on the execution, delivery, issuance, or registration of any of the Notes, the Indenture, any Note Guarantee, Security Documents or any other document or instrument referred to therein, or the receipt of any payments with respect thereto, or any such Taxes, charges or levies imposed by any jurisdiction as a result of, or in connection with, the enforcement of, any of the Notes, any Note Guarantee or Security Documents (limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Tax Jurisdiction that are not excluded under clauses (1) through (5) or (8) above).

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or any Note Guarantee, the Issuer or the relevant Guarantor, as the case may be, will deliver to the Paying Agent with a copy to the Trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises less than 45 day prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Paying Agent and the Trustee promptly thereafter) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officer's Certificate(s) must also set forth any other information reasonably necessary to enable the Paying Agent to pay Additional Amounts on the relevant payment date. The Paying Agent and the Trustee shall be entitled to rely solely, without further verification, on such Officer's Certificate as conclusive proof that such payments are necessary.

The Issuer or the relevant Guarantor will make all withholdings and deductions required by law and will timely remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor will furnish to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments (reasonably satisfactory to the Trustee) by such entity.

Whenever in the Indenture, the Notes or in this ''Description of Notes'' there is mentioned, in any context, the payment of amounts based upon the principal amount of the Notes or of principal, interest or of any other amount payable under, or with respect to, any of the Notes or any Note Guarantee, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligations will survive any termination, defeasance or discharge of the Indenture, any transfer by a holder or beneficial owner of its Notes, and will apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is incorporated, organized, engaged in business or resident for tax purposes or any jurisdiction from or through which any payment on the Notes (or any Notes Guarantee) is made and any political subdivision thereof or therein.

Security

The Notes will be secured by a charge created by Boparan Midco Limited (''*Midco*''), the Company's direct parent company, over all of its shares in the share capital of the Company and any amounts owed by the Company to Midco (the ''*Midco Share and Receivables Security*''). The Notes will also have the benefit of (i) an assignment (the ''*Proceeds Loan Assignment*'') of an intercompany loan from the Issuer, as lender, to the Company, as borrower, of a portion of the proceeds of the offering of the Notes (the ''*Notes Proceeds Loan*''), (ii) assignments of any other intercompany loans made by the Issuer to the Company (the ''*Issuer Intercompany Loans*'') and (iii) assignments (the ''*On-Loan Assignments*'') of any intercompany on-loans of the proceeds of the offering of the Notes by the Company, as lender, and of other proceeds loans made by the Company to certain of its subsidiaries (the ''*Proceeds On-Loans*''); *provided* that the Company may issue a Replacement Proceeds Loan if such Replacement Proceeds Loan is assigned to the Security Agent for the benefit of the holders of Notes in the same manner as the Proceeds Loan Assignment and the On-Loan Assignments. The Midco Share and Receivables Security, together with the Proceeds Loan Assignment and the On-Loan Assignments and any additional security interests that may in the future be created to secure obligations under the Notes, the Note Guarantees and the Indenture, are referred to herein collectively as the ''*Collateral*,'' and the agreements governing such Collateral are referred to as ''*Security Documents*.''

The Collateral will secure the payment and performance when due of all of the obligations of the Issuer and the Guarantors under the Indenture, the Notes and the Note Guarantees as provided in the relevant Security Document.

Under the Indenture, the Company and the Restricted Subsidiaries will be permitted to incur certain additional Indebtedness in the future which may share in the Collateral.

The security interests under the Security Documents will be granted in favor of the Security Agent on behalf of the holders of the secured obligations that are secured by the Collateral, which include the Notes, the Note Guarantees, the New Revolving Facility and certain Hedging Obligations. Such obligations will be secured equally and ratably by first ranking Liens over the Collateral; *provided*, *however*, that, pursuant to the terms of the Intercreditor Agreement, any liabilities in respect of obligations under the New Revolving Facility and any Hedging Obligations that are secured by assets that also secure our obligations under the Notes and the Note Guarantees will receive priority with respect to any proceeds received upon any enforcement action over any such assets. For a description of security enforcement and other intercreditor provisions, see ''*Description of Certain Financing Arrangements—Intercreditor Agreement*.'' See also ''*Risk Factors—Risks Related to the Notes—Creditors under other debt are entitled to be repaid with the proceeds of the Collateral sold in any enforcement sale, the proceeds of any distressed disposal and from other amounts paid to the Collateral Agent pursuant to the terms of the Intercreditor Agreement, in priority to the Notes.*''

The Indenture will provide that each holder, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of the Security Documents and the Intercreditor Agreement and any additional intercreditor agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have authorized and directed the Trustee and the Security Agent (as applicable) to enter into such documents.

Note Guarantees

On the Issue Date, each of the Guarantors will, jointly and severally, fully and unconditionally, guarantee payment of the Notes on a senior basis, as a Guarantor, as and to the extent provided in the Note Guarantees. The Guarantors will provide such Guarantee to the Trustee on behalf of the holders of the Notes pursuant to the Indenture. The obligations of the Guarantors will be contractually limited under the applicable Note Guarantees to reflect limitations under applicable law with respect to maintenance of share capital, corporate benefit, fraudulent conveyance and other legal restrictions applicable to the Guarantors and their respective shareholders, directors and general partners. For a description of such contractual limitations, see ''*Risk Factors—Risks Related to the Notes—The Guarantees will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability.*''

Guarantors (a) that are or become Dormant Subsidiaries will, on request from the Company, automatically be released as Guarantors without consent of the holders of the Notes; *provided* that, prior to or substantially concurrently with such release, such Dormant Subsidiary is released from its guarantee of the Indebtedness under the New Revolving Facility and any other Credit Facilities or (b) that are Release Guarantors, will, on request from the Company, automatically be released as Guarantors without consent of the holders of the Notes; *provided* that, prior to or substantially concurrently with such release, such Release Guarantor will be released from its guarantee of the Indebtedness under the New Revolving Facility and any other Credit Facilities. See ''*—Note Guarantees Release*.''

Note Guarantees Release

Release of Note Guarantee of Guarantors

The Note Guarantee of a Guarantor (other than the Company) will be automatically and unconditionally released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Guarantor (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary, if the sale or other disposition does not violate the ''Asset Sale'' provisions of the Indenture;

(2) in connection with any sale or other disposition of Capital Stock of that Guarantor (or Capital Stock of any direct or indirect Company entity of such Guarantor) to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary, if the sale or other disposition does not violate the ''Asset Sale'' provisions of the Indenture and the Guarantor ceases to be a Restricted Subsidiary as a result of the sale or other disposition;

(3) if the Company designates any Restricted Subsidiary that is a Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture;

(4) as described under ''*—Amendment, Supplement and Waiver*'';

(5) upon release of the guarantee or Indebtedness that resulted in the creation of the Note Guarantee under the covenant described below under the caption ''*—Certain Covenants—Limitation on Issuances of Guarantees of Indebtedness*,'' so long as no Event of Default would arise as a result and no other Indebtedness is at that time guaranteed by the relevant Guarantor;

(6) in connection with enforcement actions pursuant to and in compliance with the Intercreditor Agreement or any additional intercreditor agreement;

(7) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions ''*—Legal Defeasance and Covenant Defeasance*'' and ''*—Satisfaction and Discharge*''; or

(8) so long as no Event of Default has occurred and is continuing, (a) if that Guarantor is a Dormant Subsidiary and the Company has requested such release; *provided* that such Dormant Subsidiary is released from its guarantee of the Indebtedness under the New Revolving Facility and any other Credit Facilities or (b) if that Guarantor is a Release Guarantor and the Company has requested such release; *provided* that such Release Guarantor will be released from its guarantee of the Indebtedness under the New Revolving Facility and any other Credit Facilities.

In addition, the Note Guarantee of the Company will be released as described under ''*—Amendment, Supplement and Waiver*,'' in connection with enforcement actions pursuant to the Intercreditor Agreement or any additional intercreditor agreement; or upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions ''*—Legal Defeasance and Covenant Defeasance*'' and ''*—Satisfaction and Discharge*.''

The Indenture will provide that any release of a Note Guarantee shall be evidenced by the delivery by the Issuer to the Trustee of an Officer's Certificate of the Issuer, and that the Trustee and the Security Agent shall acknowledge and confirm such release upon delivery of such Officer's Certificate.

Additional or Amended Intercreditor Agreement

The Indenture will provide that, subject to the covenants contained therein, at the request of the Issuer and without the consent of the holders of the Notes, at or prior to any time that the Issuer or a Guarantor incurs or guarantees any additional Indebtedness permitted to be secured by a Lien on the Collateral, the Issuer, the Guarantors, the Security Agent and the Trustee shall either amend and/or restate the Intercreditor Agreement or enter into with the creditors and/or agents of creditors with respect to such Indebtedness an intercreditor agreement on substantially the same terms as the Intercreditor Agreement (or an amendment or restatement of the Intercreditor Agreement in lieu thereof), in either such case, to permit such Indebtedness to be subject to (and benefit from) substantially identical terms with respect to limitations on enforcement and other rights and limitations as contained in the Intercreditor Agreement (or, in the case of any such terms, terms more favorable to the holders of the Notes). If more than one such intercreditor agreement is outstanding at any one time, the collective terms of such intercreditor agreements must not conflict and must be no more disadvantageous to the holders of the Notes than if all such Indebtedness was a party to one such agreement.

The Indenture will also provide that, at the direction of the Issuer and without the consent of the holders of the Notes, the Trustee shall from time to time enter into one or more amendments and/or restatements of the Intercreditor Agreement or any such additional intercreditor agreement to: (1) cure any ambiguity, omission, defect or inconsistency therein; (2) increase the amount of Indebtedness permitted to be incurred or issued under the Indenture of the types covered thereby that may be incurred by the Issuer or any Guarantors that is subject thereto (including the addition of provisions relating to new Indebtedness); (3) add Guarantors thereto; (4) secure the Notes; or (5) make any other such change thereto that does not adversely affect the rights of holders of the Notes in any material respect. The

Issuer will not otherwise direct the Trustee to enter into any amendment and/or restatements of the Intercreditor Agreement or, if applicable, any additional intercreditor agreement, without the consent of the holders of a majority in principal amount of the outstanding Notes except as otherwise permitted under ''*Amendment, Supplement and Waiver*.''

The Indenture will also provide that, at the direction of the Issuer and without the consent of the holders of the Notes, the Trustee shall upon the direction of the Issuer at the time of, or prior to, the incurrence of any new indebtedness by the Issuer or any Guarantor in the form of additional unsecured Indebtedness and in compliance with the covenant under the heading ''Incurrence of Indebtedness and Issuance of Preferred Stock,'' enter into one or more amendments and/or restatements of the Intercreditor Agreement or any such additional intercreditor agreement to incorporate provisions requiring (including any corresponding amendments or ancillary changes related thereto) that upon the sale of assets or distressed disposal pursuant to the Intercreditor Agreement, (i) the proceeds from such sale or disposal be in cash or cash equivalents, (ii) all claims of secured parties under the Intercreditor Agreement be simultaneously and unconditionally released and discharged concurrently with any such sale or disposal and (iii) any such sale or disposal is made pursuant to a public auction or is confirmed by a financial advisor to be fair from a financial point of view, which may, in each case, be for the benefit of all unsecured creditors under the Intercreditor Agreement.

The Indenture will provide that each holder of a Note, by accepting a Note, will be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any amendment or restatement of the Intercreditor Agreement or any additional intercreditor agreement contemplated hereby, and the entry into such amendment or restatement of the Intercreditor Agreement or additional intercreditor agreement by the Security Agent and the Trustee and the performance of their obligations and the exercise of their rights thereunder and in connection therewith.

Optional Redemption

2019 Notes

At any time prior to July 15, 2016, the Issuer may on one or more occasions redeem up to 35% of the aggregate principal amount of 2019 Notes (including Additional 2019 Notes) issued under the Indenture, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 105.250% of the principal amount of the 2019 Notes redeemed, in each case, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption (subject to the rights of holders of 2019 Notes on the relevant record date to receive interest on the relevant interest payment date), in an amount equal to the net cash proceeds of an Equity Offering; *provided* that:

(1) at least 65% of the aggregate principal amount of the 2019 Notes originally issued under the Indenture (excluding 2019 Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

At any time prior to July 15, 2016, the Issuer may on one or more occasions redeem all or a part of the 2019 Notes upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the 2019 Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of the 2019 Notes on the relevant record date to receive interest due on the relevant interest payment date.

Prior to July 15, 2016, the Issuer may redeem during each 12-month period commencing with the Issue Date up to 10% of the aggregate principal outstanding amount of the 2019 Notes at its option, from time to time, upon not less than 10 nor more than 60 days' prior written notice, at a redemption price equal to 103% of the principal amount of the 2019 Notes redeemed plus accrued and unpaid interest on the 2019 Notes to, but not including, the redemption date. Any such redemption or notice may, at the Issuer's discretion, be subject to one or more conditions precedent.

Except as described in the preceding three paragraphs and except pursuant to the provisions of the Indenture described in ''—*Redemption for Changes in Taxes*,'' the 2019 Notes will not be redeemable at the Issuer's option prior to July 15, 2016.

On or after July 15, 2016, the Issuer may on any one or more occasions redeem all or a part of the 2019 Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Additional Amounts, if any, on the 2019 Notes redeemed, to the applicable date of redemption, if redeemed during the twelve month period beginning on July 15 of the years indicated below, subject to the rights of holders of 2019 Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2016	102.625%
2017	101.313%
2018 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price for the 2019 Notes, interest will cease to accrue on the 2019 Notes or portions thereof called for redemption on the applicable redemption date.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

Sterling 2021 Notes

At any time prior to July 15, 2017, the Issuer may on one or more occasions redeem up to 35% of the aggregate principal amount of Sterling 2021 Notes (including Additional Sterling 2021 Notes) issued under the Indenture, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 105.500% of the principal amount of the Sterling 2021 Notes redeemed, in each case, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption (subject to the rights of holders of Sterling 2021 Notes on the relevant record date to receive interest on the relevant interest payment date), in an amount equal to the net cash proceeds of an Equity Offering; *provided* that:

(1) at least 65% of the aggregate principal amount of the Sterling 2021 Notes originally issued under the Indenture (excluding Sterling 2021 Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

At any time prior to July 15, 2017, the Issuer may on one or more occasions redeem all or a part of the Sterling 2021 Notes upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Sterling 2021 Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of the Sterling 2021 Notes on the relevant record date to receive interest due on the relevant interest payment date.

Prior to July 15, 2017, the Issuer may redeem during each 12-month period commencing with the Issue Date up to 10% of the aggregate principal outstanding amount of the Sterling 2021 Notes at its option, from time to time, upon not less than 10 nor more than 60 days' prior written notice, at a redemption price equal to 103% of the principal amount of the Sterling 2021 Notes redeemed plus accrued and unpaid interest on the Sterling 2021 Notes to, but not including, the redemption date. Any such redemption or notice may, at the Issuer's discretion, be subject to one or more conditions precedent.

Except as described in the preceding three paragraphs and except pursuant to the provisions of the Indenture described in ''—*Redemption for Changes in Taxes*,'' the Sterling 2021 Notes will not be redeemable at the Issuer's option prior to July 15, 2017.

On or after July 15, 2017, the Issuer may on any one or more occasions redeem all or a part of the Sterling 2021 Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Additional Amounts, if any, on the Sterling 2021 Notes redeemed, to the applicable date of redemption, if redeemed during the twelve month period beginning on July 15 of the years indicated below, subject to the rights of holders of Sterling 2021 Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2017	102.750%
2018	101.375%
2019 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price for the Sterling 2021 Notes, interest will cease to accrue on the Sterling 2021 Notes or portions thereof called for redemption on the applicable redemption date.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

Euro 2021 Notes

At any time prior to July 15, 2017, the Issuer may on one or more occasions redeem up to 35% of the aggregate principal amount of Euro 2021 Notes (including Additional Euro 2021 Notes) issued under the Indenture, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 104.375% of the principal amount of the Euro 2021 Notes redeemed, in each case, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption (subject to the rights of holders of Euro 2021 Notes on the relevant record date to receive interest on the relevant interest payment date), in an amount equal to the net cash proceeds of an Equity Offering; *provided* that:

(1) at least 65% of the aggregate principal amount of the Euro 2021 Notes originally issued under the Indenture (excluding Euro 2021 Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

At any time prior to July 15, 2017, the Issuer may on one or more occasions redeem all or a part of the Euro 2021 Notes upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Euro 2021 Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of the Euro 2021 Notes on the relevant record date to receive interest due on the relevant interest payment date.

Prior to July 15, 2017, the Issuer may redeem during each 12-month period commencing with the Issue Date up to 10% of the aggregate principal outstanding amount of the Euro 2021 Notes at its option, from time to time, upon not less than 10 nor more than 60 days' prior written notice, at a redemption price equal to 103% of the principal amount of the Euro 2021 Notes redeemed plus accrued and unpaid interest on the Euro 2021 Notes to, but not including, the redemption date. Any such redemption or notice may, at the Issuer's discretion, be subject to one or more conditions precedent.

Except as described in the preceding three paragraphs and except pursuant to the provisions of the Indenture described in ''—*Redemption for Changes in Taxes*,'' the Euro 2021 Notes will not be redeemable at the Issuer's option prior to July 15, 2017.

On or after July 15, 2017, the Issuer may on any one or more occasions redeem all or a part of the Euro 2021 Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Additional Amounts, if any, on the Euro 2021 Notes redeemed, to the applicable date of redemption, if redeemed during the twelve month period beginning on July 15 of the years indicated below, subject to the rights of holders of Euro 2021 Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2017	102.188%
2018	101.094%
2019 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price for the Euro 2021 Notes, interest will cease to accrue on the Euro 2021 Notes or portions thereof called for redemption on the applicable redemption date.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

Redemption for Changes in Tax

The Issuer may redeem the Notes, in whole but not in part, at its discretion at any time upon giving not less than 10 nor more than 60 days' prior notice to the holders of the Notes (which notice will be irrevocable and given in accordance with the procedures described in ''—Selection and Notice''), at a redemption price equal to 100% of the aggregate principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a ''*Tax Redemption Date*'') and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the Notes, the Issuer or any of the Guarantors with respect to any Note Guarantee is or would be required to pay Additional Amounts (but, in the case of any Guarantor, only if such payment cannot be made by the Issuer or another Guarantor without triggering Additional Amounts), and the Issuer or Guarantor cannot avoid any such payment obligation by taking reasonable measures available to it (including making payment through a paying agent located in another jurisdiction), and the requirement arises as a result of:

(1) any amendment to, or change in, the laws or any regulations, or rulings promulgated thereunder of a relevant Tax Jurisdiction which change or amendment is announced and becomes effective on or after the date of the Offering Memorandum (or if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the date of the Offering Memorandum, such later date); or

(2) any amendment to, change in, or the introduction of, an official written position, interpretation or application of such laws, regulations, or rulings (including by virtue of a holding, judgment, order by a court of competent jurisdiction or a change in published administrative practice) which amendment or change is announced and becomes effective on or after the date of the Offering Memorandum (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the date of the Offering Memorandum, such later date) (each of the foregoing clauses (1) and (2), a ''*Change in Tax Law*'').

The Issuer will not give any such notice of redemption earlier than 60 days prior to the earliest date on which the Issuer or Guarantor, as applicable, would be obligated to make such payment or withholding if a payment in respect of the Notes or any Note Guarantee were then due, and the obligation to pay Additional Amounts must be in effect at the time such notice is given. Prior to the publication or, where relevant, delivery of any notice of redemption of the Notes pursuant to the foregoing, the Issuer or Guarantor will deliver to the Trustee an opinion of independent tax counsel reasonably acceptable to the Trustee to the effect that there has been a Change in Tax Law which would entitle the Issuer to redeem the Notes hereunder. In addition, before the Issuer publishes or delivers or causes to be published or delivered any notice of redemption of the Notes as described above, the Issuer or relevant Guarantor will deliver to the Trustee an Officer's Certificate to the effect that the obligation to pay Additional Amounts cannot be avoided by the Issuer or relevant Guarantor by taking any reasonable measures available to it.

The Trustee will accept and shall be entitled to rely, without further enquiry on such Officer's Certificate and opinion of independent tax counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the holders.

For the avoidance of doubt, the implementation of European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such directive will not be a change or amendment for such purposes.

The foregoing will apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Issuer or Guarantor is incorporated, organized, engaged in business or resident for tax purposes or any jurisdiction from or through which any payment on the Notes is made and any political subdivision thereof or therein.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each holder of Notes will have the right to require the Issuer to repurchase all or any part (in integral multiples of £1,000 with respect to 2019 Notes and Sterling 2021 Notes or €1,000 with respect to Euro 2021 Notes; *provided* that Notes of £100,000 with respect to 2019 Notes and Sterling 2021 Notes or €100,000 with respect to Euro 2021 Notes, or less may only be redeemed in whole and not in part) of that holder's Notes pursuant to an offer (''*Change of Control Offer*'') on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer will offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased to the date of purchase (the ''*Change of Control Payment*''), subject to the rights of holders of Notes on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any such Change of Control, the Issuer will mail or cause to be mailed a notice to each holder of the Notes at such holder's registered address or otherwise deliver a notice in accordance with the procedures described under ''—Selection and Notice,'' stating that a Change of Control Offer is being made and offering to repurchase Notes on the date (the ''*Change of Control Payment Date*'') specified in the notice, which date will be no earlier than 10 days and no later than 60 days from the date such notice is mailed or delivered, pursuant to the procedures required by the Indenture and described in such notice. The Issuer will comply with the requirements of Rule 14e-1 under the U.S. Exchange Act and any other applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

The Paying Agent will promptly mail (or cause to be delivered) to each holder of the Notes properly tendered the Change of Control Payment for such Notes, and the Trustee (or an authenticating agent appointed by the Trustee) will promptly authenticate and deliver (or cause to be transferred by book-entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture will not contain provisions that permit the holders of the Notes to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) a notice of redemption has been given pursuant to the Indenture as described above under the caption ''—Optional Redemption,'' unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

The Issuer's ability to repurchase the Notes pursuant to the Change of Control Offer may be limited by a number of factors. The ability of the Issuer to pay cash to the holders of the Notes following the occurrence of a Change of Control may be limited by the Company's and its Restricted Subsidiaries' then existing financial resources, and sufficient funds may not be available when necessary to make any required repurchases. The Issuer expects that it would require third party financing to make an offer to repurchase the Notes upon a Change of Control. The Issuer cannot assure you that it would be able to obtain such financing. Any failure by the Issuer to offer to purchase Notes would constitute a Default under the Indenture, which could, in turn, constitute a default under the New Revolving Facility. See ''*Risk Factors—Risks Related to the Notes—We may not have the ability to raise the funds necessary to finance a change of control offer required by the Indenture*''.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of ''all or substantially all'' of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase ''substantially all,'' there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Issuer to repurchase its Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain.

The provisions under the Indenture relating to the Issuer's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the consent of the holders of a majority in principal amount of the Notes prior to the occurrence of the Change of Control.

If and for so long as the Notes are listed on the Euro MTF Market of the Luxembourg Stock Exchange and the Euro MTF Market rules of the Luxembourg Stock Exchange so require, the Issuer will publish notices relating to the Change of Control Offer through the Company Announcements Office of the Luxembourg Stock Exchange. Such notice of the Change of Control Offer may also be published in a newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Asset Sales

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For the purposes of this provision, each of the following will be deemed to be cash:

   (a) any liabilities, as recorded on the balance sheet of the Company or any Restricted Subsidiary (other than contingent liabilities), that are assumed by the transferee of any such assets and as a result of which the Company and its Restricted Subsidiaries are no longer obligated with respect to such liabilities or are indemnified against further liabilities;

   (b) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents within 180 days following the closing of the Asset Sale, to the extent of the cash or Cash Equivalents received in that conversion;

   (c) any Capital Stock or assets of the kind referred to in clauses (2) or (4) of the next paragraph of this covenant;

   (d) Indebtedness of any Restricted Subsidiary of the Company that is no longer a Restricted Subsidiary of the Company as a result of such Asset Sale, to the extent that the Company and each other Restricted Subsidiary of the Company are released from any Guarantee of such Indebtedness in connection with such Asset Sale;

(e) consideration consisting of Indebtedness of the Issuer or any Guarantor received from Persons who are not the Company or any Restricted Subsidiary; and

(f) any Designated Non-Cash Consideration received by the Company or any of its Restricted Subsidiaries in such Asset Sales having an aggregate Fair market Value, when taken together with all other Designated Non-Cash Consideration received pursuant to this clause (f) that is at the time outstanding, not to exceed £30.0 million at the time of the receipt of the Designated Non-Cash Consideration (with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale (the ''*Application Period*''), the Company (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Proceeds (at the option of the Company or Restricted Subsidiary):

(1) to purchase the Notes pursuant to an offer to all holders of Notes at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to (but not including) the date of purchase (a ''*Notes Offer*'');

(2) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary;

(3) to make a capital expenditure;

(4) to acquire other assets (other than Capital Stock) that are used or useful in a Permitted Business;

(5) to repurchase, prepay, redeem or repay: (a) Indebtedness and other Obligations under any Credit Facilities; (b) Indebtedness and other Obligations that are secured by a Lien on the asset which is the subject of the Asset Sale; or (c) Indebtedness and other Obligations of a Restricted Subsidiary that is not a Guarantor;

(6) (i) to make any payment or contribution required during the Application Period from an Asset Sale pursuant to an agreement in respect of the Pension Schemes or (ii) to make any payment or contribution in respect of a Pension Scheme (a) as required by the regulator of the Pension Schemes or (b) as otherwise required by applicable law, rules or regulations; or

(7) by entering into a binding commitment to apply the Net Proceeds pursuant to clause (2), (3), (4) or (6) of this paragraph; *provided* that such binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated, and (y) the 180th day following the expiration of the Application Period.

Pending the final application of any Net Proceeds, the Company (or the applicable Restricted Subsidiary) may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute ''*Excess Proceeds*.'' When the aggregate amount of Excess Proceeds exceeds £30.0 million, within ten Business Days thereof, the Issuer will make an offer (an ''*Asset Sale Offer*'') to (a) all of the holders of Notes and, at the option of the Issuer, (b) any or all of the holders of Pari Passu Indebtedness, in each case, secured by a Lien on the Collateral (including, for the avoidance of doubt, Indebtedness under the New Revolving Facility), to purchase, prepay or redeem with the Excess Proceeds the maximum principal amount of Notes and such other Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price for the Notes in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, prepayment or redemption, subject to the rights of holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company and its Restricted Subsidiaries may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and such other Indebtedness tendered into (or to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds or if the aggregate principal amount of Notes tendered pursuant to a Notes Offer exceeds the amount of the Net Proceeds so applied, the Trustee will select the Notes and such other Indebtedness, if applicable, to be purchased on a *pro rata* basis (or in the manner described under ''—Selection and Notice''), based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Issuer will comply with the requirements of Rule 14e-1 under the U.S. Exchange Act and any other applicable securities laws and regulations to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to a Change of Control Offer, an Asset Sale Offer or a Notes Offer. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control, Asset Sale or Notes Offer provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control, Asset Sale or Notes Offer provisions of the Indenture by virtue of such compliance.

Selection and Notice

If less than all of any series of Notes is to be redeemed at any time, the Trustee or the Registrar will select Notes for redemption on a *pro rata* basis (or, in the case of Notes issued in global form as discussed under ''—Book-Entry, Delivery and Form,'' based on a method that most nearly approximates a *pro rata* selection), unless otherwise required by law or applicable stock exchange or depository requirements. Neither the Trustee nor the Registrar shall be liable for selections made in accordance with this paragraph.

No Notes of £100,000 with respect to the 2019 Notes and Sterling 2021 Notes or €100,000 with respect to the Euro 2021 Notes, or less can be redeemed in part. Notices of redemption will be mailed by first class mail at least 10 but not more than 60 days before the redemption date to each holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the holder of Notes upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption.

For Notes which are represented by global certificates held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear or Clearstream for communication to entitled account holders in substitution for the aforesaid mailing. So long as any Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market and the Euro MTF Market rules of the Luxembourg Stock Exchange so require, any such notice to the holders of the relevant Notes shall also be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*) and, in connection with any redemption, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of Notes outstanding.

Certain Covenants

Suspension of Covenants when Notes Rated Investment Grade

If on any date following the Issue Date:

(1) the Notes have achieved Investment Grade Status; and

(2) no Default or Event of Default shall have occurred and be continuing on such date,

then, beginning on that day and continuing until such time, if any, at which the Notes cease to have Investment Grade Status (such period, the ''*Suspension Period*''), the covenants specifically listed under the following captions in these Listing Particulars will no longer be applicable to the Notes and any related default provisions of the Indenture will cease to be effective and will not be applicable to the Company and its Restricted Subsidiaries:

(1) ''—Repurchase at the Option of Holders—Asset Sales'';

(2) ''—Certain Covenants—Restricted Payments'';

(3) ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(4) ''—Certain Covenants—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries'';

(5) ''—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries'';

(6) ''—Certain Covenants—Transactions with Affiliates''; and

(7) clause (4) of the first paragraph of the covenant described under ''—Merger, Consolidation or Sale of Assets''.

Consequently, such covenants will not be of any effect with regard to the actions of the Company and the Restricted Subsidiaries properly taken during the Suspension Period; *provided* that (1) with respect to the Restricted Payments made after any such reinstatement, the amount of Restricted Payments will be calculated as though the covenant described under the caption ''—Certain Covenants—Restricted Payments'' had been in effect prior to, but not during, the Suspension Period and (2) all Indebtedness incurred, or Disqualified Stock or preferred stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to clause (2) of the second paragraph of the caption ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock.'' Upon the occurrence of a Suspension Period, the Issuer shall inform the Trustee of the same and the amount of Excess Proceeds shall be reset at zero. The Trustee shall not be obliged to notify the holders of a Suspension Period.

There can be no assurance that the Notes will ever achieve or maintain an Investment Grade Status.

Restricted Payments

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as holders (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company or any of its Restricted Subsidiaries and other than dividends or distributions payable to the Company or any of its Restricted Subsidiaries);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent entity of the Company, in each case held by Persons other than the Company or a Restricted Subsidiary of the Company;

(3) make any principal payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Issuer or any Guarantor that is expressly contractually subordinated in right of payment to the Notes or to any Note Guarantee (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries), except (i) a payment of principal at the Stated Maturity thereof or (ii) the purchase, repurchase, redemption, defeasance or other acquisition or retirement of Indebtedness purchased in anticipation of satisfying a sinking fund obligation, principal installment or scheduled maturity, in each case due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition;

(4) make any payment of principal or interest on any Subordinated Shareholder Debt (other than non-cash interest paid in the form of additional Subordinated Shareholder Debt); or

(5) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (1) through (5) above being collectively referred to as ''*Restricted Payments*''), unless, at the time of and after giving effect to any such Restricted Payment:

(a) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(b) the Company would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least £1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption ''—Incurrence of Indebtedness and Issuance of Preferred Stock''; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries since the Issue Date (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6), (7), (9), (10), (11), (12) or (13) of the next succeeding paragraph), is less than the sum, without duplication, of:

    (i) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the fiscal quarter commencing immediately prior to April 19, 2011 to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

    (ii) 100% of the aggregate net cash proceeds and the Fair Market Value of the marketable securities received by the Company since April 19, 2011 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company or from the issue or sale of convertible or exchangeable Disqualified Stock of the Company or convertible or exchangeable debt securities of the Company, in each case that have been converted into or exchanged for Equity Interests of the Company or from the issue or sale of Subordinated Shareholder Debt (other than Equity Interests (or Disqualified Stock, debt securities or Subordinated Shareholder Debt) sold to a Subsidiary of the Company); *plus*

    (iii) to the extent that any Restricted Investment that was made after April 19, 2011 is (a) sold, disposed of or otherwise cancelled, liquidated or repaid, 100% of the aggregate amount received in cash and the Fair Market Value of the marketable securities received by the Company or any Restricted Subsidiary, or (b) made in an entity that subsequently becomes a Restricted Subsidiary, 100% of the Fair Market Value of the Restricted Investment of the Company and its Restricted Subsidiaries as of the date such entity becomes a Restricted Subsidiary; *plus*

    (iv) to the extent that any Unrestricted Subsidiary of the Company designated as such after April 19, 2011 is redesignated as a Restricted Subsidiary or is merged or consolidated into the Company or a Restricted Subsidiary, or all of the assets of such Unrestricted Subsidiary are transferred to the Company or a Restricted Subsidiary, the Fair Market Value of the property received by the Company or Restricted Subsidiary or the Company's Restricted Investment in such Subsidiary as of the date of such redesignation, merger, consolidation or transfer of assets, to the extent such investments reduced the restricted payments capacity under this clause (c) and were not previously repaid or otherwise reduced; *plus*

    (v) 100% of any dividends or distributions received by the Company or a Restricted Subsidiary after April 19, 2011 from an Unrestricted Subsidiary, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Company for such period; *plus*

    (vi) upon the full and unconditional release of a Restricted Investment constituting a guarantee made by the Company or any of its Restricted Subsidiaries to any Person (other than the Issuer or another Restricted Subsidiary of the Issuer) after April 19, 2011, an amount equal to such guarantee.

The preceding provisions will not prohibit:

(1) the payment of any dividend or the consummation of any redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of

declaration or notice, the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale or issuance (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock), Subordinated Shareholder Debt or from the substantially concurrent contribution of common equity capital to the Company; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph, shall not constitute Excluded Contributions and will not be considered to be net cash proceeds from an Equity Offering for purposes of the ''Optional Redemption'' provisions of the Indenture;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Issuer or any Guarantor that is contractually subordinated to the Notes or to any Note Guarantee with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the defeasance, repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary held by or beneficially for any current or former officer, director, employee or consultant of the Company or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, restricted stock grant, shareholders' agreement or similar agreement (including purchases by employee trusts and similar Persons funded by the Company or any of its Restricted Subsidiaries); *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed £5.0 million in any calendar year (with unused amounts in any calendar year being permitted to be carried over into succeeding calendar years); and *provided*, *further*, that such amount in any calendar year may be increased by an amount not to exceed the cash proceeds from the sale of Equity Interests of the Company or a Restricted Subsidiary received by the Company or a Restricted Subsidiary during such calendar year, in each case to or to be held beneficially for members of management, directors, employees or consultants of the Company, any of its Restricted Subsidiaries or any of its direct or indirect Company companies to the extent the cash proceeds from the sale of Equity Interests have not otherwise been applied to the making of Restricted Payments pursuant to clause (c)(ii) of the preceding paragraph or clause (2) of this paragraph;

(5) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

(6) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Company or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with the covenant described below under the caption ''—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(7) payments of cash, dividends, distributions, advances or other Restricted Payments by the Company or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares (a) upon the exercise of options or warrants, (b) upon the conversion or exchange of Capital Stock of any such Person or (c) in connection with a merger, consolidation, amalgamation or other combination involving the Company or any other transaction permitted by the Indenture;

(8) advances or loans to (a) any future, present or former officer, director or employee of the Company or a Restricted Subsidiary to pay for the purchase or other acquisition for value of Equity Interests of the Company (other than Disqualified Stock), or any obligation under a forward sale agreement, deferred purchase agreement or deferred payment arrangement pursuant to any management equity plan or stock option plan or any other management or employee benefit or incentive plan or other agreement or arrangement or (b) any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust or the trustees of any such plan or trust to pay for the purchase or other acquisition for value of Equity Interests of the Company (other than Disqualified Stock); *provided* that the total aggregate amount of advances or loans made under this clause (8) does not exceed £10.0 million in any calendar year (with unused amounts in any calendar year being carried over for up to two succeeding calendar years); *provided* that such amount in any calendar year may be increased by an amount not to exceed the cash proceeds from the repayment of advances or loans previously made in the current or the two preceding calendar years pursuant to this clause (8);

(9) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests (other than the Company or any of its Restricted Subsidiaries) then entitled to participate in such dividends on no more than a *pro rata* basis;

(10) the payment of any Securitization Fees and purchases of Securitization Assets and related assets pursuant to a Securitization Repurchase Obligation in connection with a Qualified Securitization Financing;

(11) so long as no Default or Event of Default has occurred and is continuing, other Restricted Payments in an aggregate amount not to exceed £40.0 million since the Issue Date;

(12) Restricted Payments that are made with Excluded Contributions;

(13) any Restricted Payment in connection with the Transactions; and

(14) so long as no Default or Event of Default has occurred and is continuing (or would result therefrom), any Restricted Payment; *provided* that the Consolidated Leverage Ratio of the Company on a *pro forma* basis after giving effect to any such Restricted Payment does not exceed 2.50 to 1.0.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. Unsecured Indebtedness shall not be deemed to be subordinate or junior to secured Indebtedness by virtue of its nature as unsecured Indebtedness.

As of April 26, 2014, the amount available under the first paragraph of this covenant for Restricted Payments was approximately £34.7 million.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, ''*incur*'') any Indebtedness (including Acquired Debt), and the Company will not, and will not permit any of its Restricted Subsidiaries to, issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that the Company may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Company, the Issuer and any Guarantor may incur Indebtedness (including Acquired Debt), issue Disqualified Stock or issue preferred stock if:

(i) the Fixed Charge Coverage Ratio for the Company's most recently ended four fiscal quarter period for which financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such preferred stock is issued, as the case may be, would have been at least 2.0 to 1.0, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, at the beginning of such four-quarter period; and

(ii) if such Indebtedness is to be secured on the Collateral and/or incurred by or Guaranteed by any Subsidiary Guarantor, the Pari Passu Leverage Ratio for the Company's most recently ended four fiscal quarter period for which financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such preferred stock is issued, as the case may be, would have been less than 3.75 to 1.0, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, ''*Permitted Debt*''):

(1) on and from the Issue Date, the incurrence by the Company and its Restricted Subsidiaries of additional Indebtedness under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed £80.0 million, *plus* in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with

such refinancing, *less* the aggregate amount of all Net Proceeds of Asset Sales applied by the Company or any of its Restricted Subsidiaries since the Issue Date to permanently repay any Indebtedness under Credit Facilities and effect a corresponding commitment reduction thereunder pursuant to the covenant described above under the caption ''—Repurchase at the Option of Holders—Asset Sales'';

(2) Indebtedness of the Company or any Restricted Subsidiary outstanding on the Issue Date, after giving effect to the Transactions in accordance with their terms;

(3) the incurrence by the Issuer and the Guarantors of Indebtedness represented by the Notes issued on the Issue Date and the related Note Guarantees;

(4) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or preferred stock of any Restricted Subsidiary, in each case, representing Capital Lease Obligations, mortgage financings or purchase money obligations incurred for the purpose of financing all or any part of the purchase price, lease expense, rental payments or cost of design, construction, installation or improvement of property, plant or equipment or other assets (including Capital Stock) used in the business of the Company or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness, Disqualified Stock and preferred stock incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (4), not to exceed £40.0 million at any time outstanding;

(5) Permitted Refinancing Indebtedness or Disqualified Stock of the Company and Permitted Refinancing Indebtedness, Disqualified Stock or preferred stock of any Restricted Subsidiary in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge, any Indebtedness (other than intercompany Indebtedness), Disqualified Stock or preferred stock that was permitted by the Indenture to be incurred by the Issuer, a Guarantor or a Restricted Subsidiary, as the case may be, under the first paragraph of this covenant or clauses (2), (3) or (14) of this paragraph or this clause (5);

(6) the incurrence by the Company or any Restricted Subsidiary of intercompany Indebtedness between or among the Company or any Restricted Subsidiary; *provided, however,* that:

   (a) if the Issuer or any Guarantor is the obligor on such Indebtedness and the payee is not the Issuer or a Guarantor, such Indebtedness must be ((i) except in respect of the intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Company and its Restricted Subsidiaries and (ii) only to the extent legally permitted (the Company and its Restricted Subsidiaries having completed all procedures required in the reasonable judgment of directors or officers of the obligee or obligor to protect such Persons from any penalty or civil or criminal liability in connection with the subordination of such Indebtedness)) unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Issuer, or the Note Guarantee, in the case of a Guarantor; and

   (b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary, will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any Restricted Subsidiary of the Company to the Company or to any of its Restricted Subsidiaries of preferred stock; *provided, however,* that:

   (a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Company or any of its Restricted Subsidiaries; and

   (b) any sale or other transfer of any such preferred stock to a Person that is not either the Company or any of its Restricted Subsidiaries,

   will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations not for speculative purposes (as determined in good faith by the Company or such Restricted Subsidiary);

(9) the Guarantee by the Company or any Restricted Subsidiary of Indebtedness of the Company or any Restricted Subsidiary to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this covenant; *provided* that if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Notes or a Note Guarantee, then the Guarantee must be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness guaranteed;

(10) Indebtedness of the Company and its Restricted Subsidiaries in respect of (A) letters of credit, bankers' acceptances, surety, performance or appeal bonds, completion guarantees, judgment, advance payment, customs, VAT or other tax guarantees or similar instruments issued in the ordinary course of business of such Person and not in connection with the borrowing of money, including letters of credit or similar instruments in respect of self-insurance, captive insurance and workers' compensation obligations, and (B) any customary cash management, cash pooling or netting or setting off arrangements; *provided*, that upon the drawing of such letters of credit or other instrument, such obligations are reimbursed within 30 days following such drawing;

(11) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within 30 Business Days;

(12) Indebtedness represented by Guarantees of any Management Advances;

(13) Indebtedness incurred in any Qualified Securitization Financing in an amount not to exceed at any time outstanding £75.0 million;

(14) Indebtedness of any Person outstanding on the date on which such Person becomes a Restricted Subsidiary or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Company or any Restricted Subsidiary (other than Indebtedness incurred to provide all or any portion of the funds used to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Company or a Restricted Subsidiary); *provided*, *however*, with respect to this clause (14), that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be incurred (x) the Company would have been able to incur £1.00 of additional Indebtedness pursuant to the first paragraph of this covenant after giving *pro forma* effect to the incurrence of such Indebtedness pursuant to this clause (14) or (y) the Fixed Charge Coverage Ratio would not be less than it was immediately prior to giving effect to such acquisition or other transaction;

(15) Indebtedness arising from agreements of the Company or any of its Restricted Subsidiaries providing for customary indemnification, obligations in respect of earnouts or other adjustments of purchase price or, in each case, similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Equity Interests of a Subsidiary; *provided* that the maximum liability of the Company and its Restricted Subsidiaries in respect of all such Indebtedness shall at no time exceed the gross proceeds, including the Fair Market Value of non-cash proceeds (measured at the time received and without giving effect to any subsequent changes in value), actually received by the Company and its Restricted Subsidiaries in connection with such disposition;

(16) Guarantees by the Company or any Restricted Subsidiary granted to any trustee of any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust scheme approved by the Board of Directors of the Company of amounts not to exceed £10.0 million at any time outstanding, so long as the proceeds of the Indebtedness so Guaranteed is used to purchase Equity Interests of the Company (other than Disqualified Stock); *provided* that the amount of any net cash proceeds from the sale of such Equity Interests of the Company will not be considered to be net cash proceeds from an Equity Offering for purposes of the ''Optional Redemption'' provisions of the Indenture; and

(17) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or preferred stock of the Issuer or any Restricted Subsidiary in an aggregate principal amount at any time outstanding, including all Indebtedness, Disqualified Stock and preferred stock incurred to

renew, refund, refinance, replace, defease or discharge any Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (17), not to exceed £50.0 million; *provided*, that non-Guarantors shall not incur at any one time outstanding more than £35.0 million pursuant to this clause (17).

Neither the Issuer nor any Guarantor will incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Note Guarantee on substantially identical terms; *provided*, *however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Issuer or any Guarantor solely by virtue of being unsecured, by virtue of being secured with different collateral, by virtue of being secured on a junior priority basis or by virtue of the application of waterfall or other payment ordering provisions affecting different tranches of Indebtedness under Credit Facilities.

For the purposes of determining compliance with this ''Incurrence of Indebtedness and Issuance of Preferred Stock'' covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (17) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company, in its sole discretion, will be permitted to classify such item of Indebtedness on the date of its incurrence and will only be required to include the amount and type of such Indebtedness in one of such clauses and will be permitted on the date of such incurrence to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs of this covenant and to from time to time to reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant.

The accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness, the obligation to pay a premium in connection with a notice of redemption or the making of a mandatory offer, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on preferred stock or Disqualified Stock in the form of additional shares of the same class of preferred stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of preferred stock or Disqualified Stock for the purposes of this covenant. For the purposes of determining compliance with any pounds sterling-denominated restriction on the incurrence of Indebtedness, the pounds sterling-equivalent principal amount of Indebtedness denominated in a different currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred; *provided*, *however*, that (i) if such Indebtedness denominated in non-pounds sterling currency is subject to a Currency Exchange Protection Agreement with respect to pounds sterling, the amount of such Indebtedness expressed in pounds sterling will be calculated so as to take account of the effects of such Currency Exchange Protection Agreement; and (ii) the pounds sterling-equivalent of the principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date. The principal amount of any refinancing Indebtedness incurred in the same currency as the Indebtedness being refinanced will be the pounds sterling-equivalent of the Indebtedness refinanced determined on the date such Indebtedness was originally incurred, except to the extent that:

(1) such pounds sterling-equivalent was determined based on a Currency Exchange Protection Agreement, in which case the refinancing indebtedness will be determined in accordance with the preceding sentence; and

(2) the principal amount of the refinancing Indebtedness exceeds the principal amount of the Indebtedness being refinanced, in which case the pounds sterling-equivalent of such excess will be determined on the date such refinancing Indebtedness is being incurred.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) in the case of any Indebtedness issued with original issue discount, the amount of the liability in respect thereof determined in accordance with GAAP;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

    (i) the Fair Market Value of such assets at the date of determination; and

    (ii) the amount of the Indebtedness of the other Person.

Liens

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien on any of its property or assets (including Capital Stock of any other Person), whether owned on the date of the Indenture or thereafter acquired, securing any Indebtedness, except (1) Permitted Liens, or (2) if such Lien is not a Permitted Lien, to the extent that all payments due under the Indenture, the Notes and the Note Guarantees are secured on an equal and ratable *pari passu* basis with the Indebtedness so secured (and if such Indebtedness so secured is subordinated in right of payment to either the Notes or any Note Guarantee, on a senior priority basis) until such time as such Indebtedness is no longer secured by a Lien.

Any such Lien thereby created in favor of the Notes or any such Note Guarantee pursuant to the preceding clause (2) will be automatically and unconditionally released and discharged upon (a) the release and discharge of the initial Lien to which it relates or (b) as otherwise provided under the Indenture.

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not cause or permit any of the Company's Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of the Company's Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Company or any of the Company's Restricted Subsidiaries;

(2) make loans or advances to the Company or any of the Company's Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Company or any of the Company's Restricted Subsidiaries,

provided that (x) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Company or any Restricted Subsidiary to other Indebtedness incurred by the Company or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) (a) agreements governing Indebtedness and Credit Facilities as in effect on the Issue Date (including, for the avoidance of doubt, the New Revolving Facility) and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially less favorable to the holders of the Notes than (i) those contained in those agreements being so amended, restated, modified, renewed, supplemented, refunded, replaced or refinanced or (ii) would not materially impair the ability of the Company or its Restricted Subsidiaries to make payments on the Notes, including as determined in good faith by the Board of Directors or a responsible accounting or financial officer of the Company;

(2) the Indenture, the Notes, the Note Guarantees, the Intercreditor Agreement, any additional intercreditor agreement and the Security Documents;

(3) agreements governing other Indebtedness or the issuance of preferred stock or the payment of dividends thereon in accordance with the terms thereof permitted to be incurred under the

provisions of the covenant described above under the caption ''—Incurrence of Indebtedness and Issuance of Preferred Stock'' and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the restrictions therein are not materially less favorable to the holders of the Notes than is customary in comparable financings in such jurisdictions as such Indebtedness is being incurred (as determined in good faith by the Board of Directors or a responsible accounting or financial officer of the Company);

(4) applicable law, rule, regulation or order or the terms of any license, authorization, approval, concession or permit or similar restriction;

(5) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (including to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(6) customary non-assignment and similar provisions in contracts, leases and licenses (including, without limitation, licenses of intellectual property) entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of the preceding paragraph;

(8) any agreement for the sale or other disposition of the Capital Stock or all or substantially all of the property and assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced (as determined in good faith by the Board of Directors or a responsible accounting or financial officer of the Company);

(10) Liens permitted to be incurred under the provisions of the covenant described above under the caption ''—Liens'' that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting the disposition or distribution of assets, property or Capital Stock in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment), which limitations are applicable only to (i) with respect to joint venture agreements, the assets or property in, or Capital Stock of, the relevant joint venture and (ii) with respect to asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements, the assets, property or Capital Stock that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers or required by insurance, surety or bonding companies, in each case, under contracts entered into in the ordinary course of business;

(13) supermajority voting requirements existing under corporate charters, bylaws, stockholders agreements and similar documents and agreements;

(14) customary provisions restricting subletting or assignment of any lease governing a leasehold interest;

(15) encumbrances or restrictions contained in Hedging Obligations permitted from time to time under the Indenture;

(16) any customary provisions in joint venture, partnership and limited liability company agreements relating to joint ventures that are not Restricted Subsidiaries of the Issuer and any other similar agreements; *provided*, *however*, that any such encumbrance or restriction is applicable only to the assets or property in, or Capital Stock of, the relevant joint venture;

(17) any encumbrance or restriction effected in connection with a Qualified Securitization Financing; and

(18) any encumbrance or restriction existing under any agreement that extends, renews, refinances or replaces the agreements containing the encumbrances or restrictions in the foregoing clauses (1) through (17), or in this clause (18); *provided* that the terms and conditions of any such encumbrances or restrictions are no more restrictive taken as a whole than those under or pursuant to the agreement so extended, renewed, refinanced or replaced (as determined in good faith by the Board of Directors or a responsible accounting or financial officer of the Company).

Merger, Consolidation or Sale of Assets

The Company and the Issuer

Neither the Company, nor the Issuer will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Company or the Issuer is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Company or the Issuer and, as applicable, its Subsidiaries which are Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Company or the Issuer, as the case may be, is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Company, or the Issuer, as the case may be) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is an entity organized or existing under the laws of any member state of the Pre-Expansion European Union, Switzerland, Canada, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Company, or the Issuer, as the case may be,) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes in writing all the obligations of the Company or the Issuer, as the case may be, under the Notes, the Indenture, the Intercreditor Agreement and each Security Document to which the Company or the Issuer, as the case may be, is a party;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) the Company, the Issuer or the Person (as applicable) formed by or surviving any such consolidation or merger (if other than the Company or the Issuer, as the case may be), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to incur at least £1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption ''—Incurrence of Indebtedness and Issuance of Preferred Stock'' or (ii) have a Fixed Charge Coverage Ratio not less than it was immediately prior to giving effect to such transaction; and

(5) the Company or the Issuer delivers to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officer's Certificate and Opinion of Counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture and other transfer or accession documents comply with this covenant.

Guarantors other than the Company

A Guarantor (other than the Company or a Guarantor whose Note Guarantee is to be released in accordance with the terms of the Note Guarantee and the Indenture as described under ''—Note Guarantees'') will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Guarantor is the surviving corporation), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of such Guarantor and its Subsidiaries which are Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either:

    (a) such Guarantor is the surviving corporation; or

    (b) the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes all the obligations of such Guarantor under its Note

Guarantee, the Intercreditor Agreement and each Security Document to which the Guarantor is a party;

(2) immediately after giving *pro forma* effect to such transaction or transactions (and treating any Indebtedness which becomes an obligation of the surviving corporation as a result of such transaction as having been incurred by the surviving corporation at the time of such transaction or transactions), no Default or Event of Default exists; and

(3) the Guarantor delivers to the Trustee an Officer's Certificate and Opinion of Counsel, in each case, stating that such consolidation, merger or transfer and such supplemental indenture and other transfer or accession documents comply with this covenant.

This ''Merger, Consolidation or Sale of Assets'' covenant will not apply to: (a) any consolidation or merger of any Restricted Subsidiary that is not a Guarantor into, or the transfer of all or substantially all of the assets of any Restricted Subsidiary that is not a Guarantor to, the Issuer or a Guarantor; (b) any consolidation or merger among Guarantors; (c) any consolidation or merger among the Issuer and any Guarantor; *provided* that, if the Issuer is not the surviving entity of such merger or consolidation, the relevant Guarantor is an entity organized or existing under the laws of any member state of the Pre-Expansion European Union, Switzerland, Canada, any state of the United States or the District of Columbia and will assume the obligations of the Issuer under the Indenture and the Notes; or (d) any sale, assignment, transfer, conveyance, lease or other disposition of assets among the Company and its Restricted Subsidiaries. Clauses (3) and (4) of the first paragraph and clause (2) of the second paragraph of this ''Merger, Consolidation or Sale of Assets'' covenant will not apply to any merger or consolidation of the Issuer or any Guarantor with or into an Affiliate solely for the purpose of reincorporating the Issuer or such Guarantor in another jurisdiction for tax purposes.

Although there is a limited body of case law interpreting the phrase ''substantially all,'' there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve ''all or substantially all'' of the property or assets of a Person.

Transactions with Affiliates

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an ''*Affiliate Transaction*'') involving aggregate payments or consideration in excess of £5.0 million, unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person (as determined in good faith by a responsible financial or accounting officer of the Company); and

(2) the Company delivers to the Trustee:

    (a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of £10.0 million, a resolution of the Board of Directors of the Company set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Company; and, in addition,

    (b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of £50.0 million, an opinion of an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that the transaction or series of related transactions is (i) fair from a financial point of view taking into account all relevant circumstances or (ii) on terms not less favorable than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment agreement, collective bargaining agreement, consultant agreement, employee benefit arrangements with any employee, consultant, officer or director of the Company or any of its Restricted Subsidiaries, including under any stock option, stock appreciation rights, stock incentive or similar plans, entered into in the ordinary course of business (as determined in good faith by a responsible financial or accounting officer of the Company);

(2) transactions (including agreements and other transactions relating to Tax Reliefs) between or among the Company and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of Officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries, consulting fees, employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or payment or reimbursement to directors for related legal fees (as determined in good faith by a responsible financial or accounting officer of the Company);

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company;

(6) any Investment (other than a Permitted Investment) or other Restricted Payment, in either case, that does not violate the provisions of the Indenture described above under the caption ''—Restricted Payments'';

(7) any Permitted Investment (other than Permitted Investments described in clauses (3), (7), (18) and (19) of the definition thereof);

(8) transactions pursuant to, or contemplated by any agreement in effect on the Issue Date and transactions pursuant to any amendment, modification or extension to such agreement, so long as such amendment, modification or extension, taken as a whole, is not materially more disadvantageous to the holders of the Notes than the original agreement as in effect on the Issue Date (as determined in good faith by a responsible financial or accounting officer of the Company);

(9) Management Advances;

(10) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services or providers of employees or other labor, in each case in the ordinary course of business and otherwise in compliance with the terms of this Indenture that are fair to the Company or the Restricted Subsidiaries, in the reasonable determination of the members of the Board of Directors of the Company or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;

(11) the incurrence of any Subordinated Shareholder Debt;

(12) without duplication, the execution, delivery and performance of any Tax Sharing Agreement or any arrangement pursuant to which the Company or any of its Restricted Subsidiaries is required or permitted to file a consolidated tax return, or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes in the ordinary course of business; *provided* that any such tax sharing or arrangement and payment does not permit or require payments in excess of the amounts of tax that would be payable by the Company or its Restricted Subsidiaries on a stand-alone basis;

(13) transactions between the Company or any Restricted Subsidiary and any Person, a director of which is also a director of the Company or any direct or indirect parent of the Company and such director is the sole cause for such Person to be deemed an Affiliate of the Company or any Restricted Subsidiary; *provided*, *however*, that such director shall abstain from voting as a director of the Company or such direct or indirect parent company, as the case may be, on any matter involving such other Person;

(14) any transaction effected as part of a Qualified Securitization Financing; and

(15) the Transactions.

Limitation on Issuances of Guarantees of Indebtedness

The Company will not permit any of its Restricted Subsidiaries (other than the Issuer), directly or indirectly, to guarantee the payment of any Indebtedness of the Issuer or any Guarantor under any Credit Facilities or any other Public Debt unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture providing for the Note Guarantee of the payment of the Notes by such Restricted Subsidiary, which Note Guarantee will be senior to or *pari passu* with such Restricted Subsidiary's guarantee of such other Indebtedness.

Each additional Note Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Notwithstanding the foregoing, the Company shall not be obligated to cause such Restricted Subsidiary to Guarantee the Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in a violation of applicable law which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Company or the Restricted Subsidiary or any liability for the officers, directors or shareholders of such Restricted Subsidiary; *provided* that the Company will procure that the relevant Restricted Subsidiary becomes a Guarantor at such time as such restriction would no longer apply to the providing of the Note Guarantee or no longer would prohibit such Restricted Subsidiary from becoming a Guarantor (or prevent the Company from causing such Restricted Subsidiary to become a Guarantor).

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption ''—Restricted Payments'' or under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Company may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption ''—Restricted Payments'' and the Trustee shall be entitled to rely absolutely on such Officer's Certificate. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption ''—Incurrence of Indebtedness and Issuance of Preferred Stock,'' the Company will be in default of such covenant. The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption ''—Incurrence of Indebtedness and Issuance of Preferred Stock,'' calculated on a *pro forma* basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Maintenance of Listing

Application has been made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the Euro MTF Market. These Listing Particulars constitute a prospectus for the purpose of the Luxembourg Law dated July 10, 2005 on Prospectus for Securities as amended. Each of the Issuer and the Guarantors will use its commercially reasonable efforts to obtain the listing of the Notes on the Euro MTF Market as promptly as practicable and will use its commercially reasonable efforts to maintain the listing of the Notes on the Euro MTF Market for so long as such Notes are outstanding; *provided* that if at any time the Issuer determines that it will not so list or maintain such listing, each of the Issuer and the Guarantors will use its commercially reasonable efforts to obtain and maintain a listing of such Notes on another ''recognized stock exchange'' as defined in Section 1005 of the Income Tax Act 2007 of the United Kingdom.

Reports

So long as any Notes are outstanding, the Company will furnish to the Trustee:

(1) within 120 days after the end of the Company's fiscal year beginning with the fiscal year ending August 2, 2014, annual reports containing the following information with a level of detail that is substantially comparable to the Company's annual report for the period ended July 27, 2013: (a) audited consolidated balance sheet of the Company as of the end of the two most recent fiscal years and audited consolidated income statements and statements of cash flow of the Company for the two most recent fiscal years, including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) an operating and financial review of the audited financial statements, including a discussion of the results of operations (including a discussion by business segment), financial condition and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; (c) a description of the business, management and shareholders of the Company, material affiliate transactions and material debt instruments; and (d) material risk factor developments and material recent developments (including acquisitions and dispositions);

(2) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of the Company beginning with the fiscal quarter ending November 1, 2014, quarterly reports containing the following information with a level of detail that is substantially comparable to the Company's quarterly report for the 13 week period ended October 26, 2013: (a) an unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the quarterly and year to date periods ending on the unaudited condensed balance sheet date, and the comparable prior year periods for the Company, together with condensed footnote disclosure; (b) an operating and financial review of the unaudited financial statements (including a discussion by business segment), including a discussion of the consolidated financial condition and results of operations of the Company and any material change between the current quarterly period and the corresponding period of the prior year; and (c) material recent developments (including acquisitions and dispositions); and

(3) promptly after the occurrence of any material acquisition, disposition or restructuring of the Company and the Restricted Subsidiaries, taken as a whole, or any changes of the Chief Executive Officer or Chief Financial Officer or change in auditors of the Company or any other material event that the Company announces publicly, a report containing a description of such event.

For the avoidance of doubt, the reports set forth in clauses (1), (2) and (3) above will not be required to (i) contain any reconciliation to U.S. generally accepted accounting principles or IFRS or (ii) include separate financial statements for any Guarantor Subsidiaries of the Company or non-guarantor Subsidiaries of the Company.

In addition, if the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries and such Subsidiaries are Significant Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

All financial statements shall be prepared in accordance with GAAP. Except as provided for above, no report need include separate financial statements for the Company or Subsidiaries of the Company or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in the Offering Memorandum.

In addition, for so long as any Notes remain outstanding, the Issuer has agreed that it will furnish to the holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Contemporaneously with the furnishing of each such report discussed above, the Issuer will also (a) file a press release with the appropriate internationally recognized wire services in connection with such report and (b) post such report on the Company's website. The Company will also make available copies of all reports required by clauses (1) through (3) of the first paragraph of this covenant, if and so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market and the rules of the Luxembourg Stock Exchange so require, at the offices of the Paying Agent in Luxembourg or, to the extent and in the manner permitted by such rules, post such reports on the official website of the Luxembourg Stock Exchange.

Delivery of such reports, information and documents to the Trustee shall be for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants under the Indenture or the Notes (as to which the Trustee shall be entitled to rely exclusively on Officer's Certificates).

Events of Default and Remedies

Each of the following is an ''*Event of Default*'':

(1) default for 30 days in the payment when due of interest or Additional Amounts, if any, with respect to the Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the Notes;

(3) failure by the Company or relevant Restricted Subsidiary to comply with the provisions described under the caption ''—Certain Covenants—Merger, Consolidation or Sale of Assets'' for 30 days after written notice to the Issuer and the Company by the Trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class;

(4) failure by the Issuer or relevant Guarantor for 60 days after written notice to the Issuer and the Company by the Trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the agreements in the Indenture, the Notes, the Note Guarantees, any Security Document or the Intercreditor Agreement (or any additional intercreditor agreement entered into pursuant to the terms of the Intercreditor Agreement or the Indenture) (other than a default in performance, or breach, or a covenant or agreement which is specifically dealt with in clauses (1), (2) or (3));

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, if that default:

    (a) is caused by a failure to pay principal of such Indebtedness prior to the expiration of the grace period provided in such Indebtedness and such failure to make any payment has not been waived or the maturity of such Indebtedness has not been extended (a ''*Payment Default*''); or

    (b) results in the acceleration of such Indebtedness prior to its Stated Maturity,

    and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates £20.0 million or more;

(6) failure by the Company or any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of £20.0 million (exclusive of any amounts that an insurance company has acknowledged liability for), which judgments shall not have been paid, discharged, stayed, waived or fully bonded for a period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of an appeal, waiver or otherwise, shall not have been in effect;

(7) except as permitted by the Indenture (including with respect to any limitations), any Note Guarantee of the Company or a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or the Company or a Significant Subsidiary or any Person acting on behalf of any such Guarantor that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, denies or disaffirms its obligations under its Note Guarantee; or

(8) certain events of bankruptcy or insolvency described in the Indenture with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of its Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary (other than a Permitted Reorganization).

In the case of an Event of Default specified in clause (8) of the immediately preceding paragraph, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Notes may (and the Trustee, if directed by the aforementioned holders, shall) declare all amounts in respect of the Notes to be due and payable immediately by notice in writing to the Issuer and the Company and, in case of a notice by holders, also to the Trustee specifying the respective Event of Default and that it is a notice of acceleration.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or Additional Amounts or premium, if any.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default, of which a responsible officer of the trustee has received written notice, that occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any holders of Notes unless such holders have offered and, if requested, provided to the Trustee indemnity and/or security satisfactory to it against any loss, liability or expense. Except (subject to the provisions described under ''—Amendment, Supplement and Waiver'') to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts when due, no holder of a Note may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in aggregate principal amount of the then outstanding Notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee reasonable security and/or indemnity against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity; and

(5) holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The holders of not less than a majority in aggregate principal amount of the Notes outstanding may, on behalf of the holders of all outstanding Notes, waive any past default under the Indenture and its consequences, except a continuing default in the payment of the principal of premium, if any, any Additional Amounts or interest on any Note held by a non-consenting holder (which may only be waived with the consent of holders of the Notes holding not less than 90% of the aggregate principal amount of the Notes outstanding under the Indenture).

The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture, the Note Guarantees, the Intercreditor Agreement, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under applicable securities laws.

Legal Defeasance and Covenant Defeasance

The Issuer may at any time, at the option of the Company's Board of Directors evidenced by a resolution set forth in an Officer's Certificate of the Issuer, elect to have all of its obligations discharged with respect to the outstanding Notes and all obligations of the Guarantors discharged with respect to their Note Guarantees (''*Legal Defeasance*'') except for:

(1) the rights of holders of outstanding Notes to receive payments in respect of the principal of, or interest (including Additional Amounts) or premium, if any, on, such Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's and the Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer and the Guarantors released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers) that are described in the Indenture (''*Covenant Defeasance*'') and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, all Events of Default described under ''—Events of Default and Remedies'' (except those relating to payments on the Notes or, solely with respect to the Issuer, bankruptcy or insolvency events) will no longer constitute an Event of Default with respect to the Notes. If the Issuer exercises either its Legal Defeasance or Covenant Defeasance option, each Guarantor will be released and relieved of any obligations under its Note Guarantee and any security for the Notes (other than the trust) will be released.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee or another entity designated by the Trustee for such purpose, in trust, for the benefit of the holders of the Notes, cash in pounds sterling, non-callable U.K. Government Securities or a combination of cash in pounds sterling and non-callable U.K. Government Securities (in case of the 2019 Notes and Sterling 2021 Notes) and cash in euro, non-callable European Government Obligations or a combination of cash in euro and non-callable European Government Obligations (in case of the Euro 2021 Notes) in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest (including Additional Amounts and premium, if any) on the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer must deliver to the Trustee an opinion of United States counsel, reasonably acceptable to the Trustee, confirming that (i) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (ii) since the Issue Date, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer must deliver to the Trustee an opinion of United States counsel reasonably acceptable to the Trustee, confirming that the holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) the Issuer must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the holders of Notes over the other creditors of the Issuer or the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or the Company or others; and

(5) the Issuer must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, subject to customary assumptions and qualifications, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided otherwise in the succeeding paragraphs, the Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement, any additional intercreditor agreement or any Security Document may be amended or supplemented, subject as provided therein, with the consent of the holders of at least a majority in aggregate principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing Default or Event of Default or compliance with any provision of the Indenture, the Notes, the Note Guarantees, the Intercreditor Agreement, any additional intercreditor agreement or any Security Document may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes); *provided* that, if any amendment, waiver or other modification only affects or will only affect holders of the 2019 Notes, the Sterling 2021 Notes, the Euro 2021 Notes or a combination thereof and does not or will not affect holders of the Notes generally, only the consent of a majority in principal amount of the then outstanding 2019 Notes, Sterling 2021 Notes, Euro 2021 Notes or such combination, as applicable, shall be required.

Unless consented to by the holders of at least 90% of the aggregate principal amount of then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), without the consent of each holder of Notes affected, an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting holder):

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to the covenants described above under the caption ''—Repurchase at the Option of Holders'');

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) impair the right of any holder of Notes to receive payment of principal of and interest on such holder's Notes on or after the due dates therefore or to institute suit for the enforcement of any payment on or with respect to such holder's Notes or any Guarantee in respect thereof;

(5) waive a Default or Event of Default in the payment of principal of, or interest, Additional Amounts or premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the Payment Default that resulted from such acceleration);

(6) make any Note payable in money other than that stated in such Note;

(7) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest, Additional Amounts or premium, if any, on, the Notes;

(8) waive a redemption payment with respect to any Note (other than a payment required by one of the covenants described above under the caption ''—Repurchase at the Option of Holders'');

(9) release any Guarantor from any of its obligations under its Note Guarantee or the Indenture, except in accordance with the terms of the Indenture and the Intercreditor Agreement;

(10) release a Lien on the Collateral granted for the benefit of the holders of the Notes, except in accordance with the terms of the relevant Security Document, the Indenture and the Intercreditor Agreement or any additional intercreditor agreement;

(11) make any change to any provision of the Indenture affecting the ranking or priority of the Notes or the Note Guarantees in a manner that adversely affects the rights of the holders of the Notes; or

(12) make any change in the preceding amendment and waiver provisions;

provided, *however*, if (a) any amendment, supplement, waiver or other modification affects the rights of the 2019 Notes, the rights of the Sterling 2021 Notes and the rights of the Euro 2021 Notes, the consent of a majority or 90%, as the case may be, in aggregate principal amount of the Notes shall be required to consent thereto and (b) any amendment, supplement, waiver or other modification affects only the rights of the 2019 Notes, only the rights of the Sterling 2021 Notes or only the rights of the Euro 2021 Notes, the consent of a majority or 90%, as the case may be, in aggregate principal amount of the 2019 Notes, Sterling 2021 Notes or Euro 2021 Notes, as applicable, shall be required to consent thereto (it being understood that if such amendment, supplement, waiver or other modification affects more than one series of Notes, a majority or 90%, as the case may be of such affected series (taken together) shall be required to consent thereto) (and in such case, the consent of a majority or 90%, as the case may be, in aggregate principal amount of the unaffected series of Notes shall not be required to consent thereto). Notwithstanding the foregoing and for the avoidance of doubt, it is understood and agreed that (a) any matter described in clause (1), (2), (3), (4), (5), (6), (7) and (8) above that by its terms applies to the 2019 Notes shall require the consent of 90% of the holders of the 2019 Notes in order for it to be binding on all holders of the 2019 Notes, (b) any matter described in clause (1), (2), (3), (4), (5), (6), (7) and (8) above that by its terms applies to the Sterling 2021 Notes shall require the consent of 90% of the holders of the Sterling 2021 Notes in order for it to be binding on all holders of the Sterling 2021 Notes and (c) any matter described in clause (1), (2), (3), (4), (5), (6), (7) and (8) above that by its terms applies to the Euro 2021 Notes shall require the consent of 90% of the holders of the Euro 2021 Notes in order for it to be binding on all holders of the Euro 2021 Notes.

Notwithstanding the preceding, without the consent of any holder of Notes, the Issuer, the Security Agent and the Trustee (as applicable) may amend or supplement the Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement, any additional intercreditor agreement and any Security Document, in accordance with the terms thereof:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Issuer's or a Guarantor's obligations to holders of Notes and Note Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of Notes or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(5) to conform the text of the Indenture, the Notes, any Note Guarantee, the Intercreditor Agreement, any additional intercreditor agreement or any Security Document to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a verbatim recitation of a provision of the Indenture, the Notes, the Note Guarantees, the Intercreditor Agreement, such additional intercreditor agreement or such Security Document;

(6) to release Collateral in accordance with the terms of the Indenture, the Intercreditor Agreement, any additional intercreditor agreement and the Security Documents or to release any Note Guarantee in accordance with the terms of the Indenture, the Intercreditor Agreement and any additional intercreditor agreement;

(7) to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture as of the Issue Date;

(8) to allow any Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes or release Note Guarantees in accordance with the terms of the Indenture and the Intercreditor Agreement;

(9) to the extent necessary or desirable to secure or provide for Guarantees of the Notes;

(10) to enter into additional or supplemental Security Documents or to add additional parties to the Intercreditor Agreement, any additional intercreditor agreement or any Security Document to the extent permitted thereunder and under the Indenture;

(11) to evidence and provide the acceptance of the appointment of a successor Trustee or successor Security Agent as provided for in the Indenture or the intercreditor agreement, respectively, or to provide for the accession by the Trustee or Security Agent to any additional intercreditor agreement;

(12) to amend the Intercreditor Agreement or any additional intercreditor agreement, so long as such Intercreditor Agreement or additional intercreditor agreement contains terms at least as favorable in all material respects to holders of Notes as in the Intercreditor Agreement or additional intercreditor agreement, as the case may be, prior to any such amendment; or

(13) to add additional parties to the Intercreditor Agreement, any additional intercreditor agreement or any Security Document to the extent permitted thereunder and under the Indenture.

The consent of the holders of Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. For purposes of calculating the aggregate principal amount of Notes that have consented to any amendment, supplement, waiver or other modification, the sterling equivalent of any Euro 2021 Notes shall be as of the Issue Date.

The Trustee shall be entitled to receive and rely absolutely on an Opinion of Counsel and an Officer's Certificate with respect to the above matters.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Paying Agent for cancellation; or

(b) all Notes that have not been delivered to the Paying Agent for cancellation (i) have become due and payable by reason of the mailing of a notice of redemption or otherwise, (ii) will become due and payable within one year or (iii) are to be called for redemption within one year under arrangements reasonably satisfactory to the Trustee for the giving of notice of redemption by the Paying Agent in the name, and at the expense, of the Issuer, and in each case the Issuer or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee or another entity designated by the Trustee for such purpose as trust funds in trust solely for the benefit of the holders of the Notes, cash in pounds sterling, non-callable U.K. Government Securities or a combination of cash in pounds sterling and non-callable U.K. Government Securities (in case of the 2019 Notes and Sterling 2021 Notes) and cash in euro, non-callable European Government Obligations or a combination of cash in euro and non-callable European Government Obligations (in case of the Euro 2021 Notes), in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Paying Agent for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) the Issuer or any Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(3) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3)).

Judgment Currency

With Respect to the 2019 Notes and the Sterling 2021 Notes

Any payment on account of an amount that is payable in pounds sterling which is made to or for the account of any holder or the Trustee in lawful currency of any other jurisdiction (the ''*Sterling Notes Judgment Currency*''), whether as a result of any judgment or order or the enforcement thereof or the realization of any security or the liquidation of the Issuer or any Guarantor, shall constitute a discharge of the Issuer or the Guarantor's obligation under the Indenture, the 2019 Notes, Sterling 2021 Notes or any related Note Guarantee, as the case may be, only to the extent of the amount of pounds sterling which such holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Sterling Notes Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Sterling Notes Judgment Currency. If the amount of pounds sterling that could be so purchased is less than the amount of pounds sterling originally due to such holder or the Trustee, as the case may be, the Issuer and the Guarantors shall indemnify and hold harmless the holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture, the 2019 Notes or the Sterling 2021 Notes, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

With Respect to the Euro 2021 Notes

Any payment on account of an amount that is payable in euros which is made to or for the account of any holder or the Trustee in lawful currency of any other jurisdiction (the ''*Euro Notes Judgment Currency*''), whether as a result of any judgment or order or the enforcement thereof or the realization of any security or the liquidation of the Issuer or any Guarantor, shall constitute a discharge of the Issuer or the Guarantor's obligation under the Indenture and the Euro 2021 Notes or any related Note Guarantee, as the case may be, only to the extent of the amount of euros which such holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Euro Notes Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Euro Notes Judgment Currency. If the amount of euros that could be so purchased is less than the amount of euros originally due to such holder or the Trustee, as the case may be, the Issuer and the Guarantors shall indemnify and hold harmless the holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture or the Euro 2021 Notes, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Concerning the Trustee

The Company shall deliver written notice to the Trustee within thirty (30) days of becoming aware of the occurrence of a Default or an Event of Default. If the Trustee becomes a creditor of the Issuer or any Guarantor, the Indenture limits the right of the Trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in transactions with the Issuer or any Guarantor; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days of becoming aware of such conflict or resign as Trustee.

The holders of a majority in aggregate principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default, of which a responsible officer of the Trustee has written notice, occurs and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered, and if requested, provided to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

The Issuer and the Guarantors jointly and severally will indemnify the Trustee for certain claims, liabilities and expenses incurred without gross negligence, willful misconduct or bad faith on its part, arising out of or in connection with its duties.

Listing

Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange. These Listing Particulars constitute a prospectus for the purpose of the Luxembourg Law dated July 10, 2005 on Prospectus for Securities as amended.

Additional Information

Anyone who receives the Offering Memorandum may, following the Issue Date, obtain a copy of the Indenture, the Intercreditor Agreement or any Security Document without charge by writing to the Company, care of the Company Secretary at Trinity Park House, Fox Way, Wakefield, WF2 8EE, United Kingdom.

So long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market and the rules of the Luxembourg Stock Exchange so require, copies, current and future, of all of the Company's annual audited consolidated financial statements and the Company's unaudited consolidated interim financial statements may be obtained, free of charge, during normal business hours at the offices of the Registrar or, to the extent and in the manner permitted by such rules, on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Governing Law

The Indenture, the Notes and the Note Guarantees will be governed by, and construed in accordance with, the laws of the State of New York. The Intercreditor Agreement will be governed by English law. The Security Documents will be governed by English law.

Consent to Jurisdiction and Service of Process

The Indenture will provide that the Issuer and, upon accession to the Indenture, each Guarantor, will appoint CT Corporation System as its agent for service of process in any suit, action or proceeding with respect to the Indenture, the Notes and the Notes Guarantees brought in any U.S. federal or New York state court located in the City of New York and will submit to such jurisdiction.

Enforceability of Judgments

Since a substantial portion of the assets of the Issuer and the Guarantors are outside the United States, any judgment obtained in the United States against the Issuer or any Guarantor, may not be collectable within the United States. See ''*Enforcement of Civil Liabilities*.''

Prescription

Claims against the Issuer or any Guarantor for the payment of principal or Additional Amounts, if any, on the Notes shall be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest on the Notes shall be prescribed five years after the applicable due date for payment of interest.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

''*2018 Notes*'' means the Issuer's £400.0 million aggregate principal amount 9.875% Senior Notes due 2018 and the Issuer's €340.0 million 9.750% Senior Notes due 2018.

''*Acquired Debt*'' means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

''*Affiliate*'' of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, ''control,'' as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms ''controlling,'' ''controlled by'' and ''under common control with'' have correlative meanings.

''*Applicable Premium*'' means:

(1) with respect to any 2019 Note on any redemption date, the greater of:

  (a) 1.0% of the principal amount of the 2019 Note; or

  (b) the excess of:

    (i) the present value at such redemption date of (i) the redemption price of the 2019 Note at July 15, 2016 (such redemption price being set forth in the table appearing above under the caption ''—Optional Redemption—2019 Notes'') plus (ii) all required interest payments due on the 2019 Note through July 15, 2016 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Gilt Rate as of such redemption date plus 50 basis points; over

    (ii) the principal amount of the 2019 Note; and

(2) with respect to any Sterling 2021 Note on any redemption date, the greater of:

  (a) 1.0% of the principal amount of the Sterling 2021 Note; or

  (b) the excess of:

    (i) the present value at such redemption date of (i) the redemption price of the Sterling 2021 Note at July 15, 2017 (such redemption price being set forth in the table appearing above under the caption ''—Optional Redemption—Sterling 2021 Notes'') plus (ii) all required interest payments due on the Sterling 2021 Note through July 15, 2017 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over

    (ii) the principal amount of the Sterling 2021 Note; and

(3) with respect to any Euro 2021 Note on any redemption date, the greater of:

  (a) 1.0% of the principal amount of the Euro 2021 Note; or

  (b) the excess of:

    (i) the present value at such redemption date of (i) the redemption price of the Euro 2021 Note at July 15, 2017 (such redemption price being set forth in the table appearing above under the caption ''—Optional Redemption—Euro 2021 Notes'') plus (ii) all required interest payments due on the Euro 2021 Note through July 15, 2017 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over

    (ii) the principal amount of the Euro 2021 Note.

For the avoidance of doubt, calculation of the Applicable Premium shall not be a duty or obligation of the Trustee, Paying Agent, Transfer Agent, authentication agent or any other agent.

''*Asset Sale*'' means:

(1) the sale, lease, conveyance or other disposition of any assets by the Company or any of its Restricted Subsidiaries; *provided* that the sale, lease, conveyance or other disposition of all or

substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption ''—Repurchase at the Option of Holders—Change of Control,'' and/or the provisions described above under the caption ''—Certain Covenants—Merger, Consolidation or Sale of Assets'' and not by the provisions described under the caption ''—Repurchase at the Option of Holders—Asset Sales''; and

(2) the issuance of Equity Interests by any Restricted Subsidiary or the sale by the Company or any of its Restricted Subsidiaries of Equity Interests in any of the Restricted Subsidiaries (in each case, other than directors' qualifying shares).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than £5.0 million;

(2) a transfer of assets or Equity Interests between or among the Company and any of its Restricted Subsidiaries;

(3) the disposition of assets of or Equity Interests in any Unrestricted Subsidiary; *provided* that such assets or Equity Interests were not initially acquired pursuant to clause (18) or (19) of the definition of Permitted Investments;

(4) an issuance of Equity Interests by a Restricted Subsidiary to the Company or to any of its Restricted Subsidiaries;

(5) the sale, lease or other transfer of accounts receivable, inventory or other assets in the ordinary course of business and any sale or other disposition of damaged, worn-out or obsolete assets or assets that are no longer useful in the conduct of the business of the Company and its Restricted Subsidiaries;

(6) the licensing or sublicensing of intellectual property and licenses, leases or subleases of other property in the ordinary course of business and which do not materially interfere with the business of the Company and its Restricted Subsidiaries taken as a whole;

(7) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(8) the granting of Liens not prohibited by the covenant described above under the caption ''—Liens'';

(9) the sale or other disposition of cash or Cash Equivalents;

(10) a Restricted Payment that does not violate the covenant described above under the caption ''—Certain Covenants—Restricted Payments,'' a Permitted Investment or any transaction specifically excluded from the definition of Restricted Payment;

(11) the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(12) the foreclosure, condemnation or any similar action with respect to any property or other assets or a surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(13) the disposition of assets to a Person who is providing services (the provision of which have been or are to be outsourced by the Company or any Restricted Subsidiary to such Person) related to such assets;

(14) any Permitted Asset Swap; and

(15) any sale, transfer or other disposition of Securitization Assets and related assets in connection with any Qualified Securitization Financing.

''*Asset Sale Offer*'' has the meaning assigned to that term in the Indenture governing the Notes.

''*Beneficial Owner*'' has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act, except that in calculating the beneficial ownership of any particular ''person'' (as that term is used in Section 13(d)(3) of the U.S. Exchange Act), such ''person'' will be deemed to have beneficial ownership of all securities that such ''person'' has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms ''Beneficially Owns'' and ''Beneficially Owned'' have a corresponding meaning.

''*Board of Directors*'' means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

''*Bund Rate*'' means, as of any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

(1) ''*Comparable German Bund Issue*'' means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to July 15, 2017, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Euro 2021 Notes and of a maturity most nearly equal to July 15, 2017; *provided*, *however*, that, if the period from such redemption date to July 15, 2017 is less than one year, a fixed maturity of one year shall be used;

(2) ''*Comparable German Bund Price*'' means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(3) ''*Reference German Bund Dealer*'' means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(4) ''*Reference German Bund Dealer Quotations*'' means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third Business Day preceding the relevant date.

''*Business Day*'' means a day other than a Saturday, Sunday or other day on which banking institutions in London, Luxembourg, Amsterdam or New York or a place of payment under the Indenture are authorized or required by law to close.

''*Capital Lease Obligation*'' means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet (excluding the footnotes thereto) prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

''*Capital Stock*'' means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

''*Cash Equivalents*'' means:

(1) direct obligations (or certificates representing an interest in such obligations) issued by, or unconditionally guaranteed by, the government of a member state of the Pre-Expansion European Union, the United States of America, Switzerland or Canada (including, in each case, any agency or instrumentality thereof), as the case may be, the payment of which is backed by the full faith and credit of the relevant member state of the European Union or the United States of America, Switzerland or Canada, as the case may be, and which are not callable or redeemable at the Company's option;

(2) overnight bank deposits, time deposit accounts, certificates of deposit, banker's acceptances and money market deposits with maturities (and similar instruments) of 12 months or less from the date of acquisition issued by a bank or trust company which is organized under, or authorized to operate as a bank or trust company under, the laws of a member state of the Pre-Expansion European Union or of the United States of America or any state thereof, Switzerland or Canada; *provided* that such bank or trust company has capital, surplus and undivided profits aggregating in excess of £250.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated ''Baa1'' or higher by Moody's or ''BBB+'' or higher by S&P or the equivalent rating category of another internationally recognized rating agency;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of acquisition; and

(5) interest in any investment company or money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

''*Change of Control*'' means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole to any Person (including any ''person'' as that term is used in Section 13(d)(3) of the U.S. Exchange Act) other than a Permitted Holder;

(2) the adoption of a plan relating to the liquidation or dissolution of the Issuer or the Company other than in a transaction that complies with the provisions described under ''—Certain Covenants—Merger, Consolidation or Sale of Assets''; or

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any ''person'' as defined above) other than one or more Permitted Holders becomes the Beneficial Owner, directly or indirectly, of more than 50% of the issued and outstanding Voting Stock of the Company measured by voting power rather than number of shares, whether as a result of issuance of securities of the Company, amalgamation, consolidation, liquidation or dissolution of the Company or otherwise.

''*Change of Control Offer*'' has the meaning assigned to that term in the Indenture governing the Notes.

''*Collateral*'' has the meaning provided under ''—Security.''

''*Company*'' means Boparan Holdings Limited.

''*Consolidated EBITDA*'' means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus the following to the extent deducted in calculating such Consolidated Net Income, without duplication:

(1) provision for taxes based on income or profits of such Person and its Subsidiaries which are Restricted Subsidiaries for such period; *plus*

(2) the Fixed Charges of such Person and its Subsidiaries which are Restricted Subsidiaries for such period; *plus*

(3) depreciation, amortization (including, without limitation, amortization of intangibles and deferred financing fees) and other non-cash charges and expenses (including without limitation write downs

and impairment of property, plant, equipment and intangibles and other long-lived assets and the impact of purchase accounting on the Company and its Restricted Subsidiaries for such period) of the Company and its Restricted Subsidiaries (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period and excluding any non-cash income or charge attributable to a post-employment benefit scheme) for such period; *plus*

(4) any expenses, charges or other costs related to the issuance of any Capital Stock, or any Permitted Investment, acquisition, disposition, recapitalization or listing, costs related to the Transactions, or the incurrence of Indebtedness permitted to be incurred under the covenant described above under the caption ''—Certain Covenants—Limitation on Issuances of Guarantees of Indebtedness'' (including refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to any incurrence of Indebtedness issuance and (ii) any amendment or other modification of any incurrence; *plus*

(5) any foreign currency translation losses (including losses related to currency remeasurements of Indebtedness) of the Company and its Restricted Subsidiaries; *plus*

(6) the amount of any minority interest expense consisting of subsidiary income attributable to minority equity interests of third parties in any non-wholly owned Restricted Subsidiary in such period or any prior period, except to the extent of dividends declared or paid on, or other cash payments in respect of, Equity Interests held by such parties; *minus*

(7) non-cash items increasing such Consolidated Net Income for such period (other than any non-cash items increasing such Consolidated Net Income pursuant to clauses (1) through (13) of the definition of Consolidated Net Income), other than the accrual of revenue in the ordinary course of business and the reversal of a reserve for cash charges in a future period in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with GAAP.

''*Consolidated Leverage*'' means, with respect to any specified Person as of any date of determination, the sum without duplication of the total amount of Indebtedness of such Person and its Restricted Subsidiaries (excluding Hedging Obligations entered into for *bona fide* hedging purposes and not for speculative purposes (as determined in good faith by such Person or such Restricted Subsidiary)) on a consolidated basis *less* cash and cash equivalents on the balance sheet of such Person (determined in good faith by the Company).

''*Consolidated Leverage Ratio*'' means, with respect to any specified Person, as of any date of determination, the ratio of (1) the Consolidated Leverage of such Person on such date to (2) the Consolidated EBITDA for such Person for the most recent full fiscal four-quarter period ending immediately prior to such date for which financial statements are available. In the event that the specified Person or any of its Subsidiaries which are Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness or issues, repurchases or redeems preferred stock on the date on which the event for which the calculation of the Consolidated Leverage Ratio is made (the ''*Calculation Date*''), then the Consolidated Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Company) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Consolidated Leverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Company and may

include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter reference period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter reference period.

''*Consolidated Net Income*'' means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Subsidiaries which are Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiary), determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; *provided* that:

(1) any goodwill or other intangible asset impairment charges will be excluded;

(2) the net income (loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary which is a Subsidiary of the Person;

(3) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of the first paragraph under the caption ''—Certain Covenants—Restricted Payments,'' any net income (loss) of any Restricted Subsidiary (other than any Guarantor) will be excluded if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Company (or any Guarantor that holds the Equity Interests of such Restricted Subsidiary, as applicable) by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its shareholders (other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the Notes or the Indenture, (c) contractual restrictions in effect on the Issue Date with respect to the Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole, are not materially less favorable to the holders of the Notes than such restrictions in effect on the Issue Date and (d) any restriction listed under clauses (2), (3) or (4) of the second paragraph of the covenant described above under the caption ''—Certain Covenants—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries'') except that the Company's equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend to another Restricted Subsidiary (other than any Guarantor), to the limitation contained in this clause);

(4) any net gain (or loss) realized upon the sale or other disposition of any asset or disposed operations of the Company or any Restricted Subsidiaries (including pursuant to any sale leaseback transaction) which is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by the Company) or in connection with the sale or disposition of securities will be excluded, in each case, as determined in good faith by the Company;

(5) (a) any extraordinary, exceptional or unusual gain, loss or charge, (b) any asset impairments charges, or the financial impacts of natural disasters (including fire, flood and storm and related events), (c) any non-cash charges or provisions in respect of any restructuring, redundancy, integration or severance or (d) any expenses, charges, reserves or other costs related to the Offering, in each case, will be excluded;

(6) any non-cash compensation charge or expense arising from granting, re-measuring or accelerating stock, stock options or other equity based awards will be excluded;

(7) all deferred financing costs accelerated and written off and premium paid or other expenses incurred directly in connection with any early extinguishment or renegotiation of Indebtedness and any net gain (loss) from any write-off or forgiveness of Indebtedness will be excluded;

(8) any one-time non-cash charges or any increases in amortization or depreciation resulting from purchase accounting, in each case, in relation to any acquisition of another Person or business or resulting from any reorganization or restructuring involving the Company or its Subsidiaries will be excluded;

(9) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations will be excluded;

(10) any unrealized foreign currency transaction gains or losses in respect of Indebtedness of any Person denominated in a currency other than the functional currency of such Person and any unrealized foreign exchange gains or losses relating to translation of assets and liabilities denominated in foreign currencies will be excluded;

(11) any non-cash income or charge attributable to a post-employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme will be excluded;

(12) the impact of any capitalized interest (including accreting or pay-in-kind interest) on any Subordinated Shareholder Debt will be excluded;

(13) any unrealized foreign currency translation or transaction gains or losses in respect of Indebtedness or other obligations of the Company or any of its Restricted Subsidiaries owing to the Company or any Restricted Subsidiary will be excluded; and

(14) the cumulative effect of a change in accounting principles will be excluded.

''*Consolidated Total Assets*'' means, with respect to any specified Person at any time, the total assets of such Person and its Subsidiaries which are Restricted Subsidiaries, in each case as shown on the most recent balance sheet of such Person, determined on a consolidated basis in accordance with GAAP.

''*Contingent Obligations*'' means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that, in each case, does not constitute Indebtedness (''*primary obligations*'') of any other Person (the ''*primary obligor*''), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

    (a) for the purchase or payment of any such primary obligation; or

    (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

''*continuing*'' means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

''*Credit Facilities*'' means, one or more debt facilities, instruments, arrangements or indentures incurred by the Company or any Restricted Subsidiary or any Finance Subsidiary (including the New Revolving Facility or commercial paper facilities and overdraft facilities) with banks, other institutions or investors, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables), letters of credit, private placements, bonds, notes or other Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or trustees or other banks or institutions and whether provided under the New Revolving Facility or one or more other credit or other agreements, indentures, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any Guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other Guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term ''Credit Facilities'' shall include any agreement or instrument (1) changing the maturity of any Indebtedness incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Company as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Indebtedness incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

''*Currency Exchange Protection Agreement*'' means, in respect of any Person, any foreign exchange contract, currency swap agreement, currency option, cap, floor, ceiling or collar or agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates as to which such Person is a party.

''*Default*'' means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

''*Designated Non-cash Consideration*'' means the Fair Market Value of non-cash consideration received by the Company or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as ''Designated Non-cash Consideration'' pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration.

''*Disqualified Stock*'' means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the six-month anniversary of the date that the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the issuer thereof to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the issuer thereof may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption ''—Certain Covenants—Restricted Payments.'' For purposes hereof, the amount of Disqualified Stock which does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased, redeemed, repaid or repurchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by, the Fair Market Value of such Disqualified Stock, such Fair Market Value to be determined as set forth herein.

''*Dormant Subsidiary*'' means a Restricted Subsidiary of the Company which does not trade (for itself or as agent for any person) and does not own, legally or beneficially, assets (including, without limitation, indebtedness owed to it) which in aggregate have a book value greater than £500,000 (or its equivalent in other currencies).

''*Escrowed Proceeds*'' means the proceeds from the offering of any debt securities or other Indebtedness paid into an escrow account with an independent escrow agent on the date of the applicable offering or incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow account upon satisfaction of certain conditions or the occurrence of certain events. The term ''Escrowed Proceeds'' shall include any interest earned on the amounts held in escrow.

''*Equity Interests*'' means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

''*Equity Offering*'' means an offering of Capital Stock (other than Disqualified Stock) of the Company pursuant to (1) a registration statement that has been declared effective by the SEC pursuant to the Securities Act (other than a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Company) or a public offering outside of the United

States, or (2) Rule 144A and/or Regulation S or other private placement exemption under the Securities Act to professional market investors or similar persons.

''*European Government Obligations*'' means direct obligations of, or obligations guaranteed by, a member state of the European Union, and the payment for which such member state of the European Union pledges its full faith and credit.

''*Excluded Contributions*'' means the net cash proceeds received by the Company after the Issue Date from:

(1) capital contributions to its equity (other than through the issuance of Disqualified Stock); and

(2) the sale (other than to a Subsidiary of the Company) of Capital Stock (other than Disqualified Stock) or Subordinated Shareholder Debt of the Company,

in each case designated as ''Excluded Contributions'' pursuant to an Officer's Certificate of the Company (which shall be designated no later than the date on which such Excluded Contribution has been received by the Company), and in each case the net cash proceeds of which are excluded from the calculation set forth in clause (c)(ii) of the covenant described under ''—Certain Covenants—Restricted Payments'' hereof.

''*Fair Market Value*'' means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress of either party, determined in good faith by the Company's Chief Executive Officer, Chief Financial Officer or responsible accounting or financial officer of the Company.

''*Finance Subsidiary*'' means a wholly owned Subsidiary of the Company that is formed for the purpose of borrowing funds or issuing securities and lending the proceeds to the Company or any other Guarantor and that conducts no business other than as may be reasonably incidental to, or related to, the foregoing.

''*Fixed Charge Coverage Ratio*'' means, with respect to any specified Person for any period, the ratio of the Consolidated EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Subsidiaries which are Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the ''*Calculation Date*''), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Company) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four full fiscal quarter reference period; *provided*, *however*, that the *pro forma* calculation of Fixed Charges shall not give effect to (i) any Indebtedness incurred on the Calculation Date pursuant to the provisions described in the second paragraph under ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'' or (ii) the discharge on the Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds incurred pursuant to the provisions described in the second paragraph under ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock.''

In addition, for the purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four full fiscal quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Company and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four full fiscal quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Subsidiaries which are Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness).

''*Fixed Charges*'' means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Subsidiaries which are Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not debt issuance costs, commissions, fees and expenses and excluding any costs related to the Transactions (other than, for the avoidance of doubt, interest incurred on Indebtedness incurred pursuant to the Transactions)), non-cash interest payments other than any interest treated as arising as a result of any unwind of the discount on long-term liabilities (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments), the interest component of deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings (and excluding commissions, discounts, yield and other fees and charges related to any Qualified Securitization Financing); *plus*

(2) the consolidated interest expense (but excluding such interest on Subordinated Shareholder Debt) of such Person and its Subsidiaries which are Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Subsidiaries which are Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Subsidiaries which are Restricted Subsidiaries; *plus*

(4) net payments and receipts (if any) pursuant to interest rate Hedging Obligations (excluding amortization of fees) with respect to Indebtedness; *plus*

(5) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of any Restricted Subsidiary, other than dividends on Equity Interests payable to the Company or a Restricted Subsidiary, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined national, state and local statutory tax rate of such Person, expressed as a decimal, as estimated in good faith by a responsible accounting or financial officer of the Company.

''*GAAP*'' means Generally Accepted Accounting Principles in the United Kingdom as in effect on the date of this Agreement; *provided*, that solely with respect to the requirement to provide reports under the heading ''Certain Covenants—Reports,'' GAAP shall mean Generally Accepted Accounting Principles in the United Kingdom as in effect from time to time. At any time after the Issue Date, the Company may elect to apply IFRS for all purposes of the Indenture in lieu of GAAP and, upon such election, references herein to GAAP shall thereafter be construed to mean IFRS as in effect from time to time; *provided* that any such election, once made, shall be irrevocable and that upon first reporting its fiscal year results under IFRS, it shall restate its financial statements on the basis of IFRS for the fiscal year ending immediately prior to the first fiscal year for which financial statements have been prepared on the basis of GAAP. For the avoidance of doubt, the making of an election referred to in this definition will not be treated as resulting in an incurrence of Indebtedness.

''*Gilt Rate*'' means, with respect to any redemption date, the yield to maturity as of such redemption date of U.K. Government Securities with a fixed maturity (as compiled by the Office for National Statistics and published in the most recent Financial Statistics that have become publicly available at least two Business Days in London prior to such redemption date (or, if such Financial Statistics are no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to July 15, 2016, with respect to the 2019 Notes, and to July 15, 2017 with respect to the Sterling 2021 Notes; *provided*, *however*, that if the period from such redemption date to July 15, 2016, with respect to the 2019 Notes, and to July 15, 2017, with respect to the Sterling 2021 Notes, is less than one year, the weekly average yield on actually traded U.K. Government Securities denominated in pounds sterling adjusted to a fixed maturity of one year shall be used.

''*Guarantee*'' means a guarantee other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business, of all or any part of any Indebtedness (whether arising by agreements to keep-well, to take or pay or to maintain financial statement conditions, pledges of assets or otherwise).

''*Guarantors*'' means each of Midco, the Company and any Restricted Subsidiary of the Company that executes a Note Guarantee (including, for the avoidance of doubt, the Initial Guarantors) in accordance with the provisions of the Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of the Indenture.

''*Hedging Obligations*'' means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates, including Currency Exchange Protection Agreements, commodity prices and prices of carbon credits.

''*Holding Company*'' means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

''*IFRS*'' means International Financial Reporting Standards as endorsed by the European Union and in effect on the Issue Date (for the avoidance of doubt, operating leases will not be deemed Capital Lease Obligations), or, with respect to the covenant described under the caption ''—Certain Covenants—Reports,'' as in effect from time to time.

''*Indebtedness*'' means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables):

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments for which such Person is responsible or liable;

(3) representing reimbursement obligations in respect of letters of credit, bankers' acceptances or similar instruments (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of incurrence);

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; and

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of the specified Person prepared in accordance with GAAP; *provided* that, notwithstanding any consolidation under

GAAP, the preceding items shall not constitute ''Indebtedness'' for purposes hereof if (i) such Indebtedness is incurred by an orphan vehicle whose shares are not owned by such specified Person or any of its Subsidiaries and (ii) such Indebtedness is neither guaranteed by or secured by the assets of such specified Person or any of its Subsidiaries. In addition, the term ''Indebtedness'' includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

The term ''Indebtedness'' shall not include:

(1) Subordinated Shareholder Debt;

(2) any lease of property which would be considered an operating lease under GAAP and any Guarantee given by the Company or any of its Restricted Subsidiaries in the ordinary course of business solely in connection with, and in respect of, the obligations of the Company or any of its Restricted Subsidiaries under any operating lease;

(3) Contingent Obligations in the ordinary course of business;

(4) in connection with the purchase by the Company or any of its Restricted Subsidiaries of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; or

(5) for the avoidance of doubt, any obligations or liabilities in respect of (a) workers' compensation claims, early retirement or termination obligations, (b) pension fund obligations (including, without limitation, under the Pension Schemes) or (c) contributions or similar claims or obligations on social security or wage Taxes.

''*Intercreditor Agreement*'' means the intercreditor agreement, dated June 24, 2014, among the Company, the Issuer, the other Guarantors party thereto, Midco, the Security Agent and the other parties named therein, as amended from time to time.

''*Investment Grade Status*'' shall occur when the Notes are rated Baa3 or better by Moody's and BBB– or better by S&P (or, if either such entity ceases to rate the Notes, the equivalent investment grade credit rating from any other ''nationally recognized statistical rating organization'' within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the U.S. Exchange Act selected by the Company as a replacement agency).

''*Investments*'' means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations, but excluding advances or extensions of credit to customers or suppliers made in the ordinary course of business), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as Investments on a balance sheet (excluding the footnotes) prepared in accordance with GAAP. If the Company or any of its Restricted Subsidiaries sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's Investments in such Restricted Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption ''—Certain Covenants—Restricted Payments.'' The acquisition by the Company or any Restricted Subsidiary of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption ''—Certain Covenants—Restricted Payments.'' Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value and, to the extent applicable, shall be determined based on the equity value of such Investment.

''*Issue Date*'' means the date of issuance of the Notes (other than Additional Notes).

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement or any lease in the nature thereof.

"*Management Advances*" means loans or advances made to, or Guarantees with respect to loans or advances made to, directors, officers or employees of the Company or any Restricted Subsidiary:

(1) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business;

(2) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility or office; or

(3) in the ordinary course of business and (in the case of this clause (3)) not exceeding £1.0 million in the aggregate outstanding at any time.

"*Midco*" means Boparan Midco Limited.

"*Moody's*" means Moody's Investors Service, Inc.

"*Net Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration or Cash Equivalents substantially concurrently received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, and all distributions and other payments required to be made to minority interest holders (other than the Company or any Subsidiary) in Subsidiaries or joint ventures as a result of such Asset Sale, and any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with GAAP.

"*New Revolving Facility*" means the facilities arranged by Goldman Sachs Bank USA, J.P. Morgan Limited, Barclays Bank PLC, BNP Paribas, London Branch, HSBC Bank plc and the Royal Bank of Scotland plc as mandated lead arrangers, Wilmington Trust (London) Limited as agent and The Law Debenture Trust Corporation p.l.c. as security agent, comprising a super senior revolving credit facility for an original amount of up to £60.0 million.

"*New Revolving Facility Agreement*" means the super senior revolving facility agreement setting forth the terms of the New Revolving Facility, dated June 24, 2014 as amended from time to time.

"*Non-Recourse Debt*" means Indebtedness as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise.

"*Note Guarantee*" means the Guarantee by each Guarantor of the Issuer's obligations under the Indenture and the Notes, executed pursuant to the provisions of the Indenture.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering*" has the meaning given to such term in the Offering Memorandum.

"*Offering Memorandum*" means the offering memorandum dated June 25, 2014.

"*Officer*" means, with respect to the Issuer or any Guarantor, the Chief Executive Officer, the Chief Financial Officer or a responsible accounting or financial officer thereof.

"*Officer's Certificate*" means a certificate signed by an Officer.

"*Opinion of Counsel*" means an opinion in writing from and signed by legal counsel in form and substance reasonably satisfactory to the Trustee; *provided* that such counsel may be an employee of or counsel to the Company or its Subsidiaries.

"*Pari Passu Indebtedness*" means any Indebtedness of the Company or a Guarantor that is *pari passu* in right of payment to the Notes or any Note Guarantee, as the case may be.

"*Pari Passu Leverage*" means, as of any date of determination, (i) the sum (without duplication) of the total amount of (a) Indebtedness of all Subsidiary Guarantors on a combined basis and (b) Indebtedness secured by the Collateral, *less* (ii) cash and cash equivalents on the balance sheet of the Subsidiary Guarantors (determined in good faith by the Company).

"*Pari Passu Leverage Ratio*" means as of any date of determination, the ratio of (a) the Pari Passu Leverage on such date to (b) the Consolidated EBITDA of the Company for the four most recent full fiscal quarter periods ending immediately prior to such date for which financial statements are available. In the event that the Company or any of its Subsidiaries which are Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness or issues, repurchases or redeems preferred stock on the date on which the event for which the calculation of the Pari Passu Leverage Ratio is made (the "*Calculation Date*"), then the Pari Passu Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Company) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom.

For the avoidance of doubt, in determining the Pari Passu Leverage Ratio, no cash or cash equivalents shall be included that are the proceeds of indebtedness in respect of which the calculation of the Pari Passu Leverage Ratio is to be made.

In addition, for purposes of calculating the Pari Passu Leverage Ratio:

(1) acquisitions that have been made by the Company or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the Company or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Company and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter reference period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter reference period.

"*Pension Scheme*" means any occupational or personal pension scheme of which from time to time the Company or any Restricted Subsidiary is the principal employer or a participating employer and to which the Company or any Restricted Subsidiary has an obligation to contribute or a deficit obligation.

"*Permitted Asset Swap*" means the substantially concurrent purchase and sale or exchange of assets used or useful in a Similar Business or a combination of such assets and cash or Cash Equivalents between the Company or any of its Restricted Subsidiaries and another Person; *provided* that any cash or Cash Equivalents received in excess of the value of any cash or Cash Equivalents sold or exchanged must be applied in accordance with the covenant described under "Certain Covenants—Asset Sales."

"*Permitted Business*" means (1) any businesses, services or activities engaged in by the Company or any of its Restricted Subsidiaries on the Issue Date and (2) any businesses, services and activities engaged in by the Company or any of its Restricted Subsidiaries that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

"*Permitted Holders*" means:

(1) Ranjit Singh Boparan and Baljinder Kaur Boparan;

(2) the lineal descendants of Ranjit Singh Boparan or Baljinder Kaur Boparan;

(3) any trust held solely for the benefit of Ranjit Singh Boparan or Baljinder Kaur Boparan or any Person mentioned in clause (2) above; and

(4) any Person acting as an underwriter in connection with a public or private offering of Capital Stock of the Company or any parent of the Company, acting in such Company.

''*Permitted Investments*'' means:

(1) any Investment in a Restricted Subsidiary;

(2) any Investment in cash and Cash Equivalents;

(3) any Investment by the Company or any of its Restricted Subsidiaries in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary;

(4) any Investment made as a result of the receipt of non-cash consideration from (a) an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption ''—Repurchase at the Option of Holders—Asset Sales'' or (b) the sale, lease, conveyance or other disposition of any assets by the Company or any of its Restricted Subsidiaries not constituting an Asset Sale and otherwise not prohibited by the Indenture;

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company or Subordinated Shareholder Debt;

(6) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (b) litigation, arbitration or other disputes;

(7) any Investment in connection with a Qualified Securitization Financing, including Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Securitization Financing or any related Indebtedness;

(8) Investments in receivables owing to the Company or any Restricted Subsidiary created or acquired in the ordinary course of business;

(9) Investments represented by Hedging Obligations not for speculative purposes (as determined in good faith by a responsible financial or accounting officer of the Issuer);

(10) Investments in the Notes and any other Indebtedness of the Company or any Restricted Subsidiary;

(11) any Guarantee of Indebtedness permitted to be incurred by the covenant described above under the caption ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(12) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture;

(13) Investments acquired after the Issue Date as a result of the acquisition by the Company or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by the covenant described above under the caption ''—Merger, Consolidation or Sale of Assets'' after the Issue Date;

(14) pledges or deposits with respect to leases or utilities provided or made in connection with Liens permitted under the covenant described under ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(15) Management Advances;

(16) payroll, commission, travel, relocation and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(17) prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and similar deposits made in the ordinary course of business by the Company or any Restricted Subsidiary;

(18) (a) Investments in joint ventures having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18) that are at the time outstanding, not to exceed the greater of (i) £75.0 million and (ii) 5.25% of Consolidated Total Assets and (b) additional Investments in joint ventures so long as the Consolidated Leverage Ratio of the Company is less than 3.0 to 1.0 on a *pro forma* basis after giving effect to such Investment; *provided* that if an Investment is made pursuant to this clause (18) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption ''—Certain Covenants—Restricted Payments,'' such Investment, if applicable, shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of ''Permitted Investments'' and not this clause; and

(19) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (19) that are at the time outstanding, not to exceed the greater of (a) £75.0 million and (b) 5.25% of Consolidated Total Assets; *provided* that if an Investment is made pursuant to this clause (19) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption ''—Certain Covenants—Restricted Payments,'' such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of ''Permitted Investments'' and not this clause.

''*Permitted Liens*'' means:

(1) Liens in favor of the Company or any of its Restricted Subsidiaries;

(2) Liens on property (including Capital Stock) of a Person existing at the time such Person becomes a Restricted Subsidiary or is merged with or into or consolidated with the Company or any of its Restricted Subsidiaries; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary or such merger or consolidation, were not incurred in contemplation thereof and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary or is merged with or into or consolidated with the Company or any Restricted Subsidiary;

(3) Liens to secure the performance of statutory obligations, trade contracts, insurance, surety or appeal bonds, workers compensation obligations, leases, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(4) Liens to secure Indebtedness permitted by clause (4) of the second paragraph of the covenant entitled ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'' covering only the assets acquired with or financed by such Indebtedness;

(5) Liens existing on, or provided for under written arrangements existing on, the Issue Date after giving effect to the Transactions;

(6) Liens for taxes, assessments or governmental charges or claims that (x) are not yet due and payable or (y) are being contested in good faith by appropriate proceedings; *provided*, in each case, that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(7) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(8) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(9) Liens created for the benefit of (or to secure) the Notes (or the Note Guarantees);

(10) Liens to secure any Permitted Refinancing Indebtedness (excluding Liens to secure Permitted Refinancing Indebtedness initially secured pursuant to clause (35) of this definition) permitted to be incurred under the Indenture; *provided*, *however*, that:

(a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(11) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(12) filing of Uniform Commercial Code financing statements under U.S. state law (or similar filings under applicable jurisdiction) in connection with operating leases in the ordinary course of business;

(13) bankers' Liens, rights of setoff or similar rights and remedies as to deposit accounts, Liens arising out of judgments or awards not constituting an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(14) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(15) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(16) leases, licenses, subleases and sublicenses of assets in the ordinary course of business;

(17) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of assets entered into in the ordinary course of business;

(18) Liens on Securitization Assets and related assets incurred in connection with any Qualified Securitization Financing permitted by clause (13) of the second paragraph of the covenant entitled ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(19) (i) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Company or any Restricted Subsidiary has easement rights or on any real property leased by the Company or any Restricted Subsidiary and subordination or similar agreements relating thereto and (ii) any condemnation or eminent domain proceedings or compulsory purchase order affecting real property;

(20) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(21) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(22) Liens (including put and call arrangements) on Capital Stock or other securities of any Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary;

(23) pledges of goods, the related documents of title and/or other related documents arising or created in the ordinary course of the Company or any Restricted Subsidiary's business or operations as Liens only for Indebtedness to a bank or financial institution directly relating to the goods or documents on or over which the pledge exists;

(24) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;

(25) Liens over cash paid into an escrow account pursuant to any purchase price retention arrangement as part of any permitted disposal by the Company or a Restricted Subsidiary on condition that the cash paid into such escrow account in relation to a disposal does not represent more than 15% of the net proceeds of such disposal;

(26) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;

(27) Liens on any proceeds loan made by the Company or any of its Restricted Subsidiaries in connection with any future incurrence of Indebtedness permitted under the Indenture and securing that Indebtedness;

(28) Liens created on any asset of the Company or a Restricted Subsidiary established to hold assets of any stock option plan or any other management or employee benefit or incentive plan or unit trust of the Company or a Restricted Subsidiary securing any loan to finance the acquisition of such assets;

(29) Liens over treasury stock of the Company or a Restricted Subsidiary purchased or otherwise acquired for value by the Company or such Restricted Subsidiary pursuant to a stock buy-back scheme or other similar plan or arrangement;

(30) Liens in favor of energy or utility suppliers in the ordinary course of business;

(31) Liens over cash paid into a mandatory prepayment account in respect of Credit Facilities; *provided* that such account contains no cash or other property other than cash required to be prepaid in the next twelve months in respect of such Credit Facilities;

(32) Liens (a) to secure Indebtedness under Credit Facilities permitted to be incurred pursuant to clause (1) of the second paragraph of the covenant entitled ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'' or (b) on Collateral to secure any Pari Passu Indebtedness permitted to be incurred pursuant to the first paragragh of the covenant entitled ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(33) Liens on Collateral to secure Hedging Obligations related to (i) Indebtedness under Credit Facilities permitted to be incurred pursuant to clause (1) of the second paragraph of the covenant entitled ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'', (ii) the Notes and the Note Guarantees or (iii) Pari Passu Indebtedness permitted to be incurred pursuant to the first paragraph of the covenant entitled ''—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock'';

(34) any extension, renewal, refinancing or replacement, in whole or in part, of any Lien described in the foregoing clauses (1) through (33) (but excluding clause (4)); *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced; and

(35) Liens incurred by the Company or any of its Restricted Subsidiaries to secure Indebtedness in an aggregate amount not to exceed the greater of (a) £35.0 million and (b) 2.5% of Consolidated Total Assets.

''*Permitted Refinancing Indebtedness*'' means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, exchange, defease or discharge other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness (other than any proceeds loan)); *provided* that:

(1) the aggregate principal amount (or accreted value, if applicable, or if issued with original issue discount, aggregate issue price) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable, or if issued with original issue discount, aggregate issue price) of the Indebtedness renewed, refunded, refinanced, replaced, exchanged, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has (a) a final maturity date that is either (i) no earlier than the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged or (ii) after the final maturity date of the Notes and (b) has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is expressly, contractually, subordinated in right of payment to the Notes or the Note Guarantees, as the case may be, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes or the Note Guarantees, as the case may be, on terms at least as favorable to the holders of Notes or the Note Guarantees, as the case may be, as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged; and

(4) if the Issuer or any Guarantor was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged, such Indebtedness is incurred either by the Issuer, a Finance Subsidiary or by a Guarantor.

''*Permitted Reorganization*'' means: (i) certain insolvency and liquidation proceedings in relation to a Dormant Subsidiary or a Release Guarantor; or (ii) a solvent reorganization of any other Subsidiary of the Company (other than the Issuer) permitted by the New Revolving Facility Agreement.

''*Person*'' means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company or government or other entity.

''*pounds sterling*'' means the lawful currency of the United Kingdom.

''*Pre-Expansion European Union*'' means the European Union as of January 1, 2004, including the countries of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom, but not including any country which became or becomes a member of the European Union after January 1, 2004.

''*Public Debt*'' means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (a) a public offering registered under the U.S. Securities Act or (b) a private placement to institutional investors whether or not it is underwritten for resale in accordance with Rule 144A or Regulation S, and whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC for public resale.

''*Qualified Securitization Financing*'' means one or more financings pursuant to which the Company or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person or grant a security interest in, any accounts receivable (and related assets) in any aggregate principal amount equivalent to the Fair Market Value of such accounts receivable (and related assets) of the Company or any of its Restricted Subsidiaries (including, for the avoidance of doubt, any invoice discounting facility and any asset backed facility; *provided* that (a) the terms of such financing, taken as a whole, shall be on market terms (as determined in good faith by the Company's board of directors or senior management) at the time such financing is entered into and (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Company's board of directors or senior management) at the time such financing is entered into.

''*Replacement Proceeds Loan*'' means an intercompany loan issued in replacement of the Notes Proceeds Loan, any Issuer Intercompany Loan or any Proceeds On-Loan, as described under ''—Security.''

''*Restricted Investment*'' means an Investment other than a Permitted Investment.

“*Restricted Subsidiary*” means any Subsidiary of the Company that is not an Unrestricted Subsidiary.

“*S&P*” means Standard & Poor’s Ratings Group.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Securitization Assets*” means any accounts receivable, inventory, royalty or revenue streams from sales of inventory and related rights subject to a Qualified Securitization Financing.

“*Securitization Fees*” means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not the Company or a Restricted Subsidiary of the Company in connection with any Qualified Securitization Financing.

“*Securitization Repurchase Obligation*” means any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

“*Security Agent*” means The Law Debenture Trust Corporation p.l.c., as security agent pursuant to the Intercreditor Agreement, or any successor or replacement security agent acting in such capacity.

“*Security Documents*” has the meaning provided under the caption “—Security.”

“*Senior Secured Debt*” means, with respect to any Person as of any date of determination, any Indebtedness of such Person and its Restricted Subsidiaries that is secured by a Lien as permitted by the Indenture.

“*Significant Subsidiary*” means, at the date of determination, any Restricted Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (1) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Company or (2) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Company.

“*Similar Business*” means (a) any businesses, services or activities engaged in by the Company or any of its Subsidiaries or any of their respective affiliates on the Issue Date and (b) any businesses, services and activities engaged in by the Company or any of its Subsidiaries or any of their respective affiliates that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

“*Stated Maturity*” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“*Subordinated Shareholder Debt*” means, collectively, any subordinated shareholder debt provided to the Company by any direct or indirect Holding Company of the Company or any Permitted Holder or any Affiliate of any Holding Company or Permitted Holder, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Debt; *provided* that such Subordinated Shareholder Debt:

(1) does not (including upon the happening of any event) mature or require (including upon the happening of any event) any amortization or other payment of principal (including pursuant to a sinking fund or otherwise) prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Issuer (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require or provide for the payment of cash interest prior to the first anniversary of the maturity of the Notes;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its shareholders any right (including upon the happening of any event) to declare a

default or event of default, accelerate, place on demand or exercise any remedies or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;

(4) is not secured by a Lien on any assets of the Company or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Company;

(5) is subordinated in right of payment to the prior payment in full in cash of the Notes and Note Guarantees, at least to the same extent as the Subordinated Liabilities (as defined in the Intercreditor Agreement) are subordinated to the Notes under the Intercreditor Agreement, in any event, such that:

(a) the Company shall make no payment in respect of such Subordinated Shareholder Debt (whether in cash, securities or otherwise, except as permitted by clause (1) above) and may not acquire such Subordinated Shareholder Debt except as permitted by the Indenture until the prior payment in full in cash of all obligations in respect of the Notes, any Note Guarantee and the Indenture;

(b) upon any total or partial liquidation, dissolution or winding up of the Company or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property, the holders of the Notes shall be entitled to receive payment in full in cash of the Obligations under the Notes or any Note Guarantee before the holders of such Subordinated Shareholder Debt shall be entitled to receive any payment in respect of such Subordinated Shareholder Debt;

(c) such Subordinated Shareholder Debt may not be amended such that it would cease to qualify as a Subordinated Shareholder Loan until a date that is after the prior payment in full in cash of all Obligations in respect of the Notes, any Note Guarantee and the Indenture;

(d) the holders of such Subordinated Shareholder Debt shall assign any rights to vote, including by way of power of attorney, in a bankruptcy, insolvency or similar proceeding to the trustee under the Indenture to the extent necessary to give effect to the priority and subordination provisions described in this definition; and

(e) the holders of such Subordinated Shareholder Debt shall agree that, in the event any payment on such Subordinated Shareholder Debt is received by such holder in contravention of the terms of the Indenture and the Intercreditor Agreement and any applicable additional intercreditor agreement, then such payment shall be held in trust for the benefit of, and shall be paid over or delivered to, the Trustee, on behalf of the holders of the Notes;

(6) has been granted as security for the Notes by the obligee thereunder;

(7) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes, a Note Guarantee or compliance by the Company or any Guarantor with its obligations under the Notes, the Indenture, the Note Guarantees, the Intercreditor Agreement and any additional intercreditor agreement, the Security Documents or any Credit Facility or the Company and its Restricted Subsidiaries;

(8) does not (including upon the happening of an event) constitute Voting Stock; and

(9) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the first anniversary of the maturity of the Notes mature other than into or for Capital Stock (other than Disqualified Stock) of the Company, *provided*, *however*, that any event or circumstance that results in such Indebtedness ceasing to qualify as Subordinated Shareholder Debt, such Indebtedness shall constitute an incurrence of such Indebtedness by the Company, and any and all Restricted Payments made through the use of the net proceeds from the incurrence of such Indebtedness since the date of the original issuance of such Subordinated Shareholder Debt shall constitute new Restricted Payments that are deemed to have been made after the date of the original issuance of such Subordinated Shareholder Debt.

''*Subsidiary*'' means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers

voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

''*Subsidiary Guarantor*'' means any Guarantor other than the Company.

''*Tax*'' means any tax, duty, levy, impost, assessment or other governmental charges (including, without limitation, penalties, interest and other additions thereto including any withholding or deduction for or on account of Tax).

''*Tax Relief*'' means any relief, loss, allowance, credit, deduction, exemption or set-off in respect of any Tax or relevant to the computation of any income, profits or gains for the purposes of any Tax, or any right to a repayment of or saving of Tax (including any repayment supplement or interest in respect of Tax).

''*Tax Sharing Agreement*'' means any tax sharing or profit and loss pooling or similar agreement with customary or arm's-length terms entered into with any Unrestricted Subsidiary (including in relation to the surrender or other utilization of UK Tax Reliefs), as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof and of the Indenture.

''*Taxes*'' and ''*Taxation*'' shall be construed to have corresponding meanings.

''*Transactions*'' means, collectively, any or all of (i) the entry into the Indenture, the issuance of the Notes and the use of proceeds therefrom as described in the Offering Memorandum under ''Use of Proceeds,'' (ii) the tender offers for and redemption of the 2018 Notes described in the Offering Memorandum under ''Summary—Recent Developments,'' (iii) the entry into/initial draw-down under the New Revolving Facility Agreement, (iv) the entry into the Intercreditor Agreement and (v) the carrying out of the transactions contemplated by or related to any of the foregoing (including, without limitation, payment of fees and expenses related to any of the foregoing).

''*U.S. Exchange Act*'' means the United States Securities and Exchange Act of 1934, as amended.

''*U.S. Securities Act*'' means the United States Securities Act of 1933, as amended.

''*U.K. Government Securities*'' means direct obligations of, or obligations guaranteed by, the United Kingdom, and the payment for which the United Kingdom pledges its full faith and credit.

''*Unrestricted Subsidiary*'' means any Subsidiary of the Company (other than the Issuer or any successor to the Issuer) that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by the covenant described above under the caption ''—Certain Covenants—Transactions with Affiliates,'' is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company; and

(3) is a Person with respect to which neither the Company nor any Restricted Subsidiary has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results.

''*Voting Stock*'' of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

‘‘*Weighted Average Life to Maturity*’’ means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amounts of such Indebtedness.

BOOK-ENTRY; DELIVERY AND FORM

General

Sterling Notes and 2021 Euro Notes sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act will initially be represented by global notes in registered form without interest coupons attached (the ''Rule 144A Global Notes''). Sterling Notes and 2021 Euro Notes sold to non-U.S. persons in reliance on Regulation S under the Securities Act will initially be represented by global notes in registered form without interest coupons attached (the ''Regulation S Global Notes'' and, together with the Rule 144A Global Notes, the ''Global Notes''). The Global Notes will be deposited, on the closing date, with a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Rule 144A Global Notes (''Rule 144A Book-Entry Interests'') and in the Regulation S Global Notes (the ''Regulation S Book-Entry Interests'' and, together with the Rule 144A Book-Entry Interests, the ''Book-Entry Interests'') will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that hold interests through such participants. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Except under the limited circumstances described below, Book-Entry Interests will not be held in definitive certificated form.

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not be considered the owners or ''holders'' of Notes for any purpose.

So long as the Notes are held in global form, Euroclear and/or Clearstream, as applicable (or their respective nominees), will be considered the sole holders of the Global Notes for all purposes under the Indenture governing the Notes. In addition, participants must rely on the procedures of Euroclear and/or Clearstream, and indirect participants must rely on the procedures of Euroclear, Clearstream and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders under the Indenture.

None of the Issuer, the Guarantors, the Trustee, the Registrar or any other agent will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Redemption of the Global Notes

In the event that any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream, as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and/or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). We understand that, under the existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions), by lot or on such other basis as they deem fair and appropriate, *provided, however,* that no Book-Entry Interest of less than £100,000 principal amount, in respect of the Sterling Notes, and €100,000 principal amount, in respect of the 2021 Euro Notes, may be redeemed in part.

Payments on Global Notes

The Issuer will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, interest, and any additional interest and Additional Amounts) to the Paying Agent for onward payment to Euroclear and Clearstream, which will distribute such payments to participants in accordance with their customary procedures. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of the Indenture, the Issuer, the Trustee, the Paying Agent, Transfer Agent and Registrar will treat the registered holders of the Global Notes (e.g., Euroclear or Clearstream (or their respective nominees)) as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Registrar or any of its or their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest;
- Euroclear, Clearstream or any participant or indirect participant; or
- the records of the common depositary.

Currency of Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Notes will be paid to holders of interests in such Notes through Euroclear or Clearstream in pounds sterling, in respect of the Sterling Notes and euros, in respect of the 2021 Euro Notes.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised the Issuer that they will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the Notes, Euroclear and Clearstream each reserve the right to exchange the Global Notes for definitive registered Notes in certificated form (''Definitive Registered Notes''), and to distribute such Definitive Registered Notes to their participants.

Transfers

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream rules and will be settled in immediately available funds. If a holder of Notes requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states which require physical delivery of securities or to pledge such securities, such holder must transfer its interests in the Global Notes in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the procedures set forth in the Indenture.

The Global Notes will bear a legend to the effect set forth under ''Notice to Investors''. Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under ''Notice to Investors''.

Rule 144A Book-Entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the Securities Act or any other exemption (if available under the Securities Act).

Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of a Rule 144A Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a ''qualified institutional buyer'' within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under ''Notice to Investors'' and in accordance with any applicable securities laws of any other jurisdiction.

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Rule 144A Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note.

Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first-mentioned Global Note and become a Book-Entry Interest in such other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

Definitive Registered Notes

Under the terms of the Indenture, owners of the Book-Entry Interests will receive Definitive Registered Notes:

- if either Euroclear or Clearstream notifies the Issuer that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by the Issuer within 120 days; or
- if the owner of a Book-Entry Interest requests such an exchange in writing delivered through either Euroclear or Clearstream following an event of default under the Indenture.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such note by surrendering it to the Registrar or a transfer agent. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note will be issued to the transferee in respect of the part transferred and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; *provided* that no Definitive Registered Note in a denomination less than £100,000 (in the case of the Sterling Notes) or €100,000 (in the case of the 2021 Euro Notes) will be issued. The Issuer will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

The Issuer will not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (i) the record date for any payment of interest on the Notes, (ii) any date fixed for redemption of the Notes or (iii) the date fixed for selection of the Notes to be redeemed in part. Also, the Issuer is not required to register the transfer or exchange of any Notes selected for redemption or which the holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or Asset Sale Offer (each as defined in the Indenture). In the event of the transfer of any Definitive Registered Note, the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the Indenture. The Issuer may require a holder to pay any transfer taxes and fees required by law and permitted by the Indenture and the Notes.

If Definitive Registered Notes are issued and a holder thereof claims that such a Definitive Registered Note has been lost, destroyed or wrongfully taken, or if such Definitive Registered Note is mutilated and is surrendered to the Registrar or at the office of a transfer agent, the Issuer will issue and the Trustee will authenticate a replacement Definitive Registered Note if the Trustee's and the Issuer's requirements are met. The Issuer or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect themselves, the paying agent appointed pursuant to the Indenture from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer and the Trustee may charge for any expenses incurred by the Issuer in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions of the Indenture, the Issuer, in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged only after the transferor first delivers to the Trustee a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Notes. See ''Notice to Investors''.

For so long as the Notes are listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market of the Luxembourg Stock Exchange, if Definitive Registered Notes are issued, the Issuer will publish a notice of any issuance of Definitive Registered Notes in a daily leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and send a copy of such notice to the Luxembourg Stock Exchange, or, to the extent and in the manner permitted by such rules, post a notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*). Payment of principal, any repurchase price, premium and interest on Definitive Registered Notes will be payable at the office of the paying agent in Luxembourg so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange.

Information Concerning Euroclear and Clearstream

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. The following summaries of those operations and procedures are provided solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither the Issuer, the Trustee, Registrar and other agents, nor the Initial Purchaser is responsible for those operations or procedures.

We understand as follows with respect to Euroclear and Clearstream. Euroclear and Clearstream hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definite certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the 144A Global Notes only through Euroclear or Clearstream participants.

Global Clearance and Settlement Under the Book-Entry System

The Notes represented by the Global Notes are expected to be listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF Market. Transfers of interests in the Global Notes between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the Trustee, the Registrar or the Paying Agent will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the Notes will be made in pounds sterling, with respect to the Sterling Notes, and euros, with respect to the 2021 Euro Notes. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

TAX CONSIDERATIONS

European Tax Considerations

European Union Savings Tax Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the ''Tax Directive''), each Member State of the European Union is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or certain limited types of entity established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments, deducting tax at a rate of 35% (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from January 1, 2015, in favor of automatic information exchange under the Tax Directive. A number of non-E.U. countries and territories including Switzerland and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within their respective jurisdictions to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories. On 24 March 2014, the Council of the European Union adopted a directive amending the Tax Directive, which when implemented will amend and potentially broaden the scope of the requirements described above. It is understood that EU Member States will have until 1 January 2016 to adopt the national legislation necessary to comply with this amending directive.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts to the noteholders or to otherwise compensate noteholders for the reduction in the amounts that they will receive as a result of the imposition of such withholding tax. However, the Issuer is required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Tax Directive (if such a state exists).

Proposed Financial Transactions Tax

The European Commission has published a proposal for a Directive for a common financial transactions tax in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the ''participating Member States'').

The proposed financial transactions tax (''FTT'') has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, ''established'' in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. If the proposed FTT or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Certain United States Federal Income Tax Considerations to U.S. Holders

PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THESE LISTING PARTICULARS IS NOT INTENDED OR WRITTEN TO BE USED BY PROSPECTIVE INVESTORS FOR THE PURPOSES OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED; (B) SUCH DISCUSSION IS BEING USED IN CONNECTION WITH THE PROMOTION OR MARKETING BY US OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The following general discussion is a summary of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes by a U.S. holder (defined below), but does not purport to be a complete analysis of all potential tax effects. This summary is based upon the U.S. Internal Revenue Code of 1986, as amended (the ''Code''), Treasury regulations issued thereunder, and judicial and administrative interpretations thereof, each as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. No rulings from the U.S. Internal Revenue Service (the ''IRS'') have been or are expected to be sought with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the Notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a U.S. holder in light of such U.S. holder's particular circumstances or to U.S. holders subject to special rules, such as financial institutions, U.S. expatriates, insurance companies, dealers in securities or currencies, traders in securities, U.S. holders whose functional currency is not the U.S. dollar, tax-exempt entities, regulated investment companies, real estate investment trusts, partnerships or other pass through entities (or investors in such entities), persons liable for alternative minimum tax and persons holding the Notes as part of a ''straddle'', ''hedge'', ''conversion transaction'' or other integrated transaction. In addition, this discussion is limited to persons who purchase the Notes for cash at original issue and at their ''issue price'' (the first price at which a substantial amount of Notes is sold to investors for cash, not including sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the Notes as capital assets within the meaning of section 1221 of the Code. This summary does not address any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws), the Medicare tax on net investment income or any applicable state, local or foreign tax laws.

For purposes of this discussion, a ''U.S. holder'' is a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation organized under the laws of the United States, any state thereof or the District of Columbia; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person.

If any entity treated as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A U.S. holder that is a partnership, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of the purchase, ownership and disposition of the Notes.

Prospective purchasers of the Notes should consult their tax advisors concerning the tax consequences of purchasing, owning or disposing of the Notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of U.S. federal tax laws and state, local, foreign or other tax laws.

Characterization of the Notes

We believe and intend to take the position that the Notes constitute debt for U.S. federal income tax purposes. However, there is no assurance that the IRS or a court will agree with our view. If the Notes were characterized as equity interests in the Issuer, U.S. holders would be treated as owning interests in a passive foreign investment company (a ''PFIC''), which could subject such U.S. holder to material adverse tax consequences. Prospective investors should consult their own tax advisors about the characteristic of the Notes and the consequences of owning equity in a PFIC.

In certain circumstances, the Notes provide for the payment of amounts in excess of stated interest or principal. Our obligation to pay such excess amounts may implicate the provisions of the Treasury regulations relating to ''contingent payment debt instruments.'' Although the issue is not free from doubt, we intend to take the position that the possibility of any such payment does not cause the Notes to be treated as contingent payment debt instruments under the applicable Treasury regulations. Our determination is binding on a holder unless the holder explicitly discloses its contrary position to the IRS in the manner required by applicable Treasury regulations. However, our determination is not binding on the IRS, and if the IRS successfully challenged this determination, it could adversely affect the amount, timing and character of the income that a U.S. holder must recognize (including, for example, by requiring a holder to accrue income at a rate greater than the stated interest rate on the Notes and by treating any gain recognized by a U.S. holder upon a disposition of a Note as ordinary income rather than capital gain).

The remainder of this discussion assumes that the Notes will be treated as debt for U.S. federal income tax purposes, and that the Notes will not be treated as contingent payment debt instruments.

Payments of Interest

Subject to the foreign currency rules discussed below, payments of stated interest on the Notes (without reduction for any amounts withheld in respect of taxes and including any Additional Amounts paid with respect to such withholding taxes) generally will be taxable to a U.S. holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes.

A U.S. holder that uses the cash method of accounting for U.S. federal income tax purposes and that receives a payment of stated interest will be required to include in ordinary income the U.S. dollar value of the sterling or euro interest payment (determined by translating the sterling or euro received at the spot rate in effect on the date such payment is received) regardless of whether the payment is in fact converted to U.S. dollars. A cash method U.S. holder will not recognize foreign currency exchange gain or loss with respect to the receipt of such stated interest, but may have exchange gain or loss attributable to the actual disposition of the sterling or euros so received if not disposed of on the day of receipt.

A U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes will be required to include in income (as ordinary income) the U.S. dollar value of the amount of interest income in sterling or euros that has accrued with respect to a Note during an accrual period. The U.S. dollar value of such sterling or euro denominated accrued income will be determined by translating such interest into U.S. dollars at the average spot rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within each taxable year. A U.S. holder may elect, however, to translate such accrued interest income into U.S. dollars using the spot rate of exchange on the last day of the accrual period or, with respect to an accrual period that spans two taxable years, using the spot rate of exchange on the last day of the portion of the accrual period within each taxable year. If the last day of an accrual period is within five business days of the date of receipt of the accrued interest, a U.S. holder may also translate such interest using the spot rate of exchange on the date of receipt. The above election will apply to other obligations held by the U.S. holder from year to year and may not be changed without the consent of the IRS. Upon receipt of an interest payment on a Note (including amounts received upon the sale, exchange, redemption, retirement or other taxable disposition of a Note attributable to accrued but unpaid interest), a U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes will recognize foreign currency exchange gain or loss in an amount equal to the difference, if any, between the U.S. dollar value of the sterling or euro payment received (determined by translating the sterling or euro received at the spot rate in effect on the date such payment is received) in respect of such accrual period and the U.S. dollar value of interest income that has accrued during such accrual period (as determined above), regardless of whether the payment is in fact converted to U.S. dollars at such time. Any such foreign currency exchange gain or loss will generally constitute ordinary income or loss and be treated, for U.S. foreign tax credit purposes, as U.S. source income or as an offset to U.S. source income, respectively.

Foreign Tax Credit

A U.S. holder may be entitled to deduct or credit any tax withheld, subject to certain limitations (including that the election to deduct or credit foreign taxes applies to all of a U.S. holder's applicable foreign taxes for a particular tax year). Interest income on a Note (including any Additional Amounts) generally will constitute foreign source income and generally will be considered ''passive category income'' or, in the case of certain U.S. holders, ''general category income'' in computing the foreign tax credit allowable to U.S. holders under U.S. federal income tax laws. The rules for foreign tax credits are complex, and U.S. holders should consult their tax advisors concerning the foreign tax credit implications of the Notes.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of the Notes

Subject to the foreign currency rules discussed below, upon the sale, exchange, redemption, retirement or other taxable disposition of a Note, a U.S. holder will generally recognize taxable gain or loss equal to the difference, if any, between the amount realized on the disposition (less any amount attributable to accrued but unpaid stated interest not previously included in income, which will be taxable as ordinary interest income) and such U.S. holder's adjusted tax basis in the Note. If a U.S. holder receives foreign currency on such a sale, exchange, redemption, retirement or other taxable disposition of a Note, the amount realized generally will be based on the U.S. dollar value of the foreign currency received based on the spot rate in effect on the date of such disposition. However, if the Notes are traded on an established securities market, a cash basis U.S. holder and, if it so elects, an accrual basis U.S. holder, will generally determine the U.S. dollar value of such foreign currency received by translating such amount at the spot rate in effect on the settlement date of the disposition. The settlement date election available to accrual basis U.S. holders in regard to the sale of Notes traded on an established securities market must be applied consistently to all debt instruments held by such U.S. holder from year to year and cannot be changed without the consent of the IRS. If a Note is not traded on an established securities market (or, if a Note is so traded, but the U.S. holder is an accrual basis taxpayer that has not made the settlement date election), a U.S. holder will recognize foreign currency exchange gain or loss (taxable as ordinary income or loss) to the extent that the U.S. dollar value of the sterling or euros received (based on the spot rate on the settlement date) differs from the U.S. dollar value of the amount realized.

A U.S. holder's adjusted tax basis in a Note will generally equal the U.S. dollar cost of such Note to such U.S. holder. If a U.S. holder uses foreign currency to purchase a Note, the cost of the Note generally will be the U.S. dollar value of the foreign currency purchase price determined at the spot rate on the date of purchase (which generally will be the Issue Date).

Any gain or loss recognized by a U.S. holder upon the sale, exchange, redemption, retirement or other taxable disposition of a Note generally will be U.S. source gain or loss and, except as discussed below with respect to foreign currency gain or loss, generally will be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange, redemption, retirement or other taxable disposition the Note has been held by such U.S. holder for more than one year. Long-term capital gain realized by a non-corporate U.S. holder generally will be subject to taxation at a reduced rate. The deductibility of capital losses is subject to limitation.

Any gain or loss realized upon the sale, exchange, redemption, retirement or other taxable disposition of a Note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss and will generally be treated as U.S. source income or as an offset to U.S. source income, respectively. Gain or loss attributable to fluctuations in exchange rates generally will equal the difference between the U.S. dollar value of the U.S. holder's sterling or euro purchase price for the Note, determined using the spot rate on the date such Note is disposed of (or on the settlement date, if the Notes are traded on an established securities market and the holder is either a cash basis U.S. holder or an electing accrual basis U.S. holder), and the U.S. dollar value of such sterling or euro purchase price for the Note, determined using the spot rate on the date the U.S. holder acquired such Note.

In addition, upon the sale, exchange, redemption, retirement or other taxable disposition of a Note, an accrual method U.S. holder may realize exchange gain or loss attributable to amounts received in respect of accrued and unpaid stated interest. Any such exchange gain or loss with respect to accrued interest will be determined as discussed under ''—Payments of Interest''. However, upon a sale, exchange, redemption, retirement or other taxable disposition of a Note, a U.S. holder will realize exchange gain or loss with respect to principal and accrued interest only to the extent of the total gain or loss realized on the disposition.

Disposition of Sterling or Euros Received

On a sale or other taxable disposition of sterling or euro, a U.S. holder generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the amount of U.S. dollars, or the fair market value in U.S. dollars of any other property, received by such U.S. holder in such disposition and (ii) such U.S. holder's tax basis in the sterling or euro. A U.S. holder will have a tax basis in any sterling or euros received as interest or upon the disposition of a Note equal to the U.S. dollar value of such sterling or euros at the spot rate in effect on the date of receipt.

Any gain or loss recognized by a U.S. holder on a sale or other disposition of the sterling or euros, including their exchange for U.S. dollars, generally will be ordinary income or loss and generally will be treated as income from U.S. sources or as an offset to U.S. source income, respectively, for U.S. foreign tax credit purposes.

Tax Return Disclosure Requirement

Treasury regulations issued under the Code may require the reporting of certain tax shelter transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the Treasury regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a sale, exchange, redemption, retirement or other taxable disposition of a foreign currency Note or foreign currency received in respect of a Note to the extent that such sale, exchange, redemption, retirement or other taxable disposition results in a tax loss in excess of a threshold amount. U.S. holders should consult their tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement) as part of their U.S. federal income tax return.

Foreign Financial Asset Reporting

Individuals who own ''specified foreign financial assets'' with an aggregate value in excess of U.S.$50,000 on the last day of the tax year or more than U.S.$75,000 at any time during the tax year (and in some circumstances, a higher threshold), may be required to file an information report with respect to such assets with their U.S. federal income tax returns. ''Specified foreign financial assets'' generally include any financial accounts maintained by foreign financial institutions as well as any of the following, but only if they are held for investment and not held in accounts maintained by U.S. financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts that have non-U.S. issuers or counterparties and (iii) interests in foreign entities. The Notes generally will be treated as specified foreign financial assets subject to these reporting requirements, unless the Notes are held in an account at a U.S. financial institution. Therefore, U.S. holders may be subject to this information reporting regime and may be required to file IRS Form 8938 (Statement of Specified Foreign Financial Assets) as part of their U.S. federal income tax return. U.S. holders are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on their investment in the Notes, including the significant penalties for non-compliance.

Information Reporting and Backup Withholding

In general, payments of interest and the proceeds from sales or other taxable dispositions (including retirements or redemptions) of Notes will be required to be reported to the IRS unless the U.S. holder is a corporation or other exempt recipient and, when required, demonstrates this fact. In addition, a U.S. holder that is not an exempt recipient may be subject to backup withholding with respect to the foregoing amounts unless it provides a taxpayer identification number and otherwise complies with applicable certification requirements.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. holder's U.S. federal income tax liability and may entitle the U.S. holder to a refund, provided that the appropriate information is timely furnished to the IRS.

Material U.K. Tax Considerations

The following is a general guide to U.K. tax considerations relating to the Notes based on the Company's understanding of current U.K. law and practice. It does not purport to be a complete analysis of all U.K. tax considerations relating to the Notes and does not constitute legal or tax advice. It applies only to persons who are the absolute beneficial owners of Notes and some

aspects do not apply to some classes of taxpayer (such as dealers and persons connected with the Issuer), to whom special rates may apply. The U.K. tax treatment of prospective holders of Notes depends on their individual circumstances and may be subject to change in the future. Prospective holders of Notes who may be subject to tax in a jurisdiction other than the U.K. or who are in any doubt as to their tax position should consult their own professional advisers.

Payment of Interest

The Notes will constitute ''quoted Eurobonds'' within the meaning of section 987 of the income Tax Act 2007 (the ''2007 Act''), as long as they are and continue to be listed on a ''recognized stock exchange'' within the meaning of section 1005 of the 2007 Act. The Luxembourg Stock Exchange is such a recognized stock exchange. The Notes will satisfy this requirement if they are officially listed in Luxembourg in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Euro MTF Market in accordance with the rules of the Luxembourg Stock Exchange. Provided, therefore, that the Notes are and remain so listed, payments of interest on the Notes may be made without withholding or deduction on account of U.K. tax.

In the event that the Notes fail to be or cease to be listed on a recognized stock exchange, payments of interest must be made under deduction of income tax at the basic rate, currently 20%, subject to any direction to the contrary by the HM Revenue & Customs under an applicable double taxation treaty, unless payments are made to some categories of recipients, including companies who the Issuer reasonably believes are subject to U.K. corporation tax (provided HM Revenue & Customs has not given a direction that interest should be paid under deduction of tax). If, in such circumstances, the beneficial owner is not within the charge of U.K. corporation tax as regards the payment of interest, the right to pay without deduction is treated as never having applied to any such payment.

Interest on the Notes constitutes U.K. source income for tax purposes and, as such, may be subject to income tax by direct assessment even where paid without deduction or withholding on account of U.K. income tax. Interest on the Notes received without deduction or withholding on account of U.K. tax will not be chargeable to U.K. tax in the hands of a holder of Notes who is not resident for tax purposes in the U.K. (other than in the case of certain trustees) unless that holder of Notes carries on a trade, profession or vocation in the U.K. through a U.K. branch or agency, or for holders of Notes who are companies through a U.K. permanent establishment, in connection with which the interest is received or to which the Notes are attributable. There are exemptions from U.K. tax for interest received by certain categories of agent, such as some brokers and investment managers. The provisions of any applicable double tax treaty may also be relevant to such a holder of Notes.

The provisions relating to additional payments referred to under ''Description of Notes—Additional Amounts'' would not apply if HM Revenue & Customs successfully sought to assess the person entitled to the interest directly to U.K. income tax. Exemption from or reduction of U.K. tax liability might be available under an applicable double taxation treaty.

Payments by a Guarantor

If a Guarantor makes any payments in respect of interest on the Notes (or other amounts due under the Notes other than the repayment of amounts subscribed for the Notes), it is possible that such payments may be subject to U.K. withholding tax of 20%, subject to any claim which could be made under an applicable double taxation treaty or any other exemption which may apply. Such payments by a Guarantor may not be eligible for the quoted Eurobonds exemption described above.

Provision of Information

HM Revenue & Customs (''HMRC'') has powers, in certain circumstances, to obtain information about: payments derived from securities (whether income or capital); certain payments of interest (including the amount payable on the redemption of a deeply discounted security); and securities transactions. The persons from whom HMRC can obtain information include: a person who receives (or is entitled to receive) a payment derived from securities; a person who makes such a payment (received from, or paid on behalf of another person); a person by or through whom interest is paid or credited; a person who effects or is a party to securities transactions (which includes an issue of securities) on behalf of others; registrars or administrators in respect of securities transactions; and each registered or inscribed holder of securities. The information HMRC can obtain includes: details of the beneficial owner of securities; details of the person for whom the securities are held, or the person to whom the payment is to be made (and, if more than one, their respective interests); information and documents relating to securities transactions; and, in relation to interest paid or credited on money received or retained in the U.K., the identity of the security under which interest is paid.

HMRC is generally not able to obtain information (under its power relating solely to interest) about a payment of interest to (or a receipt for) a person that is not an individual. This limitation does not apply to HMRC's power to obtain information about payments derived from securities. HMRC has indicated that it will not use its information-gathering power on interest to obtain information about amounts payable on the redemption of deeply discounted securities which are paid before 6 April 2015. In certain circumstances the information which HMRC has obtained using these powers may be exchanged with tax authorities in other jurisdictions.

Sale, Exchange and Redemption of Notes

U.K. corporation taxpayers

In general, a holder of Notes which is subject to U.K. corporation tax will be treated for U.K. tax purposes as realizing profits, gains or losses in respect of the Notes under the ''loan relationship'' rules in Part 5 of the Corporation Tax Act 2009 on a basis reflecting the treatment in its statutory accounts, calculated in accordance with generally accepted accounting practice. These profits, gains or losses will be taken into account in computing income for U.K. corporation tax purposes.

Exchange gains and losses on the Notes will be treated for U.K. tax purposes as included within the profits, gains and losses realized in respect of the notes and thereby taxable under the loan relationship rules referred to above.

Other U.K. Taxpayers

Taxation of Chargeable Gains

A disposal of Notes by an individual noteholder who is resident or ordinarily resident in the U.K. may give rise to a chargeable gain or allowable loss for the purposes of the U.K. taxation of chargeable gains. However, no such chargeable gain or allowable loss will arise to that individual noteholder on the disposal of his or her Notes if the Notes constitute ''qualifying corporate bonds'' under section 117 of the Taxation of Chargeable Gains Act 1992. The Sterling Notes should constitute qualifying corporate bonds for these purposes. The 2021 Euro Notes will not qualify as such unless they constitute ''deeply discounted securities'' (see also below).

Taxation of Discount

If the Notes constitute ''deeply discounted securities'' for the purposes of Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005 then any gain realized on redemption or transfer of the Notes by a noteholder who is within the charge to U.K. income tax in respect of the Notes will generally be taxable as income but such noteholder will not be able to claim relief from income tax in respect of costs incurred on the acquisition, transfer or redemption, or losses incurred on the transfer or redemption, of the Notes. The Notes would generally be treated as deeply discounted securities for these purposes if, as at the Issue Date, the amount payable on maturity or other occasion of redemption, other than an Optional Redemption or Redemption for Changes in Tax, (''A'') exceeds, or may exceed, the issue price of the Notes by more than A $\times$ 0.5% $\times$ Y, where Y is the number of years between the issue Date and redemption. Upon certain events defined as constituting a change of control, each holder of Notes will have the right to require the Issuer to repurchase all or part of its Notes at 101% of their principal amount, plus accrued and unpaid interest. See ''Description of Notes—Repurchase at the Option of Holders—Change of Control''. This right would generally cause the Notes to qualify as ''deeply discounted securities'' under the formula stated above unless it fell within section 431(3) of the Income Tax (Trading and Other Income) Act 2005, which would require that (a) the right only became exercisable upon the occurrence of an ''event adversely affecting the holder'' or ''a default by any person'' and (b) it appeared unlikely as at the Issue Date that the right would be exercisable on these occasions.

Accrued Income Scheme

On a disposal of Notes by a noteholder, any interest which has accrued since the last interest payment date may be chargeable to tax as income under the rules of the accrued income scheme as set out in Part 12 of the Income Tax Act 2007, if that noteholder is resident or ordinarily resident in the U.K. or carries on a trade in the U.K. through a branch or agency to which the Notes are attributable. The accrued income scheme will not apply if the Notes are deeply discounted securities for the purposes of Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005, as to which see the paragraph entitled ''—Taxation of Discount'' above.

Holders who are not Resident in the U.K.

A body corporate, that is neither resident in the U.K. nor carrying on a trade in the U.K. through a permanent establishment will not be liable for U.K. corporation tax on profits, gains and losses on, or fluctuations in value of, the Notes. Other holders of Notes who are neither resident nor ordinarily resident for tax purposes in the U.K. and who do not carry on a trade, profession or vocation in the U.K. through a branch or agency to which the Notes are attributable will not be liable to U.K. tax on chargeable gains realized on or profits arising on the disposal of their Notes.

Stamp Duty and Stamp Duty Reserve Tax

Assuming that the Notes quality as exempt loan capital within the meaning of section 79(4) of the Finance Act 1986 as is anticipated, no U.K. stamp duty or stamp duty reserve tax is payable on the issue of the Notes or on a transfer of the Notes.

PLAN OF DISTRIBUTION

The Issuer, the Guarantors and the Initial Purchasers entered into a purchase agreement dated the date of the Offering Memorandum (the ''Purchase Agreement''). Subject to the terms and conditions contained in the Purchase Agreement, the Issuer agreed to sell to the Initial Purchasers, and the Initial Purchasers agreed to purchase from the Issuer, 2019 Notes in an aggregate principal amount of £250 million, 2021 Sterling Notes in an aggregate principal amount of £330 million and 2021 Euro Notes in an aggregate principal amount of €300 million.

The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other conditions, the delivery of certain legal opinions by their counsel.

The Notes were initially offered at the price indicated on the cover page of the Listing Particulars. After the initial offering, the offering price and other selling terms of the Notes may from time to time be varied by the Initial Purchasers without notice.

The Purchase Agreement provides that we will indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, and will contribute to payments that the Initial Purchasers may be required to make in respect thereof.

None of the Issuer, the Guarantors or any of their subsidiaries will for a period of six months after the date of the Offering Memorandum, without the prior written consent of the Initial Purchasers, offer, sell or contract to sell, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Issuer, the Guarantors or any affiliate thereof or any person in privity with the Issuer, the Guarantors (or any affiliate thereof), directly or indirectly, including through an ''orphan'' special purpose vehicle structure, or announce the offering of, any debt securities issued or guaranteed by the Issuer (other than the Notes or any debt permitted under the Indenture), the Guarantors or any of their subsidiaries.

The Notes have not been and will not be registered under the Securities Act. The Initial Purchasers have agreed that they will only offer or sell the Notes (A) in the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act, and (B) outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. Terms used above have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

In connection with sales outside the United States, the Initial Purchasers have agreed that they will not offer, sell or deliver the Notes to, or for the account or benefit of, U.S. persons (i) as part of the Initial Purchasers' distribution at any time or (ii) otherwise, until 40 days after the later of the commencement of the Offering or the date the Notes are originally issued. The Initial Purchasers will send to each distributor, dealer or person to whom they sell such Notes during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, with respect to Notes initially sold pursuant to Regulation S, until 40 days after the later of the commencement of this Offering or the date the Notes are originally issued, an offer or sale of such Notes within the United States by a dealer that is not participating in the Offering may violate the registration requirements of the Securities Act.

Delivery of the Notes was made against payment therefor on the date specified on the cover page of the Listing Particulars, which was the seventh business day following the date of pricing of the Notes (this settlement cycle being referred to as ''T+7''). Under Rule 15c6-1 of the U.S. Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the date of the Offering Memorandum or the next six succeeding business days will be required to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors.

Each Initial Purchaser has represented that it (i) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity, within the meaning of section 21 of the FSMA, received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the

Issuer and (ii) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the U.K.

Each Initial Purchaser has represented in relation to each Member State (each, a ''Relevant Member State'') of the European Economic Area that has implemented Directive 2003/71/EC (including amendments thereto, including Directive 2010/73/E.U. (the ''2010 PD Amending Directive'') to the extent implemented in the Relevant Member State and including any relevant implementing measure in each Relevant Member State, the ''Prospectus Directive''), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, it has not made and will not make an offer of Notes to the public in that Relevant Member State, at any time other than: (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; (ii) to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant representative of the Issuer for such offer; or (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive; *provided* that no such offer of the Notes shall require the Initial Purchasers or the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

Each Initial Purchaser has represented that it has not, and shall not without the consent of the Jersey Financial Services Commission, circulate an offer for subscription, sale or exchange of the Notes in Jersey.

The Notes will constitute a new class of securities with no established trading market. Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to trade the Notes on the Euro MTF Market. These Listing Particulars constitute a prospectus for the purpose of the Luxembourg Law dated July 10, 2005 on Prospectus Securities as amended. However, there can be no assurance that the prices at which the Notes will sell in the market after this Offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after this Offering. Goldman Sachs International (or persons acting on its behalf) has advised the Issuer that it currently intends to make a market in the Notes. However, it is not obligated to do so, and may discontinue any market-making activities with respect to the Notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act, and may be limited. Accordingly, there can be no assurance as to the liquidity of or the trading market for the Notes. See ''Risk Factors—Risks Relating to the Notes—An active trading market may not develop for the Notes, in which case your ability to transfer the Notes will be more limited''.

Buyers of the Notes sold by the Initial Purchasers may be required to pay stamp taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the initial offering price set forth on the cover of the Listing Particulars.

In connection with the issue of the Notes, Goldman Sachs International or persons acting on its behalf may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that Goldman Sachs International or persons acting on its behalf will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Initial Purchasers or their respective affiliates from time to time have performed in the past and may perform in the future commercial and investment banking and advisory services for the Issuer, the Guarantors and their subsidiaries and affiliates for which they have received or may receive customary fees and commissions. The Initial Purchaser may also, from time to time, hold bonds and loans of the Issuer, the Guarantors and their subsidiaries and affiliates in normal course, including allocations of the Notes offered hereby. In addition, certain of the Initial Purchasers or one or more of their respective affiliates are lenders and/or agents under our New Revolving Credit Facility. The Initial Purchasers and their affiliates may, from time to time, engage in transactions with, and perform services for, the Issuer, the Guarantors and their subsidiaries and affiliates in the ordinary course of their business.

NOTICE TO INVESTORS

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes.

The Notes and the Guarantees have not been and will not be registered under the Securities Act, or any state securities laws, and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and state or other applicable securities laws. Accordingly, the Notes offered hereby are being offered and sold only to qualified institutional buyers (''QIBs'') (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A under the Securities Act and in offshore transactions in reliance on Regulation S under the Securities Act.

We use the terms ''offshore transaction'', ''U.S. person'' and ''United States'' with the meanings given to them in Regulation S.

Each purchaser of Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Issuer, each Guarantor and the Initial Purchasers as follows:

(1) You understand and acknowledge that the Notes and the Guarantees have not been registered under the Securities Act or any other applicable securities laws and that the Notes are being offered for resale in transactions not requiring registration under the Securities Act or any other securities laws, including sales pursuant to Rule 144A under the Securities Act, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) below.

(2) You are not our ''affiliate'' (as defined in Rule 144 under the Securities Act), you are not acting on our behalf and you are either:

   (a) a person in the United States or a U.S. person who is a QIB, within the meaning of Rule 144A under the Securities Act and are aware that any sale of these Notes to you will be made in reliance on Rule 144A under the Securities Act, and such acquisition will be for your own account or for the account of another QIB; or

   (b) not a U.S. person or purchasing for the account or benefit of a U.S. person (other than a distributor) and you are purchasing the Notes in an offshore transaction in accordance with Regulation S under the Securities Act.

(3) You acknowledge that none of the Issuer, the Guarantors, or the Initial Purchasers, nor any person representing any of them, has made any representation to you with respect to us or the offer or sale of any of the Notes, other than the information contained in the Offering Memorandum, which Offering Memorandum has been delivered to you and upon which you are relying on making your investment decision with respect to the Notes. You acknowledge that neither the Initial Purchasers nor any person representing the Initial Purchasers makes any representation or warranty as to the accuracy or completeness of the Offering Memorandum. You have had access to such financial and other information concerning us, the Indenture, the Guarantees and the Notes as you have deemed necessary in connection with your decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Issuer, the Guarantors and the Initial Purchasers.

(4) You are purchasing the Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any state or other securities laws, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within its or their control and subject to your or their ability to resell such Notes pursuant to Rule 144A or any other exemption from registration available under the Securities Act, or in any transaction not subject to the Securities Act.

(5) You agree on your own behalf and on behalf of any investor account for which you are purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the ''Resale Restriction Termination Date'') that is one year (in the case of Rule 144A Notes) or 40 days (in the case of

Regulation S Notes) after the later of the date of the original issue and the last date on which we or any of our affiliates were the owner of such Notes (or any predecessor thereto) only (i) to us, (ii) pursuant to a registration statement that has been declared effective under the Securities Act, (iii) for so long as the Notes are eligible for resale pursuant to Rule 144A under the Securities Act, to a person you reasonably believe is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A under the Securities Act, (iv) pursuant to offers and sales that occur outside the United States in compliance with Regulation S under the Securities Act or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to our and the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clause (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (II) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the reverse of the security is completed and delivered by the transferor to the Trustee. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date.

Each purchaser acknowledges that each Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE ''U.S. SECURITIES ACT'') OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A ''QUALIFIED INSTITUTIONAL BUYER'' (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON ACQUIRING THIS NOTE IN AN ''OFFSHORE TRANSACTION'' PURSUANT TO RULE 144A OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE ''RESALE RESTRICTION TERMINATION DATE'') WHICH IS [IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY)] [IN THE CASE OF REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE DATE WHEN THE SECURITIES WERE FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS IN RELIANCE ON REGULATION S AND THE DATE OF THE COMPLETION OF THE DISTRIBUTION] ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A ''QUALIFIED INSTITUTIONAL BUYER'' AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING

CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

If you purchase Notes, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(6) You agree that you will give to each person to whom you transfer the Notes notice of any restrictions on the transfer of such Notes.

(7) You acknowledge that the Registrar will not be required to accept for registration or transfer any Notes acquired by you except upon presentation of evidence satisfactory to the Issuer and the Registrar that the restrictions set forth therein have been complied with.

(8) You acknowledge that the Issuer, the Initial Purchasers and others will rely upon the truth and accuracy of your acknowledgements, representations, warranties and agreements and agree that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by your purchase of the Notes are no longer accurate, you shall promptly notify the Initial Purchasers. If you are acquiring any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each such investor account and that you have full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

(9) You understand that no action has been taken in any jurisdiction (including the United States) by the Issuer or the Initial Purchasers that would result in a public offering of the Notes or the possession, circulation or distribution of the Offering Memorandum or any other material relating to us or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under ''Plan of Distribution'' and ''Notice to Certain European Investors''.

LEGAL MATTERS

The validity of the Notes and certain other legal matters are being passed upon for the Issuer and the Guarantors by Milbank, Tweed, Hadley & McCloy LLP, United States counsel to the Issuer and the Guarantors. Certain legal matters will be passed upon for the Initial Purchasers by Cahill Gordon & Reindel LLP, United States counsel to the Initial Purchasers and Clifford Chance LLP, English counsel to the Initial Purchasers.

INDEPENDENT AUDITORS

Boparan Holdings Limited's consolidated non statutory financial statements for the periods ended July 27, 2013, July 28, 2012 and July 30, 2011, appearing in these Listing Particulars, have been audited by Deloitte LLP, independent auditors, as set forth in their report appearing herein. Deloitte LLP is a member of the Institute of Chartered Accountants in England and Wales.

ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a public limited company organized under the laws of England and Wales and the Guarantors of the Notes are incorporated in England and Wales, the Netherlands, Scotland and Jersey. All of their directors and executive officers are non-residents of the U.S. and a substantial portion of the Issuer's assets and those of such persons are located outside the U.S. Although we will appoint an agent for service of process in the U.S. and will submit to the jurisdiction of New York courts, in each case, in connection with any action under U.S. securities laws, you may not be able to effect service of process on such persons or the Issuer or the Guarantors within the U.S. in any action, including actions predicated on civil liability provisions of the U.S. federal and state securities laws or other laws.

England and Wales

The following is a discussion with respect to the enforceability of certain U.S. court judgments in England and Wales and is based upon advice provided to us by our English counsel. The U.S. and the U.K. do not have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters (although the U.S. and the U.K. are both parties to the New York Convention on Arbitral Awards). Any judgment rendered by any federal or state court in the U.S. based on civil liability, whether or not predicated solely upon U.S. federal securities law, would not be directly enforceable in England and Wales. In order to enforce any such judgment in England and Wales, proceedings must be initiated by way of civil law action on the judgment debt before a court of competent jurisdiction in England and Wales (''English court''). In this type of action, an English court generally will not (subject to the matters identified below) reinvestigate the merits of the original matter decided by a U.S. court if:

- the relevant U.S. court had, at the time when proceedings were served, jurisdiction (under English rules of private international law) to give the judgment; and
- the judgment is final and conclusive on the merits and is for a definite sum of money (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty or otherwise based on a U.S. law that an English court considers to be a penal, revenue or other public law).

An English court may refuse to enforce such a judgment for reasons, including, if it is established that:

- the enforcement of such judgment would contravene public policy or statute in England and Wales;
- the enforcement of the judgment is prohibited by statute (including, without limitation, if the amount of the judgment has been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damage sustained);
- the English proceedings were not commenced within the relevant limitation period;
- before the date on which the U.S. court gave judgment, the issues in question had been the subject of a final judgment of an English court or of a court of another jurisdiction whose judgment is enforceable in England and which final judgment conflicts with the judgment of the U.S. court;
- the judgment has been obtained by fraud or in proceedings in which English principles of natural or substantial justice were breached;
- the bringing of proceedings in the relevant U.S. court was contrary to an agreement under which the dispute in question was to be settled otherwise than by proceedings in that court (to whose jurisdiction the judgment debtor did not submit); or
- an order has been made and remains effective under section 9 of the U.K. Foreign Judgments (Reciprocal Enforcement) Act 1933 applying that section to U.S. courts including the relevant U.S. court.

If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose. These methods generally permit the court discretion to prescribe the manner of enforcement. In addition, it may not be possible to obtain an English judgment or to enforce that judgment if the judgment debtor is or becomes subject to any insolvency or similar proceedings, or if the judgment debtor has any set-off or counterclaim against the judgment creditor.

Jersey

The following summary with respect to the enforceability of certain U.S. court judgments in Jersey is based upon advice provided to us by our Jersey counsel. The United States and Jersey currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (as opposed to arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment rendered by any Federal or State court in the United States based on civil liability, whether or not predicated solely upon U.S. Federal securities laws, would not automatically be recognized or enforceable in Jersey. In order to enforce any such U.S. judgment in Jersey, proceedings must first be initiated before a court of competent jurisdiction in Jersey. In such an action, a Jersey court would not generally reinvestigate the merits of the original matter decided by the U.S. court (subject to what is said below) and it would usually be possible to obtain summary judgment on such a claim (assuming that there is no good defense to it). Recognition and enforcement of a U.S. judgment by a Jersey court in such an action is conditional upon (among other things) the following:

- the U.S. court having had jurisdiction over the original proceedings according to Jersey conflicts of laws principles;
- the U.S. judgment being final and conclusive on the merits in the sense of being final and unalterable in the court which pronounced it and being for a definite sum of money (although there are circumstances where non-money judgments can also be enforced);
- the U.S. judgment not contravening Jersey public policy;
- the U.S. judgment not being for a sum payable in respect of taxes, or other charges of a like nature, or in respect of a penalty or fine;
- the U.S. judgment not having been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damages sustained and not being otherwise in breach of Section 5 of the United Kingdom Protection of Trading Interests Act 1980 (as extended to Jersey by the Protection of Trading Interests Act 1980 (Jersey) Order 1983);
- the U.S. judgment not having been obtained by fraud or in breach of Jersey principles of natural justice; and
- there not having been a prior inconsistent decision of a Jersey court in respect of the same matter.

Subject to the foregoing, investors may be able to enforce in Jersey judgments in civil and commercial matters that have been obtained from U.S. Federal or state courts. However, we cannot assure you that those judgments will be recognized or enforceable in Jersey. In addition, it is questionable whether a Jersey court would accept jurisdiction and impose civil liability if the original action was commenced in Jersey, instead of the United States, and predicated solely upon U.S. Federal securities laws.

The Netherlands

The Dutch Guarantor is a private company with limited liability incorporated under Dutch law (*besloten vennootschap met beperkte aansprakelijkheid*). As a result, it may be difficult for investors to enforce against the Guarantors judgments obtained in non-Dutch courts. The Netherlands does not currently have a treaty with the United States providing for reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any court in any federal or state court in the United States based on civil liability, whether or not predicated solely upon United States federal securities laws, would not automatically be recognized or enforceable in The Netherlands. In order to obtain a judgment which is enforceable in The Netherlands, the claim must be re-litigated before a competent Dutch court. A Dutch court will, under current practice, generally grant the same judgment without a de novo analysis on the merits (i) if that judgment results from legal proceedings compatible with Dutch notions of due process, (ii) if that judgment does not contravene public policy (*openbare orde*) of the Netherlands and (iii) if the jurisdiction of the relevant federal or state court in the United States has been based on internationally accepted principles of private international law.

Subject to the foregoing and service of process in accordance with applicable treaties, investors may be able to enforce in The Netherlands, judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that such judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in The Netherlands and predicated solely upon U.S. federal securities laws.

Pursuant to article 33 of EU Council Regulation of December 22, 2000 (EU) Nr. 44/2001 on Jurisdiction and Recognition and Enforcement of Judgments in Civil and Commercial Matters, as amended (''Regulation 44/2001''), judgments rendered in England and Wales will be recognized and enforced in the Netherlands without any special procedure being required. However, article 34 of Regulation 44/2001 provides that a judgment will, inter alia, not be recognized:

(i) if such recognition is manifestly contrary to public policy in the Member State in which recognition is sought;

(ii) where it was given in default of appearance, if the defendant was not served with the document which instituted the proceedings or with an equivalent document in sufficient time and in such a way as to enable the defendant to arrange for his defense, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for the defendant to do so;

(iii) if it is irreconcilable with a judgment given in a dispute between the same parties in the Member State in which recognition is sought; and

(iv) if it is irreconcilable with an earlier judgment given in another Member State or in a third State involving the same cause of action and between the same parties, provided that the earlier judgment fulfills the conditions necessary for its recognition in the Member State addressed.

Moreover, article 35 of Regulation 44/2001 provides that a judgment shall not be recognized if it conflicts with Sections 3, 4 or 6 of Chapter II, or in a case provided for in Article 72 of Regulation 44/2001.

Scotland

Some of the Guarantors are companies incorporated under the laws of Scotland. Claims may become barred under the Prescription and Limitation (Scotland) Act 1973 or may be or become subject to defences of retention, compensation, set-off or counter claim.

In proceedings in the Scottish courts, matters of English law or any other system of law other than Scots law affecting the rights and duties of parties which are governed by English law or any other system of law other than Scots law would be required to be established as a matter of evidence and in the absence of such establishment the Scottish courts would apply Scots law.

While the Scottish courts will uphold the choice of English law to govern documents which have the law of England as their applicable law (''English Documents''), they will not give effect to any provision of English Documents which, though valid under English law, are considered by the Scottish courts to be contrary to public policy in Scotland or if the choice of law purports to avoid mandatory rules of a country with which the transaction is wholly connected;

Insolvency proceedings in respect of the Scottish Obligors would generally be subject to the exclusive jurisdiction of the Court of Session, though territorial proceedings might be raised against the Company in respect of assets in another jurisdiction.

Enforcement in Scotland of a money judgment obtained in England requires application in the prescribed form for registration in the Books of Council and Session of a certificate of the judgment properly issued by the relevant English court not later than six months after the date of the certificate. An extract of the certificate, issued by the Keeper of the Register, has effect as far as execution is concerned as if it had been a judgment originally given in the Court of Session. A certificate may not be issued if the time for bringing an appeal is still running or the judgment is stayed or suspended. The Scottish court may suspend or sist (stay) proceedings for enforcement of the certificate if it is satisfied that the relevant company in respect of which the application is made is entitled and intends to apply for the quashing of the English judgment under English law, pending the outcome of that application. A Scottish court may also set aside the registration if it is satisfied, on an application by the company in respect of which the application is made, that the judgment has previously been the subject of a judgment of another court having jurisdiction in the matter.

In the case of a non-money judgment obtained in England, application for registration in the Court of Session must be made by petition in the prescribed form, accompanied by a certified copy of the judgment of the relevant English court and a certificate properly issued by that English court not later than six months after the date of the judgment. The same restrictions apply as for registration of a money judgment (see paragraph immediately above). Otherwise, the Scottish court will, on being satisfied the petition complies with the Civil Jurisdiction and Judgments Act 1982, pronounce an interlocutor granting warrant for registration of the judgment and, where necessary, granting decree in accordance with Scots law. The judgment may then be registered in the Books of Council and Session and such registration has the same effect as if the judgment had originally been given in the Court of Session.

The appropriate method to request the court to exercise its discretion to make protective or provisional orders is to petition the Court of Session, seeking a warrant to arrest or inhibit property belonging to the Company or to obtain interim interdict (the nearest Scottish equivalent to interim injunction). The petition would be based on proceedings raised in England. An arrestment allows the petitioner to freeze sums due to its debtor in the hands of the person who owes its debtor money. An inhibition prevents the debtor selling its heritable (i.e. immovable) property.

The Scottish courts will not, in normal circumstances, order specific implement (the nearest Scottish equivalent to specific performance) of an obligation to pay money as an action for debt is the appropriate remedy.

The powers of Scottish courts to grant the remedies of specific implement or interdict are discretionary and accordingly a Scottish court might make an award of damages where such remedies are sought. There is some possibility that a Scottish court would hold that a judgment on any documents governed by Scots (whether given in a Scottish court or elsewhere) would supersede the documents to all intents and purposes. The Scottish court has power to give judgment expressed as an order to pay a currency other than pounds sterling, but may decline to do so in its discretion. In relation to provisions which contain agreements to agree, a Scottish court would not normally impose agreement where the relevant parties fail to reach agreement.

AVAILABLE INFORMATION

Each purchaser of the Notes from the Initial Purchasers will be furnished a copy of the Offering Memorandum and any related amendments or supplements to the Offering Memorandum. Each person receiving the Offering Memorandum or Listing Particulars and any related amendments or supplements to the Offering Memorandum or Listing Particulars acknowledges that:

(1) such person has been afforded an opportunity to request from us, and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;

(2) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and

(3) except as provided pursuant to (1) above, no person has been authorized to give any information or to make any representation concerning the Notes offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

For so long as any of the Notes are ''restricted securities'' within the meaning of Rule 144(a)(3) under the Securities Act, we will, during any period in which we are neither subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, nor exempt from the reporting requirements under Rule 12g3-2(b) of the Exchange Act, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

We are not currently subject to the periodic reporting and other information requirements of the Exchange Act. However, pursuant to the Indenture governing the Notes and so long as the Notes are outstanding, we will furnish periodic information to holders of the Notes. See ''Description of Notes—Certain Covenants—Reports''.

Upon request, we will provide you with copies of the Indenture, the form of the Notes and any notation of Guarantee. You may request copies of such document by contacting our general counsel at the following number: (+44 (0) 1924 831 427).

LISTING AND GENERAL INFORMATION

Listing Information

We have applied to list the Notes on the Official List of the Luxembourg Stock Exchange and for the admission of the Notes to trading on the Euro MTF Market of the Luxembourg Stock Exchange. These Listing Particulars constitute a prospectus for the purpose of the Luxembourg Law dated July 10, 2005 on Prospectus for Securities as amended. Notice of any optional redemption, change of control or any change in the rate of interest payable on the Notes will be published in a Luxembourg newspaper of general circulation (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

For so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange require, copies of the following documents may be inspected and obtained at the specified office of the listing agent in Luxembourg during normal business hours on any weekday:

- the organizational documents of the Issuer and the Guarantors;
- the Offering Memorandum dated June 25, 2014;
- our most recent audited financial statements, and any interim quarterly financial statements published by us; and
- the Indenture and any supplemental indenture relating to the Notes (which includes the Guarantees and the form of the Notes).

We will maintain a paying and transfer agent in London for as long as any of the Notes are listed on the Luxembourg Stock Exchange. We reserve the right to vary such appointment and we will publish notice of such change of appointment in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*). The present and future audited accounts of the Company are or will be available free of charge at the office of our Luxembourg listing agent.

In accordance with Chapter 3, Section 2, Article 19(1) of the Rules and Regulations of the Luxembourg Stock Exchange, the Notes will be freely transferable on the Luxembourg Stock Exchange.

Clearing Information

The Notes have been accepted for clearance through the facilities of Clearstream and Euroclear. The Rule 144A Global Note in respect of the 2019 Notes has a common code of 108247355 and an international securities identification number (''ISIN'') of XS1082473551 and the Regulation S Global Note in respect of the 2019 Notes has a common code of 108247215 and an ISIN of XS1082472157. The Rule 144A Global Note in respect of the 2021 Sterling Notes has a common code of 108247371 and an ISIN of XS1082473718 and the Regulation S Global Note in respect of the 2021 Sterling Notes has a common code of 108247258 and an ISIN of XS1082472587. The Rule 144A Global Note in respect of the 2021 Euro Notes has a common code of 108247428 and an ISIN of XS1082474286 and the Regulation S Global Note in respect of the 2021 Euro Notes has a common code of 108247339 and an ISIN of XS1082473395.

General Information

The Issuer

The Issuer's principal office and registered office are located at Trinity Park House, Fox Way, Wakefield, WF2 8EE, United Kingdom. The issuance of the Notes was authorized at a board meeting of the Issuer held on July 19, 2014.

We accept responsibility for the information contained in these Listing Particulars. To the best of our knowledge, the information given in these Listing Particulars is in accordance with the facts and contains no omissions likely to affect the import of these Listing Particulars. Except as described in these Listing Particulars (including the footnotes to the Consolidated Financial Statements herein), neither the Issuer nor the Guarantors are involved in any pending litigation or arbitration proceedings that are material in the context of the Notes, nor so far as they are aware, is any such litigation or arbitration pending or threatened.

Boparan Finance plc is a public limited company under the laws of England and Wales. It was incorporated on April 6, 2011. In accordance with section 31(1) of the Companies Act 2006, the objects of Boparan Finance plc are unrestricted. The company number is 7594510 with the Registrar of Companies for England and Wales. The issued share capital of the Issuer is 50,000 ordinary shares of £1 each held by Boparan Holdings Limited, all of which is fully paid up. The Issuer's financial information is consolidated into the financial statements of its parent company, Boparan Holdings Limited. The Issuer has no debt other than the Notes and no loan capital. The Issuer is a special purpose finance company with no independent business operations and no significant third-party assets. The Issuer's contingent liabilities consist of its guarantee of the New Revolving Facility. See ''Description of Certain Financing Arrangements—New Revolving Facility''.

The Guarantors

Boparan Midco Limited is a company incorporated under the laws of England and Wales on April 4, 2011. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Boparan Midco Limited is a holding company with no independent business operations that solely consists of its investment in Boparan Holdings Limited, and therefor has no impact on the profit or loss or EBITDA of Boparan Holdings Limited.

Boparan Holdings Limited is a company incorporated under the laws of England and Wales on May 5, 1988. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Boparan Holdings Limited is a holding company with no independent business operations. Boparan Holdings Limited has ordinary share capital in issue, all of which is fully paid up, in six classes, consisting of 500,800 ordinary (1) shares of £0.01 each, 2 ordinary (2) shares of £0.01 each, 12,316 ordinary (3) shares of £0.01 each, 225,799 ordinary (4) shares of £0.01 each, 20,527 ordinary (5) shares of £0.01 each and 13,548 ordinary (6) shares of £0.01 each.

2 Sisters Europe B.V. is a company incorporated under the laws of the Netherlands on September 20, 2006. Its registered office is Laagveld 16, 5431 NX Cuijk, the Netherlands. 2 Sisters Europe B.V. and its affiliated companies produce poultry products for the top segment of the market.

2 Sisters Food Group Limited is a company incorporated under the laws of England and Wales on June 15, 1993. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. 2 Sisters Food Group Limited is primarily engaged in the processing of poultry products.

Amber Foods Limited is a company incorporated under the laws of Jersey on August 16, 2007. Its registered office is No 2, The Forum, Grenville Street, St. Helier, JE1 4HH, Jersey. Amber Foods Limited is primarily engaged in the processing and rendering of poultry and poultry by-products.

Northern Foods Limited is a company incorporated under the laws of England and Wales on August 15, 1949. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Northern Foods Limited is a holding company with no independent business operations.

Northern Foods Grocery Group Limited is a company incorporated under the laws of England and Wales on May 4, 1936. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Northern Foods Grocery Group Limited is primarily engaged in the manufacture and sale of bakery products.

Solway Foods Holdings Limited is a company incorporated under the laws of England and Wales on May 18, 1994. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Solway Foods Holdings Limited is a holding company with no independent business operations.

Solway Foods Limited is a company incorporated under the laws of England and Wales on November 5, 1987. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Solway Foods Limited is primarily engaged in the manufacture of chilled products.

BH Acquisitions Limited is a company incorporated under the laws of England and Wales on January 17, 2011. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. BH Acquisitions Limited is a holding company with no independent business operations.

Five Star Fish Limited is a company incorporated under the laws of England and Wales on March 30, 2010. Its registered office is Trinity Park House, Trinity Business Park, Fox Way, Wakefield, West Yorkshire, WF2 8EE, United Kingdom. Five Star Fish Limited is primarily engaged in secondary whitefish processing.

2 Sisters Red Meat Limited is a company incorporated under the laws of Scotland on January 21, 2013. Its registered office is George Street, Coupar Angus, Blairgowrie, Perthshire, PH13 9LU, United Kingdom. 2 Sisters Red Meat Limited is primarily engaged in the processing of red meat products.

2 Sisters Poultry Limited is a company incorporated under the laws of Scotland on January 21, 2013. Its registered office is George Street, Coupar Angus, Blairgowrie, Perthshire, PH13 9LU, United Kingdom. 2 Sisters Poultry Limited is primarily engaged in the processing of poultry products.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

BOPARAN HOLDINGS LIMITED

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

Period ended 26 April 2014

	Note	(Unaudited) 13 weeks ended 26 April 2014	(Unaudited) 13 weeks ended 27 April 2013	(Unaudited) 39 weeks ended 26 April 2014	(Unaudited) 39 weeks ended 27 April 2013	(Audited) 52 weeks ended 27 July 2013
		£m	£m	£m	£m	£m
TURNOVER	1	**811.4**	764.8	**2,544.7**	2,008.0	2,884.6
Cost of sales		**(696.7)**	(666.1)	**(2,171.6)**	(1,713.6)	(2,475.6)
GROSS PROFIT		**114.7**	98.7	**373.1**	294.4	409.0
Distribution costs		**(50.1)**	(43.6)	**(159.0)**	(118.6)	(168.4)
Administrative expenses						
—before exceptional items		**(44.5)**	(39.9)	**(154.4)**	(102.9)	(149.6)
—exceptional items	2	**(1.5)**	(1.2)	**(26.3)**	(2.1)	(6.4)
Administrative expenses		**(46.0)**	(41.1)	**(180.7)**	(105.0)	(156.0)
Other income		**0.2**	0.3	**0.7**	0.6	1.1
Operating profit	1					
—before exceptional items		**20.3**	15.5	**60.4**	73.5	92.1
—exceptional items		**(1.5)**	(1.2)	**(26.3)**	(2.1)	(6.4)
OPERATING PROFIT		**18.8**	14.3	**34.1**	71.4	85.7
Exceptional items	2					
—Loss on the sale or termination of an operation		**(32.6)**	(0.2)	**(32.6)**	(12.2)	(15.7)
—Costs of fundamental restructuring		**—**	—	**—**	(1.0)	(1.6)
—Loss on disposal of fixed assets		**—**	—	**—**	—	(1.8)
—Impairment of fixed assets		**—**	—	**(20.7)**	—	—
		(32.6)	(0.2)	**(53.3)**	(13.2)	(19.1)
Share of operating (loss)/profit from joint ventures		**(0.9)**	(0.1)	**(1.2)**	(1.5)	0.1
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES		**(14.7)**	14.0	**(20.4)**	56.7	66.7
Interest receivable and similar income		**—**	—	**0.2**	0.1	0.3
Interest payable and similar charges						
—interest and charges		**(19.8)**	(20.1)	**(58.2)**	(56.7)	(80.2)
—foreign exchange gain/(loss) on financial instruments		**0.4**	(2.5)	**1.8**	(20.8)	(21.7)
Total interest payable and similar charges		**(19.4)**	(22.6)	**(56.4)**	(77.5)	(101.9)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(34.1)**	(8.6)	**(76.6)**	(20.7)	(34.9)
Tax on loss on ordinary activities	3	**5.5**	0.4	**8.5**	(4.8)	1.4
Tax on share of loss from joint ventures		**—**	—	**—**	—	—
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		**(28.6)**	(8.2)	**(68.1)**	(25.5)	(33.5)
Equity minority interest		**—**	—	**(0.1)**	(0.1)	(0.2)
LOSS FOR THE FINANCIAL PERIOD		**(28.6)**	(8.2)	**(68.2)**	(25.6)	(33.7)

All results are derived from continuing operations.

BOPARAN HOLDINGS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Period ended 26 April 2014

	(Unaudited) 13 weeks ended 26 April 2014	(Unaudited) 13 weeks ended 27 April 2013	(Unaudited) 39 weeks ended 26 April 2014	(Unaudited) 39 weeks ended 27 April 2013	(Audited) 52 weeks ended 27 July 2013
	£m	£m	£m	£m	£m
LOSS FOR THE FINANCIAL PERIOD	**(28.6)**	(8.2)	**(68.2)**	(25.6)	(33.7)
Actuarial loss relating to the pension schemes	**—**	—	**—**	—	21.0
Deferred tax attributable to actuarial loss	**—**	—	**—**	—	(5.8)
Deferred tax attributable to taxation rate change	**—**	—	**—**	—	(12.2)
Other taxation	**—**	—	**—**	—	1.0
Currency translation differences on foreign currency net investments	**(0.2)**	(2.4)	**(4.2)**	5.2	7.3
TOTAL RECOGNISED LOSSES RELATING TO THE PERIOD	**(28.8)**	(10.6)	**(72.4)**	(20.4)	(22.4)

Actuarial valuations of the pension schemes are performed on an annual basis. Actuarial experience (including asset investment performance) is not updated on a quarterly basis. The pension cost for the period is calculated on a year-to-date basis by applying the actuarially determined pension cost rate as at the end of the prior financial year. Where necessary, the directors adjust this cost to take account of significant market fluctuations since that time and for significant curtailments, settlements, or other significant one time events in the period.

BOPARAN HOLDINGS LIMITED

CONDENSED CONSOLIDATED BALANCE SHEET

26 April 2014

	(Unaudited) 39 weeks ended 26 April 2014	(Unaudited) 39 weeks ended 27 April 2013	(Audited) 52 weeks ended 27 July 2013
	£m	£m	£m
FIXED ASSETS			
Goodwill	**493.6**	524.4	518.1
Tangible fixed assets	**383.6**	416.8	420.1
Investment in minority interest	**1.0**	1.0	1.0
Investment in joint venture	**1.3**	1.3	2.6
	879.5	943.5	941.8
CURRENT ASSETS			
Stocks	**148.1**	146.5	152.5
Debtors due within one year	**289.0**	285.0	264.3
Cash at bank and in hand	**115.5**	134.3	134.3
	552.6	565.8	551.1
CREDITORS: amounts falling due within one year	**(586.8)**	(591.9)	(587.5)
NET CURRENT LIABILITIES	**(34.2)**	(26.1)	(36.4)
TOTAL ASSETS LESS CURRENT LIABILITIES	**845.3**	917.4	905.4
CREDITORS: amounts falling due after more than one year	**(698.1)**	(687.2)	(695.3)
PROVISIONS FOR LIABILITIES	**(32.9)**	(21.0)	(19.6)
NET ASSETS EXCLUDING PENSION LIABILITY	**114.3**	209.2	190.5
Net pension scheme deficit	**(136.5)**	(157.1)	(140.3)
NET (LIABILITIES)/ASSETS	**(22.2)**	52.1	50.2
Called up share capital	**—**	—	—
Share premium account	**132.6**	132.6	132.6
Profit and loss account	**(155.7)**	(81.1)	(83.1)
SHAREHOLDER'S (DEFICIT)/FUNDS	**(23.1)**	51.5	49.5
Minority interests	**0.9**	0.6	0.7
TOTAL CAPITAL EMPLOYED	**(22.2)**	52.1	50.2

BOPARAN HOLDINGS LIMITED

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Period ended 26 April 2014

	Note	(Unaudited) 13 weeks ended 26 April 2014	(Unaudited) 13 weeks ended 27 April 2013	(Unaudited) 39 weeks ended 26 April 2014	(Unaudited) 39 weeks ended 27 April 2013	(Audited) 52 weeks ended 27 July 2013
		£m	£m	£m	£m	£m
Net cash inflow from operating activities	4	**3.9**	18.1	**64.5**	102.7	150.6
Returns on investments and servicing of finance						
Interest received		**—**	0.3	**0.2**	0.5	0.4
Interest paid		**(1.9)**	(0.7)	**(37.9)**	(36.7)	(72.4)
Interest element of finance lease payments		**(0.3)**	—	**(0.5)**	(0.5)	(0.5)
		(2.2)	(0.4)	**(38.2)**	(36.7)	(72.5)
Taxation						
Corporation tax paid		**(0.7)**	(0.7)	**(2.0)**	(2.2)	(3.0)
Capital expenditure and financial investment						
Payments for tangible fixed assets		**(19.0)**	(13.8)	**(49.7)**	(30.8)	(51.0)
Receipts for tangible fixed assets		**—**	0.1	**0.2**	0.4	3.5
Investment in Joint Venture		**0.1**	0.1	**0.1**	(0.2)	(0.2)
Capital grants received		**2.2**	—	**2.5**	—	5.0
		(16.7)	(13.6)	**(46.9)**	(30.6)	(42.7)
Acquisitions						
Acquisitions (including directly attributable acquisition costs)		**—**	(37.4)	**—**	(37.4)	(37.4)
Payments of deferred consideration		**—**	(5.7)	**—**	(5.7)	(5.7)
Cash outflows for acquisitions		**—**	(43.1)	**—**	(43.1)	(43.1)
Net cash outflow before financing		**(15.7)**	(39.7)	**(22.6)**	(9.9)	(10.7)
Financing						
Capital element of finance leases acquired net of finance lease payments		**(1.2)**	(0.9)	**(3.1)**	(3.0)	(3.9)
Bank loans and bonds raised net of loans repaid		**—**	—	**—**	—	(0.4)
Receipts for finance lease		**—**	—	**9.3**	—	—
		(1.2)	(0.9)	**6.2**	(3.0)	(4.3)
Decrease in cash in the period	5,6	**(16.9)**	(40.6)	**(16.4)**	(12.9)	(15.0)

BOPARAN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 26 April 2014

1. SEGMENTAL INFORMATION

13 weeks ended 26 April 2014 and 27 April 2013	Chilled		Branded		Protein		Total Group	
	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013
	£m	£m	£m	£m	£m	£m	£m	£m
Turnover	**184.5**	214.1	**90.7**	96.4	**536.2**	454.3	**811.4**	764.8
Operating (loss)/profit—before exceptional items	**(5.1)**	2.8	**6.3**	3.7	**19.1**	9.0	**20.3**	15.5
Exceptional items							**(1.5)**	(1.2)
Operating profit							**18.8**	14.3
Exceptional items							**(32.6)**	(0.2)
Unallocated amounts:								
Foreign exchange gain/(loss) on financial instruments							**0.4**	(2.5)
Interest and charges							**(19.8)**	(20.1)
Share of operating loss from joint ventures							**(0.9)**	(0.1)
Loss before taxation							**(34.1)**	(8.6)
Taxation on ordinary operations							**5.5**	0.4
Taxation on share of loss from joint ventures							**—**	—
Loss for the period after taxation on ordinary operations							**(28.6)**	(8.2)

The following is reconciliation from operating profit before exceptional items to EBITDA before exceptional items. EBITDA is operating profit including share of operating profit/(loss) from joint ventures, before depreciation, amortisation and exceptional items.

	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013
	£m	£m
Operating profit before exceptional items	**20.3**	15.5
Share of operating loss from joint ventures	**(0.9)**	(0.1)
Depreciation	**14.7**	14.2
Amortisation of intangible assets	**7.4**	7.7
EBITDA before exceptional items	**41.5**	37.3

1. SEGMENTAL INFORMATION (Continued)

Other Information—13 weeks ended 26 April 2014 and 26 April 2013	Chilled		Branded		Protein		Total Group	
	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013	13 weeks ended 26 Apr 2014	13 weeks ended 27 Apr 2013
	£m	£m	£m	£m	£m	£m	£m	£m
Depreciation	**4.1**	5.0	**3.6**	3.9	**7.0**	5.3	**14.7**	14.2
Impairment of tangible fixed assets	**—**	—	**—**	—	**—**	—	**—**	—
Amortisation of intangible assets	**3.3**	3.4	**2.3**	2.5	**1.8**	1.8	**7.4**	7.7

39 weeks ended 26 April 2014 and 27 April 2013 including 52 weeks to 27 July 2013	Chilled			Branded			Protein			Total Group		
	39 weeks ended 26 Apr 2014	39 weeks ended 27 Apr 2013	52 weeks ended 27 July 2013	39 weeks ended 26 Apr 2014	39 weeks ended 27 Apr 2013	52 weeks ended 27 July 2013	39 weeks ended 26 Apr 2014	39 weeks ended 27 Apr 2013	52 weeks ended 27 July 2013	39 weeks ended 26 Apr 2014	39 weeks ended 27 Apr 2013	52 weeks ended 27 July 2013
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover	**625.4**	678.3	896.2	**299.0**	309.7	452.7	**1,620.3**	1,020.0	1,535.7	**2,544.7**	2,008.0	2,884.6
Operating profit—before exceptional items	**(12.0)**	21.7	23.6	**20.0**	11.0	16.5	**52.4**	40.8	52.0	**60.4**	73.5	92.1
Exceptional items										**(26.3)**	(2.1)	(6.4)
Operating profit										**34.1**	71.4	85.7
Exceptional items										**(32.6)**	(8.9)	(19.1)
Exceptional items—impairment loss										**(20.7)**	(4.3)	
Unallocated amounts:												
Foreign exchange gain/(loss) on financial instruments										**1.8**	(20.8)	(21.7)
Interest and charges										**(58.0)**	(56.6)	(79.9)
Share of operating (loss)/profit from joint ventures										**(1.2)**	(1.5)	0.1
Loss before taxation										**(76.6)**	(20.7)	(34.9)
Taxation on ordinary operations										**8.5**	(4.8)	1.4
Taxation on share of (loss)/profit from joint ventures										**—**	—	—
Loss for the period after taxation on ordinary operations										**(68.1)**	(25.5)	(33.5)

The following is reconciliation from operating profit before exceptional items to EBITDA before exceptional items. EBITDA is operating profit including share of operating profit/(loss) from joint ventures, before depreciation, amortisation and exceptional items.

	39 weeks ended 26 Apr 2014	39 weeks ended 27 Apr 2013	52 weeks ended 27 July 2013
	£m	£m	£m
Operating profit before exceptional items	**60.4**	73.5	92.1
Share of operating loss from joint ventures	**(1.2)**	(1.5)	0.1
Depreciation	**45.6**	40.9	56.0
Amortisation of intangible assets	**22.4**	22.3	29.8
EBITDA before exceptional items	**127.2**	135.2	178.0

1. SEGMENTAL INFORMATION (Continued)

Seasonality of turnover

The Group operates a diversified portfolio with individual seasonal trading patterns, including Christmas seasonal build in Branded and Chilled. However on a Group basis, the results are not seasonal in nature.

	Chilled			Branded			Protein			Total Group		
Other Information—39 weeks ended 26 April 2014 and 27 April 2013 including 52 weeks to 27 July 2013	**39 weeks ended 26 Apr 2014**	**39 weeks ended 27 Apr 2013**	**52 weeks ended 27 July 2013**	**39 weeks ended 26 Apr 2014**	**39 weeks ended 27 Apr 2013**	**52 weeks ended 27 July 2013**	**39 weeks ended 26 Apr 2014**	**39 weeks ended 27 Apr 2013**	**52 weeks ended 27 July 2013**	**39 weeks ended 26 Apr 2014**	**39 weeks ended 27 Apr 2013**	**52 weeks ended 27 July 2013**
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Depreciation	**14.4**	15.6	20.4	**10.9**	11.6	16.3	**20.3**	13.7	19.3	**45.6**	40.9	56.0
Impairment of tangible fixed assets	**20.7**	4.3	4.3	**—**	—	0.1	**11.0**	—	—	**31.7**	4.3	4.4
Amortisation of intangible assets	**10.0**	10.0	13.3	**7.1**	7.2	9.7	**5.3**	5.1	6.8	**22.4**	22.3	29.8

	26 Apr 2014			27 Apr 2013			27 Jul 2013		
	Assets	**Liabilities**	**Total**	**Assets**	**Liabilities**	**Total**	**Assets**	**Liabilities**	**Total**
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Chilled	**401.8**	**(160.3)**	**241.5**	446.0	(156.2)	289.8	446.9	(153.9)	293.0
Branded	**349.4**	**(116.8)**	**232.6**	366.7	(119.1)	247.6	359.1	(116.7)	242.4
Protein	**529.8**	**(275.7)**	**254.1**	543.6	(270.6)	273.0	520.5	(281.6)	238.9
Operating assets/(liabilities)	**1,281.0**	**(552.8)**	**728.2**	1,356.3	(545.9)	810.4	1,326.5	(552.2)	774.3
Unallocated corporate assets:									
Cash at bank and in hand	**115.5**	**—**	**115.5**	134.3	—	134.3	134.3	—	134.3
Corporate other receivables	**31.4**	**—**	**31.4**	18.7	—	18.7	32.1	—	32.1
Unallocated corporate liabilities:									
Total borrowings	**—**	**(689.6)**	**(689.6)**	—	(682.4)	(682.4)	—	(683.5)	(683.5)
Overdrafts	**—**	**—**	**—**	—	—	—		(1.0)	(1.0)
Retirement benefit obligations	**—**	**(136.6)**	**(136.6)**	—	(157.1)	(157.1)	—	(140.3)	(140.3)
Deferred taxation assets/ liabilities	**4.3**	**—**	**4.3**	—	(3.9)	(3.9)	—	(4.1)	(4.1)
Current taxation liabilities	**—**	**(7.4)**	**(7.4)**	—	(19.0)	(19.0)	—	(9.5)	(9.5)
Corporate other payables	**—**	**(68.0)**	**(68.0)**	—	(48.9)	(48.9)	—	(52.1)	(52.1)
Total assets/(liabilities)	**1,432.2**	**(1,454.4)**	**(22.2)**	1,509.3	(1,457.2)	52.1	1,492.9	(1,442.7)	50.2

2. EXCEPTIONAL ITEMS

Exceptional items and the effects on the amounts charged to the profit and loss account for taxation were:

	13 weeks ended 26 April 2014	13 weeks ended 27 April 2013	39 weeks ended 26 April 2014	39 weeks ended 27 April 2013	52 weeks ended 27 July 2013
	£m	£m	£m	£m	£m
Exceptional items reported in operating profit					
Restructuring costs	**1.4**	—	**23.7**	—	—
Business disruption	**—**	—	**1.5**	—	—
Costs of acquisition and integration	**0.1**	1.2	**1.1**	2.1	6.4
	1.5	1.2	**26.3**	2.1	6.4
Exceptional items reported after operating profit					
Loss on the sale or termination of an operation	**32.6**	0.2	**32.6**	12.2	15.7
Cost of fundamental restructuring	**—**	—	**—**	1.0	1.6
Loss on disposal of fixed assets	**—**	—	**—**	—	1.8
Impairment of fixed assets	**—**	—	**20.7**	—	—
	32.6	0.2	**53.3**	13.2	19.1
Total exceptional items	**34.1**	1.4	**79.6**	15.3	25.5

During the 39 weeks ended 26 April 2014, restructuring costs of £23.7m relate to the closure of the Group's Letham site and sale of the Haughley Park site following the decision to exit these sites in the first quarter. Costs comprise of £3.3m relating to redundancies, fixed asset impairments of £11.0m, £1.4m in respect of production transferred and onerous lease and other site closure costs of £8.0m. Business disruption costs of £1.5m relate to costs incurred resulting from a contamination incident at Corby.

The costs of acquisition and integration of £1.1m relate to ongoing integration costs of Vion and other acquired businesses.

Fixed asset impairments of £20.7m were in respect of the loss making Corby and Avana Bakery sites which were in the process of being closed.

In the 13 weeks ended 26 April 2014, loss on the sale and termination of on an operation of £32.6m relate to the closure of the loss making Corby and Avana sites. Costs comprise of unavoidable second half operating losses as sites run down trade, redundancies, onerous lease and other site closure costs.

During the 52 weeks ended 27 July 2013, acquisition and integration costs of £6.4m relate to costs incurred in the acquisition/integration of the Vion business in addition to integration of Northern Foods, Amber, Five Star Fish and Brookes Avana. The Group closed the operations of the Leicester trading site acquired with Brookes Avana. The total closure cost was £15.7m of which £5.4m relates to redundancy and associated costs and £6.1m relating to the impairment of goodwill and obsolete assets. In addition, costs of £1.6m were incurred for fundamental restructuring which related to changes made to the manufacturing footprint of the business.

The book loss on disposal of fixed assets of £1.8m relate to the disposal of nine surplus properties during the period ended 27 July 2013.

2. EXCEPTIONAL ITEMS (Continued)

The effects of the exceptional items reported after operating profit on the amounts charged to the profit and loss account for taxation were:

	Tax on profit on ordinary activities				
	13 weeks ended 26 April 2014	13 weeks ended 27 April 2013	39 weeks ended 26 April 2014	39 weeks ended 27 April 2013	52 weeks ended 27 July 2013
	£m	£m	£m	£m	£m
Tax credit on exceptional items	**7.0**	—	**11.1**	3.5	4.5
Total tax credit on exceptional items	**7.0**	—	**11.1**	3.5	4.5

3. TAX ON LOSS ON ORDINARY ACTIVITIES

Tax for the 13 weeks and 39 weeks ended 26 April 2014 is charged based upon the estimated annual effective tax rate of 24.0% (13 weeks and 39 weeks ended 27 April 2013: 25%, 52 weeks ended 27 July 2013: 28.4%). The estimated annual tax rate excludes exceptional items, and the adding back of goodwill amortisation, the impacts of which are computed separately as discrete items.

4. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	13 weeks ended 26 April 2014	13 weeks ended 27 April 2013	39 weeks ended 26 April 2014	39 weeks ended 27 April 2013	52 weeks ended 27 July 2013
	£m	£m	£m	£m	£m
Operating profit	**18.8**	14.3	**34.1**	71.4	85.7
Depreciation	**14.7**	14.2	**45.6**	40.9	56.0
Amortisation of goodwill	**7.4**	7.7	**22.4**	22.3	29.8
Impairment of fixed assets	**—**	—	**11.0**	—	—
Loss on disposal of plant & machinery	**—**	—	**—**	—	0.3
(Decrease)/increase in provisions (excluding provisions acquired)	**(0.1)**	(0.4)	**(0.3)**	0.4	(0.8)
Movement in pension schemes	**(1.0)**	(6.4)	**(4.2)**	(14.4)	(30.2)
Grants and other non cash movements	**(0.4)**	0.4	**(1.1)**	0.1	(1.9)
(Increase)/decrease in stocks	**(7.0)**	(2.2)	**3.4**	(4.7)	(10.3)
Decrease/(increase) in debtors	**0.3**	9.2	**(32.1)**	(8.2)	15.2
(Decrease)/increase in creditors	**(14.7)**	(16.1)	**9.4**	4.4	23.9
Cash impact of exceptional items	**(14.1)**	(2.6)	**(23.7)**	(9.5)	(17.1)
Net cash inflow from operating activities	**3.9**	18.1	**64.5**	102.7	150.6

The cash impact of exceptional items of £23.7m for the 39 weeks ended 26 April 2014 included £6.8m and £12.9m in relation to the closure of the Haughley Park and Letham trading sites and Corby and Avana sites respectively. The cash impact of exceptional items of £17.1m for the 52 weeks ended 27 July 2013 included £7.3m (39 weeks ending 26 April 2013: £3.7m) of cash payable primarily relating to closure of the Leicester trading site.

5. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	13 weeks ended 26 April 2014	13 weeks ended 27 April 2013	39 weeks ended 26 April 2014	39 weeks ended 27 April 2013	52 weeks ended 27 July 2013
	£m	£m	£m	£m	£m
Decrease in cash (net of overdrafts)	**(16.9)**	(40.6)	**(16.4)**	(12.9)	**(15.0)**
Cash acquired with subsidiary	**—**	—	**—**	—	**0.3**
Cash inflow/(outflow) from increase in debt and lease financing	**1.2**	0.9	**(6.2)**	3.0	**4.3**
Change in net debt resulting from cash flows	**(15.7)**	(39.7)	**(22.6)**	(9.9)	**(10.4)**
Effect of foreign exchange rates	**0.4**	(1.2)	**1.7**	(21.7)	**(22.5)**
Movement in net debt	**(15.3)**	(40.9)	**(20.9)**	(31.6)	**(32.9)**
Net debt brought forward	**(572.3)**	(524.5)	**(566.7)**	(533.8)	**(533.8)**
Net debt carried forward	**(587.6)**	(565.4)	**(587.6)**	(565.4)	**(566.7)**

6. ANALYSIS OF NET DEBT

References to net debt refer to the total borrowings of the Group, including short term and long term bank loans, bonds, and finance leases, after offsetting the cash and cash equivalents of the business and short term investments.

The table below reconciles net debt for the 13 weeks ended 26 April 2014:

	25 January 2014	Cash flow	Exchange movements	Other movements	26 April 2014
	£m	£m	£m	£m	£m
Cash balances net of overdrafts	132.5	(16.9)	(0.1)	—	**115.5**
Debt due after more than one year	(676.1)		0.2	(0.7)	**(676.6)**
Finance leases	(14.2)	1.3	—	—	**(12.9)**
Total debt	(690.3)	1.3	0.2	(0.7)	**(689.5)**
Prepayment of bond fees	(14.5)		0.2	0.7	**(13.6)**
Net debt	**(572.3)**	**(15.6)**	**0.3**	**—**	**(587.6)**

The £0.7m other movements on debt due after more than one year relates to amortisation of the prepayment of bond fees.

In the balance sheet, the bond balance is shown net of the prepaid bond fees. Net debt includes borrowings gross of prepayments of bond fees and so it is added back into net debt in the table above.

During the 13 weeks ended 26 April 2014 the Group entered into finance lease agreements with a capital value at the inception of the lease of £nil (26 April 2013: £nil).

6. ANALYSIS OF NET DEBT (Continued)

The table below reconciles net debt for the 39 weeks ended 26 April 2014:

	27 July 2013	Cash flow	Exchange movements	Other movements	26 April 2014
	£m	£m	£m	£m	£m
Cash balances net of overdrafts	133.4	(16.4)	(1.5)	—	**115.5**
Debt due after more than one year	(676.6)	—	2.4	(2.4)	**(676.6)**
Finance leases	(6.7)	(6.2)	—	—	**(12.9)**
Total debt	(683.3)	(6.2)	2.4	(2.4)	**(689.5)**
Prepayment of bond fees	(16.8)	—	0.8	2.4	**(13.6)**
Net debt	**(566.7)**	**(22.6)**	**1.7**	**—**	**(587.6)**

The £2.4m other movements on debt due after more than one year relates to amortisation of the prepayment of bond fees.

During the 39 week period ended 26 April 2014 the Group entered into finance lease agreements with a capital value at the inception of the lease of £9.3m (39 week period ended 27 April 2013: £nil).

The table below reconciles net debt for the 52 weeks ended 27 July 2013:

	28 July 2012	Cash flow	Acquisitions and disposals	Exchange movements	Other movements	27 July 2013
	£m	£m	£m	£m	£m	£m
Cash balances net of overdrafts	144.8	(15.0)	0.3	—	3.3	133.4
Debt due after more than one year	(649.4)	0.4	—	(3.4)	(24.2)	(676.6)
Finance leases	(10.6)	3.9	—	—	—	(6.7)
Total debt	(660.0)	4.3	—	(3.4)	(24.2)	(683.3)
Prepayment of bond fees	(18.6)	—	—	3.4	(1.6)	(16.8)
Net debt	**(533.8)**	**(10.7)**	**0.3**	**—**	**(22.5)**	**(566.7)**

The other movement of £3.4m on debt due after more than one year relates to amortisation of the prepayment of bond fees. In the balance sheet, the bond balance is shown net of the prepaid bond fees. Management monitor and view the net debt figure excluding prepaid fees and so it is added back into net debt in the table above.

The cash receipt of £0.3m relating to acquisitions was transferred into the Group through the acquisition of 2 Sisters Red Meat Ltd and 2 Sisters Poultry Ltd.

During the period the Group entered into finance lease agreements with a capital value at the inception of the lease of £0.1m (2012: £0.1m).

7. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption under FRS 8 'Related Party Disclosures' and has not disclosed transactions or balances between Group undertakings that have been eliminated on consolidation.

The Group incurred rental charges of £1.8m (27 April 2013: £1.9m, 27 July 2013: £2.6m) and associated service charges of £0.1m (27 April 2013: £0.2m, 27 July 2013: £0.2m) from Amber Real Estate Investment Limited, a related party by virtue of common ownership. At the period end the total creditor outstanding was £nil (27 April 2013: £0.1m, 27 July 2013: £nil).

7. RELATED PARTY TRANSACTIONS (Continued)

The Group incurred rental charges of £0.5m (27 April 2013: £0.2m, 27 July 2013: £0.4m) from 2 Agriculture Limited, a related party by virtue of common ownership. Total purchases by the Group from 2 Agriculture Limited during the period were £237.7m (27 April 2013: £39.0m, 27 July 2013: £123.5m). At the period end the total debtor outstanding was £0.1m (27 April 2013: £nil, 27 July 2013: £nil) and the total creditor outstanding was £22.6m (27 April 2013: £15.4m, 27 July 2013: £18.7m).

The Group also incurred rental charges of £2.3m (27 April 2013: £0.9m, 27 July 2013: £1.7m) from W&WE (Wales & West England) Limited, a related party by virtue of common ownership. At the period end the total creditor outstanding was £0.4m (27 April 2013: £nil, 27 July 2013: £0.7m).

The Group sales to Noblesse Proteins Investments B.V., a company in which the Group holds a 26% interest, were £1.2m for the period (27 April 2013: £nil, 27 July 2013: £0.8m). At the end of the period there was an outstanding loan balance of £0.2m (27 April 2013: £nil, 27 July 2013: £0.3m) and outstanding trade receivables of £0.2m (27 April 2013: £nil, 27 July 2013: £0.1m).

Hook 2 Sisters is a related party by virtue of the Group's 50% investment in the Company. The loan made to Hook 2 Sisters Limited of £1.3m was repayable on 9 February 2012 however remains outstanding at the period ended 26 April 2014. Total purchases by the Group from Hook 2 Sisters Limited during the period were £282.4m (27 April 2013: £267.4m, 27 July 2013: £373.9m). At the period end the total creditor outstanding was £26.1m (27 April 2013: £30.3m, 27 July 2013: £32.9m).

During the period the Group traded with Storteboom Hamrol Sp. Z o.o, of which Boparan Holdings Limited indirectly owns 96%. The Group made purchases of £1.6m (27 April 2013: £1.0m, 27 July 2013: £1.3m). At the period end there was an outstanding balance of £0.2m (27 April 2013: £nil, 27 July 2013: £nil).

Group sales to Letham Poultry Limited, a related party by virtue of common ownership were £12.3m (27 April 2013: £nil, 27 July 2013: £nil). Total purchases by the Group were £4.0m (27 April 2013: £nil, 27 July 2013: £nil). At the period end the total debtor outstanding was £6.9m (27 April 2013: £nil, 27 July 2013: £nil) and the total creditor outstanding was £0.4m (27 April 2013: £nil, 27 July 2013: £nil). On 9 December 2013 the Company sold assets, with a NBV of £nil, to Letham Poultry Limited, a related party by virtue of common ownership, for proceeds of £1.

During the prior year, a director, Lord Allen of Kensington, took a loan in relation to his participation in the Growth Securities Ownership Plan of which £350,000 was outstanding at the period end.

On 15 April 2014 the Company was charged £1.5m in respect of the sale of its previously provided for lease and property in relation to its closed Haughley Park site to Amber Real Estates Investments Limited, a related party by virtue of common ownership.

8. SUBSEQUENT EVENTS

There were no subsequent events as at 16 June 2014.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BOPARAN HOLDINGS LIMITED

We have audited the financial statements of Boparan Holdings Limited for the period ended 27 July 2013 which comprise the Consolidated Profit and Loss account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 27 July 2013 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Richard Knights FCA, (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, UK

October 2013

BOPARAN HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Period ended 27 July 2013

	Note	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
		£m	£m
TURNOVER	2, 3		
Existing operations		**2,519.4**	2,339.2
Acquisitions		**365.2**	—
Continuing operations		**2,884.6**	2,339.2
Cost of sales	3	**(2,475.6)**	(1,966.3)
GROSS PROFIT	3	**409.0**	372.9
Distribution costs		**(168.4)**	(134.1)
Administrative expenses			
—before exceptional items		**(149.6)**	(131.4)
—exceptional items	4	**(6.4)**	—
		(156.0)	(131.4)
Other Income		**1.1**	0.7
Operating profit—before exceptional items	3	**92.1**	108.1
OPERATING PROFIT			
—Existing operations		**97.8**	108.1
—Acquisitions		**(12.1)**	—
		85.7	108.1
Exceptional items	4		
—Loss/(profit) on the sale or termination of an operation		**(15.7)**	1.9
—Costs of fundamental restructuring		**(1.6)**	(5.1)
—Loss on disposal of fixed assets		**(1.8)**	—
		(19.1)	(3.2)
Share of operating profit/(loss) from joint ventures		**0.1**	(0.4)
Interest receivable and similar income	8	**0.3**	0.2
Interest payable and similar charges	9		
—before foreign exchange on financial instruments		**(80.2)**	(74.3)
—foreign exchange on financial instruments		**(21.7)**	26.5
Total interest payable and similar charges		**(101.9)**	(47.8)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	**(34.9)**	56.9
Tax on (loss)/profit on ordinary activities	10	**1.4**	(14.3)
Tax on share of profit/(loss) from joint ventures	10	**—**	(0.1)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		**(33.5)**	42.5
Equity minority interest	24	**(0.2)**	(0.2)
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		**(33.7)**	42.3

All amounts in the current and prior periods relate to continuing activities.

BOPARAN HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Period ended 27 July 2013

	Note	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
		£m	£m
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		**(33.7)**	42.3
Actuarial gain/(loss) relating to the pension schemes	22, 23, 30	**21.0**	(152.3)
Deferred tax attributable to actuarial (gain)/loss	22, 23	**(5.8)**	37.9
Deferred tax attributable to taxation rate change	22, 23	**(12.2)**	(8.6)
Other taxation	22, 23	**1.0**	—
Currency translation differences on foreign currency net investments	22, 23	**7.3**	(13.6)
TOTAL RECOGNISED LOSSES RELATING TO THE PERIOD		**(22.4)**	(94.3)

BOPARAN HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET

27 July 2013

	Note	27 July 2013 £m	28 July 2012 £m
FIXED ASSETS			
Goodwill	11	**518.1**	535.2
Tangible fixed assets	12	**420.1**	390.8
Investment	13	**1.0**	0.9
Investment in joint venture	13	**2.6**	2.6
		941.8	929.5
CURRENT ASSETS			
Stocks	15	**152.5**	102.0
Debtors due within one year	16	**264.3**	211.3
Cash at bank and in hand		**134.3**	144.8
		551.1	458.1
CREDITORS: amounts falling due within one year	17	**(587.5)**	(461.5)
NET CURRENT LIABILITIES		**(36.4)**	(3.4)
TOTAL ASSETS LESS CURRENT LIABILITIES		**905.4**	926.1
CREDITORS: amounts falling due after more than one year	18	**(695.3)**	(666.7)
PROVISIONS FOR LIABILITIES	20	**(19.6)**	(16.5)
NET ASSETS EXCLUDING PENSION LIABILITY		**190.5**	242.9
Net pension scheme deficit	30	**(140.3)**	(170.5)
NET ASSETS		**50.2**	72.4
CAPITAL AND RESERVES			
Called up share capital	21	**—**	—
Share premium account	21,22	**132.6**	132.6
Profit and loss account	22	**(83.1)**	(60.7)
SHAREHOLDERS' FUNDS	23	**49.5**	71.9
Minority Interests	24	**0.7**	0.5
TOTAL CAPITAL EMPLOYED		**50.2**	72.4

These financial statements were approved by the Board of Directors and authorised for issue on October 2013.

Signed on behalf of the Board of Directors

S Henderson
Director
Company Number 03558065

BOPARAN HOLDINGS LIMITED

COMPANY BALANCE SHEET

27 July 2013

	Note	27 July 2013	28 July 2012
		£m	£m
FIXED ASSETS			
Investments	13	**154.7**	158.2
		154.7	158.2
CURRENT ASSETS			
Debtors due within one year	16	**784.7**	667.2
Cash at bank and in hand		**49.0**	59.9
		833.7	727.1
CREDITORS: amounts falling due within one year	17	**(186.7)**	(94.9)
NET CURRENT ASSETS		**647.0**	632.2
TOTAL ASSETS LESS CURRENT LIABILITIES		**801.7**	790.4
CREDITORS: amounts falling due after more than one year	18	**(696.9)**	(667.7)
NET ASSETS		**104.8**	122.7
CAPITAL AND RESERVES			
Called up share capital	21	**—**	—
Share premium	21,22	**132.6**	132.6
Profit and loss account	22	**(27.8)**	(9.9)
SHAREHOLDERS' FUNDS		**104.8**	122.7

These financial statements were approved by the Board of Directors and authorised for issue on October 2013.

Signed on behalf of the Board of Directors

S Henderson
Director
Company Number 03558065

BOPARAN HOLDINGS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
Period ended 27 July 2013

	Note	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
		£m	£m
Net cash inflow from operating activities	26	**150.6**	253.8
Returns on investments and servicing of finance			
Interest received		**0.4**	0.2
Interest paid		**(72.4)**	(71.5)
Interest element of finance lease payments		**(0.5)**	(1.0)
		(72.5)	(72.3)
Taxation			
Corporation tax paid		**(3.0)**	(22.4)
Capital expenditure and financial investment			
Payments for tangible fixed assets		**(51.0)**	(30.6)
Receipts for tangible fixed assets		**3.5**	0.2
Capital grants received		**5.0**	—
Investment in joint venture		**(0.2)**	(0.2)
		(42.7)	(30.6)
Acquisitions			
Acquisitions and disposals (including directly attributable acquisition costs)	29	**(37.4)**	(31.7)
Payments of deferred consideration		**(5.7)**	(1.0)
Cash outflows for acquisitions		**(43.1)**	(32.7)
Net cash (outflow)/inflow before financing		**(10.7)**	95.8
Financing			
Capital element of finance leases acquired net of finance lease payments		**(3.9)**	(3.9)
Repayment of overdraft and borrowings	28	**(0.4)**	(0.2)
		(4.3)	(4.1)
(Decrease)/increase in cash in the period	27,28	**(15.0)**	91.7

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom laws and accounting standards. The particular accounting policies adopted are described below and have been applied consistently throughout the period and the preceding period.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all of its subsidiary undertakings at 27 July 2013 using acquisition accounting.

The results of subsidiary undertakings acquired or disposed of during a financial period are included from, or up to, the effective date of an acquisition or disposal.

Going Concern

In determining whether the Group's annual consolidated financial statements can be prepared on a going concern basis, the directors considered the Group's business activities, together with the factors likely to affect its future development, performance and position. The review included the financial position of the Group, its cash flows, liquidity position, borrowing facilities and covenants. The key factors considered by the directors were as follows:

- consideration of detailed forecasts prepared for the 12 month period from the date of approval of the financial statements and the application of sensitivities to those forecasts;
- the implications of the challenging economic environment and future uncertainties on the Group's revenues and profits and its ability to meet financial covenants;
- the impact of the competitive environment within which the Group's businesses operate;
- the potential actions that could be taken in the event that revenues or margins are worse than expected, to ensure that operating profit and cash flows are protected;
- the Group has access to undrawn overdraft facilities and a committed bank facility to meet day to day working capital requirements.

As at the date of this report, the directors have a reasonable expectation that the Company and Group have adequate resources to continue in business for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements. Accordingly, the Annual report and financial statements for the 52 weeks ended 27 July 2013 have been prepared on the going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, Value Added Tax (VAT) and other sales related taxes. Turnover is recognised on delivery of goods and services.

Interest receivable and similar income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

1. ACCOUNTING POLICIES (Continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

No depreciation is provided on freehold land. On other assets it is provided evenly on the cost of the tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Freehold buildings	2%–5%
Leasehold improvements	20%
Leasehold land and buildings	2%–5%
Plant and machinery	6.66%–20%
Fixtures, fittings and equipment	10%–25%
Motor vehicles	10%–25%

Leased assets

Leases are classified as finance leases whenever the terms of the lease involve the substantial transfer of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases and other similar contracts are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of the future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account to produce a constant rate on the capital balance outstanding.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Related party transactions

The Company has taken advantage of the exemption granted under FRS 8 which does not require disclosure of transactions between wholly owned subsidiary undertakings where 100% of the Company's voting rights are controlled within the Group.

Intangible fixed assets—Goodwill

Goodwill arising on acquisition, representing the difference between the cost and the fair value of the net assets acquired in a business combination is capitalised in the period of acquisition and written off over its useful life which is taken as twenty years. Negative goodwill is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale. Provision is made for impairment where appropriate.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

1. ACCOUNTING POLICIES (Continued)

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments

Investments are stated at cost less any provision to reduce the carrying values to their recoverable amounts.

Stocks

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Provision is made for obsolete, slow moving or defective stock where appropriate.

Interest payable and similar charges

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at the effective interest rate applicable on the carrying amount.

The net impact of the unwinding of the discount rate on pension scheme liabilities and the expected return on pension scheme assets is charged/credited to interest payable or interest receivable in the profit and loss account as appropriate.

Capitalisation of debt issue costs

Debt issue costs are netted against the loan finance to which it relates. These costs, together with the interest expense, are allocated to the profit and loss account over the term of the finance facility on a straight line basis.

Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds Sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

(b) Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date, or if appropriate, at the forward contract rate.

1. ACCOUNTING POLICIES (Continued)

(c) Group companies

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences on translation of the opening net assets and results of overseas operations and on foreign currency borrowings, to the extent that they hedge the Group's investment in such operations, are reported in the statement of total recognised gains and losses. All other exchange differences are included in the profit and loss account.

Pension schemes

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit pension scheme

The Group operates a number of defined benefit pension schemes the majority of which are now closed to future benefit accrual. A defined benefit scheme is one where the amount of pension benefit an employee will receive on retirement is dependent on age, years of service and compensation. Under FRS 17, pension scheme assets are measured using fair values. Pension scheme liabilities are valued using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability.

A pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full, net of deferred tax, and presented on the face of the balance sheet. The movement in the scheme surplus/deficit is split between operating and financial items in the profit and loss account and the statement of total recognised gains and losses.

The full service cost of the pension provision is charged to operating profit. The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on the scheme assets is charged/credited to interest payable or interest receivable in the profit and loss account.

Any difference between the expected return on assets and that actually achieved is charged through the statement of total recognised gains and losses. Similarly, any differences that arise from experience or assumption changes are charged through the statement of total recognised gains and losses.

Post retirement healthcare

The Group provides post retirement healthcare benefits to eligible employees who retired before 31 March 1999. The expected cost of this benefit has been computed using an accounting methodology similar to that for defined benefit pension schemes. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised in full in the period in which they occur. They are recognised outside the income statement and presented in the statement of comprehensive income. These obligations are valued annually for the purpose of the financial statements by independent qualified actuaries.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at their present value and at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

1. ACCOUNTING POLICIES (Continued)

Government grants

Government grants in respect of capital expenditure are credited to deferred income and are released to the income statement over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to the income statement so as to match them with the expenditure to which they relate.

Research and development

Research and development costs are expensed in the period which they relate. Costs comprise all directly attributable costs necessary to create and produce new products which are both brand new in design and those being modified. Costs classified as research and development include raw materials, labour costs, artwork origination and market research directly attributable to developing the product.

Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes. The Group does not adopt hedge accounting.

Joint ventures

In the Group financial statements, investments in joint ventures are accounted for using the gross equity method. The consolidated profit and loss account includes the Group's share of the joint venture's profits less losses while the Group's share of the net assets of the joint venture is shown in the consolidated balance sheet.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Dividends

Dividend distributions to the Company's shareholders are recognised in the Group and Company financial statements as follows:

- Final dividend: when approved by the Company's shareholders at the Annual general meeting;
- Interim dividend: when paid by the Company.

2 TURNOVER AND SEGMENTAL INFORMATION

52 weeks ended 27 July 2013	Turnover	Operating profit pre exceptional items	Exceptional items	Operating profit post exceptional items
	£m	£m	£m	£m
Chilled	896.2	23.6	(1.2)	**22.4**
Branded	452.7	16.5	(1.3)	**15.2**
Protein	1,535.7	52.0	(3.9)	**48.1**
	2,884.6	92.1	(6.4)	**85.7**
Unallocated amounts:				
Share of operating profit from joint venture				**0.1**
Exceptional items*				**(19.1)**
Net finance expense before exceptional items				**(79.9)**
Net finance expense—foreign exchange loss on financial instruments				**(21.7)**
Loss before taxation				**(34.9)**
Taxation on ordinary operations				**1.4**
Taxation on share of profit from joint ventures				**—**
Loss for the period after taxation on ordinary operations				**(33.5)**

* Exceptional items of £19.1m relates to Chilled charge of £17.2m and Protein charge of £1.9m.

52 weeks ended 28 July 2012	Turnover	Operating profit pre exceptional items	Exceptional items	Operating profit post exceptional items
	£m	£m	£m	£m
Chilled	793.5	34.1	—	34.1
Branded	462.7	14.6	—	14.6
Protein	1,083.0	59.4	—	59.4
	2,339.2	108.1	—	108.1
Unallocated amounts:				
Share of operating loss from joint venture				(0.4)
Exceptional items**				(3.2)
Net finance expense before exceptional items				(74.1)
Net finance expense—foreign exchange gain on financial instruments				26.5
Profit before taxation				56.9
Taxation on ordinary operations				(14.3)
Taxation on share of loss from joint ventures				(0.1)
Profit for the period after taxation on ordinary operations				42.5

** Exceptional items of £3.2m relates to Chilled credit of £1.6m, Branded charge of £3.3m, Protein charge of £2.4m and unallocated credit of £0.9m.

2 TURNOVER AND SEGMENTAL INFORMATION (Continued)

The following is a reconciliation of EBITDA from operating profit before exceptional items:

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Operating profit	**85.7**	108.1
Exceptional items	**6.4**	—
Share of operating profit/(loss) from joint ventures	**0.1**	(0.4)
Depreciation	**56.0**	53.3
Amortisation of intangible assets	**29.8**	29.3
EBITDA	**178.0**	190.3

Exceptional items are detailed in note 4 to the financial statements.

Intersegmental sales were charged at prevailing market prices. Intersegmental sales were: Chilled £nil (2012: £0.1m), Branded £2.5m (2012: £nil) and Poultry £30.2m (2012: £21.3m).

Other information—52 weeks ended 27 July 2013	Chilled	Branded	Protein	Group
	£m	£m	£m	£m
Depreciation	20.4	16.3	19.3	**56.0**
Impairment of tangible fixed assets	4.3	0.1	—	**4.4**
Amortisation of intangible assets	13.3	9.7	6.8	**29.8**

Other information—52 weeks ended 28 July 2012	Chilled	Branded	Protein	Group
	£m	£m	£m	£m
Depreciation	19.2	16.9	17.2	53.3
Impairment of tangible fixed assets	1.5	1.0	0.5	3.0
Amortisation of intangible assets	13.0	9.7	6.6	29.3

	Assets	Liabilities	27 July 2013 Total	Assets	Liabilities	28 July 2012 Total
	£m	£m	£m	£m	£m	£m
Chilled	446.8	(153.9)	292.9	465.2	(159.2)	306.0
Branded	386.2	(123.9)	262.3	397.5	(130.1)	267.4
Protein	498.5	(274.4)	224.1	367.5	(150.7)	216.8
Operating assets/(liabilities)	**1,331.5**	**(552.2)**	**779.3**	**1,230.2**	**(440.0)**	**790.2**
Unallocated corporate assets:						
Cash at bank and in hand	134.3	—	134.3	144.8	—	144.8
Corporate other receivables	27.1	—	27.1	12.6	—	12.6
Unallocated corporate liabilities:						
Total borrowings	—	(683.3)	(683.3)	—	(660.0)	(660.0)
Overdrafts	—	(1.0)	(1.0)	—	—	—
Retirement benefit obligations	—	(140.3)	(140.3)	—	(170.5)	(170.5)
Deferred taxation liabilities	—	(4.1)	(4.1)	—	(1.0)	(1.0)
Current taxation liabilities	—	(9.5)	(9.5)	—	(19.3)	(19.3)
Corporate other payables	—	(52.3)	(52.3)	—	(24.4)	(24.4)
Total assets/(liabilities)	**1,492.9**	**(1,442.7)**	**50.2**	**1,387.6**	**(1,315.2)**	**72.4**

2 TURNOVER AND SEGMENTAL INFORMATION (Continued)

Geographical analysis	Turnover by destination 52 weeks 2013	Turnover by destination 52 weeks 2012	Turnover by origin 52 weeks 2013	Turnover by origin 52 weeks 2012	Profit/(loss) before tax 52 weeks 2013	Profit/(loss) before tax 52 weeks 2012	Net assets 52 weeks 2013	Net assets 52 weeks 2012
	£m	£m	£m	£m	£m	£m	£m	£m
United Kingdom	2,476.1	1,982.87	2,294.3	1,788.5	(50.0)	52.9	(33.6)	(51.2)
Other European	404.7	354.5	590.3	550.7	15.3	4.3	84.7	124.5
Other	3.8	1.9	—	—	(0.2)	(0.3)	(0.9)	(0.9)
Total	2,884.6	2,339.2	2,884.6	2,339.2	(34.9)	56.9	50.2	72.4

All unallocated costs and assets noted in the segmental reconciliations have been allocated to United Kingdom in the above table, consistent with where the Group's head office is based.

The acquired business from Vion represented £365.2m of turnover both destined and originated in the United Kingdom. The business represents £12.1m of loss before tax and £0.8m of net liabilities disclosed within United Kingdom.

3. COST OF SALES, GROSS PROFIT AND OTHER OPERATING EXPENSES

The table below sets out the results to operating profit split between existing operations, acquisitions and discontinued operations.

52 weeks ended 27 July 2013	Existing operations	Acquisition	Total
	£m	£m	£m
TURNOVER	2,519.4	365.2	2,884.6
Cost of sales	(2,141.3)	(334.3)	(2,475.6)
GROSS PROFIT	378.1	30.9	409.0
Distribution costs	(148.5)	(19.9)	(168.4)
Administrative expenses			
—before exceptional items	(127.9)	(21.7)	(149.6)
—exceptional items	(5.0)	(1.4)	(6.4)
	(131.3)	(24.7)	(156.0)
Other income	1.1	—	1.1
OPERATING PROFIT	97.8	(12.1)	85.7

52 weeks ended 28 July 2012	Existing Operations
	£m
TURNOVER	2,339.2
Cost of sales	(1,966.3)
GROSS PROFIT	372.9
Distribution costs	(134.1)
Administrative expenses	(131.4)
Other income	0.7
OPERATING PROFIT	108.1

There were no exceptional items reported within operating profit in the 52 weeks ended 28 July 2012.

4. EXCEPTIONAL ITEMS

Exceptional items of £25.5m (2012: £3.2m) comprise:

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Exceptional items reported in operating profit		
Costs of acquisition and integration	6.4	—
	6.4	**—**
Exceptional items reported after operating profit		
Loss/(profit) on the sale or termination of an operation	15.7	(1.9)
Costs of fundamental restructuring	1.6	5.1
Loss on disposal of fixed assets	1.8	—
	19.1	**3.2**
Total exceptional items	**25.5**	**3.2**

The costs of acquisition and integration of £6.4m relate to costs incurred in the acquisition/integration of the Vion business in addition to ongoing integration of Northern Foods, Amber, Five Star Fish and Brookes Avana.

The Group closed the operations of the Leicester trading site acquired with Brookes Avana in the last financial period. The total closure cost is £15.7m of which £5.4m relates to redundancy and associated costs and £6.1m relating to the impairment of goodwill and obsolete assets.

In addition, costs of £1.6m have been incurred for fundamental restructuring which relates to changes made to the manufacturing footprint of the business.

The book loss on disposal of fixed assets of £1.8m relates to the disposal of 9 surplus properties during the year.

In the prior reporting period, fundamental restructuring of £5.1m comprise a charge of £10.6m in relation to redundancy costs and costs of integrating infrastructure and IT, net of a curtailment gain of £5.5m on the closure to future benefit accruals of the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme.

The gain of £1.9m on sale of operations in the prior year relates to:

- Gain of £2.2m on the sale of the trade and assets of the non-core activity to the Group of the food assembly operation at Colnbrook near London Heathrow to DHL Supply Chain. The Group continues to supply food to British Airways via DHL on its short haul routes from London Heathrow. The trade and assets were sold for cash proceeds of £5.5m.
- Loss of £0.3m on the sale of a Group subsidiary Northern Foods Insurance Limited for proceeds of £0.9m.

4. EXCEPTIONAL ITEMS (Continued)

The effects of the exceptional items reported after operating profit on the amounts charged to the profit and loss account for taxation and minority interests were:

	Tax on profit on ordinary activities	
	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Tax credit on exceptional items	**4.5**	0.8
Decrease in tax charge to profit and loss account	**4.5**	0.8

The credit of £4.5m relates to £3.2m corporation tax credit (2012: £2.1m) plus a deferred tax credit of £1.3m (2012 charge of £1.3m).

5. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss)/profit on ordinary activities before taxation is arrived at after charging/(crediting):

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Auditors' remuneration for audit services	**0.6**	0.4
Operating lease rentals:		
—hire of plant and machinery	**3.9**	4.7
—other	**6.1**	6.3
Depreciation of tangible fixed assets:		
—owned	**53.6**	46.6
—leased	**2.4**	6.7
Impairment of tangible fixed assets		
—owned (exceptional items)	**4.4**	3.0
Amortisation of goodwill	**29.8**	29.3
Impairment of goodwill	**0.6**	—
Research and development costs	**6.0**	4.4
Government grants	**(1.8)**	(0.6)
Gain on disposals of businesses (exceptional items)	**—**	2.2

5. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Continued)

The analysis of auditor's remuneration is as follows:

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£000	£000
Fees payable to the Company's auditors for the audit of the Company's annual accounts	**33**	30
Audit of the Company's subsidiaries pursuant to legislation	**529**	352
Total audit fees	**562**	382
Tax compliance services	**60**	124
Tax advisory services	**218**	325
Total tax services	**278**	449
Audit related assurance services	**25**	28
Other assurance services	**—**	—
Total assurance services	**25**	28
Corporate finance services	**185**	50
Other non-audit services	**75**	89
Total non audit fees	**563**	616

6. STAFF COSTS

GROUP

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
Average monthly number of employees, including directors:		
Production	**19,764**	12,492
Administration and selling	**3,223**	2,476
	22,987	14,968
	£m	£m
Staff costs, including directors:		
Wages and salaries	**405.3**	309.3
Social security costs	**35.0**	28.0
Pension costs	**8.7**	7.9
	449.0	345.2

In addition to the above, redundancy costs of £5.4m (2012: £4.3m) are included in exceptional items.

COMPANY

The Company does not have any employees (2012: No employees). The directors are remunerated through other group companies. During the period £0.7m (2012: £0.7m) was recharged to the Company in relation to directors.

7. DIRECTORS' REMUNERATION

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Emoluments of Group's directors:		
Salaries, bonuses and benefits	**1.5**	1.2
Compensation for loss of office	**—**	—
Pension costs	**—**	—
	1.5	1.2
Emoluments of highest paid director:		
Salaries, bonuses and benefits	**0.5**	0.5
Compensation for loss of office	**—**	—
Contributions to pension scheme	**—**	—
	0.5	0.5

The directors participate in individual personal pension arrangements to which the Company makes contributions. The pension cost charge represents contributions payable in the period and for 2013 amounted to £47,000 (2012: £38,000), the pension contribution in respect of the highest paid director was £47,000 (2012: £38,000).

Bonuses which are not guaranteed are accruing to the directors based on pre-determined performance targets.

The remuneration committee considered it appropriate to issue awards under an incentive plan (the Growth Securities Ownership Plan (GSOP)) related to growth in EBITDA as defined as operating profit from continued operations before exceptional items, depreciation, amortisation, tax and finance costs. The current incentive plan runs from 28 July 2013 to 1 August 2015.

During the year Lord Allen of Kensington entered into this scheme and the premiums for the GSOP securities and their market value on issue were as follows:

- for the year ended 2 August 2014—£25,000
- for the year ended 1 August 2015—£325,000

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Bank interest	**0.3**	0.2
	0.3	0.2

9. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Before foreign exchange in financial instruments		
Interest on loans and overdrafts	**73.8**	71.6
Interest on finance leases	**0.5**	1.0
Net charge on pension schemes	**5.0**	1.0
Other interest charge	**0.9**	0.7
	80.2	74.3
Foreign exchange on financial instruments		
Exchange loss/(gain)	**21.7**	(26.5)
	101.9	47.8

Foreign exchange on financial instruments arose on the retranslation of the Group's Euro bond funding that was unhedged during the period.

10. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
United Kingdom corporation tax		
Current tax on income for the period	**0.2**	(13.8)
Adjustment in respect of prior periods	**0.7**	1.4
Total	**0.9**	(12.4)
Overseas taxation		
Current tax on income for the period	**(2.5)**	(3.1)
Adjustment in respect of prior periods	**0.5**	0.2
Total	**(2.0)**	(2.9)
Deferred taxation		
Net origination of timing differences	**3.6**	2.6
Adjustment in respect of prior periods	**(1.2)**	2.4
Change in corporation tax rate	**6.5**	4.6
Deferred tax on pension scheme	**(6.4)**	(8.7)
Total	**2.5**	0.9
Current taxation	**(1.1)**	(15.3)
Deferred taxation	**2.5**	0.9
Tax credit/(charge) on (loss)/profit of ordinary activities	**1.4**	(14.4)
Analysed as:		
Tax(charge)/credit on profit/(loss) on ordinary activities	**1.4**	(14.3)
Tax charge on share of profit from joint ventures	**—**	(0.1)

The Finance Act which provides for a reduction in the main rate of corporation tax to 20% effective from 1 April 2015 was substantively enacted on 17 July 2013. This recent change in legislation has been reflected in the deferred tax balances at 27 July 2013. The effect of this rate change is a deferred tax

10. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (Continued)

credit of £6.5m in the year, relating to the retirement benefit obligation. In addition to the credit of £6.5m taken to the profit and loss account, a deferred tax charge of £12.2m was taken to equity relating to the actuarial gains and losses on the retirement benefit assets and obligations. The prior year balances reflected the reduction in the main rate of corporation tax from 25% to 23% as this rate was substantively enacted on 3 July 2012.

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation taxation to the (loss)/profit before tax is as follows:

	52 weeks ended 27 July 2013	52 weeks ended 28 July 2012
	£m	£m
Current tax reconciliation		
(Loss)/profit on ordinary activities before taxation	**(34.9)**	56.9
Standard UK corporation tax rate of 23.67% (2012: 24%)	**8.2**	(13.7)
Effects of:		
—Disallowable expenses	**(8.9)**	(7.2)
—Effect of foreign exchange on financial instruments	**(5.0)**	—
—Depreciation in excess of capital allowances	**(4.8)**	(5.2)
—Losses brought forward	**1.8**	—
—Differences between UK and overseas tax rate	**0.2**	(1.0)
—Other timing differences	**6.2**	10.2
—Adjustment in respect of prior periods	**1.2**	1.6
Current taxation charge	**(1.1)**	(15.3)

11. INTANGIBLE FIXED ASSETS—GOODWILL

Group	Note	£m
Cost		
At 29 July 2012		582.2
Additions	14	8.4
Fair value adjustments	14	3.7
Foreign currency translation		1.6
At 27 July 2013		**595.9**
Amortisation		
At 29 July 2012		47.0
Charge for the period		29.8
Impairment		0.6
Foreign currency translation		0.4
At 27 July 2013		**77.8**
Net book value		
At 27 July 2013		**518.1**
At 28 July 2012		535.2

The fair value adjustments arising from the acquisitions of the Brookes Avana business were finalised in the financial period with adjustments made to the previously published provisional fair values.

11. INTANGIBLE FIXED ASSETS—GOODWILL (Continued)

The analysis of additional goodwill in the year is as follows:

	£m
Acquisitions:	
2 Sisters Red Meat Ltd/2 Sisters Poultry Ltd	8.4
	8.4
Fair value adjustments:	
Brookes Avana	3.7
	3.7

Impairment tests for goodwill

In line with Financial Reporting Standard 10, a first year goodwill impairment review has been performed for the acquisitions made in the prior year. The recoverable amount for each Cash Generating Unit exceeded its carrying value at the impairment test date. The Group has conducted sensitivity analysis based on reasonably possible changes in the key assumptions used for the impairment test. This has not resulted in any impairment of the carrying value of goodwill as at 27 July 2013.

12. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings and leasehold improvements	Leasehold land and buildings	Plant, fixtures and motor vehicles	Total
	£m	£m	£m	£m
Cost				
At 29 July 2012	172.7	19.3	305.0	497.0
Additions	4.2	—	54.7	58.9
Arising on acquisitions	—	—	30.7	30.7
Disposal	(30.4)	—	(31.0)	(61.4)
Translation difference	6.0	—	17.9	23.9
At 27 July 2013	**152.5**	**19.3**	**377.3**	**549.1**
Depreciation				
At 29 July 2012	20.5	0.7	85.0	106.2
Charge for the period	7.5	0.6	47.9	56.0
Impairment charge	—	—	4.4	4.4
Disposal	(24.1)	—	(28.7)	(52.8)
Translation difference	1.4	—	13.8	15.2
At 27 July 2013	**5.3**	**1.3**	**122.4**	**129.0**
Net book value				
At 27 July 2013	**147.2**	**18.0**	**254.9**	**420.1**
At 28 July 2012	152.2	18.6	220.0	390.8

The net book value of the tangible fixed assets includes £11.6m (2012: £13.3m) in respect of assets held under finance leases. Depreciation charged in the period on those assets amounted to £2.4m (2012: £6.7m).

There were £nil fixed assets held by the company (2012: £nil).

13. INVESTMENTS

Group	£m
Cost and net book value	
At 29 July 2012	0.9
Foreign exchange translation	0.1
At 27 July 2013	**1.0**

The total cost and net book value at 27 July 2013 relates to the 26% interest in Noblesse Proteins Investments B.V., a company incorporated in Holland. This investment is carried at cost less any provision for impairment where deemed appropriate.

Company	£m
Cost and net book value	
At 29 July 2012	158.2
Additions	1.0
Impairment of investment	(4.5)
At 27 July 2013	**154.7**

The investment in subsidiary undertakings represents the Company's investment in Boparan Holdings Inc, 2 Sisters Food Group Limited, 2 Sisters Property B.V, BH Acquisitions Limited, Boparan Finance Plc, Amber Foods Limited, Five Star Fish Limited, 2 Sisters Red Meat Limited, 2 Sisters Poultry Limited and 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited).

Provisions for impairment are made where it is deemed the carrying value of investment will not be recovered. The directors consider the value of investments to be supported by their underlying assets and future cash flows.

The Company has impaired the investment in 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited) by £0.8m (2012: £nil) as the operation will cease to be a going concern in the next financial period.

An impairment of £3.7m has been recognised during the period relating to the investment in Boparan Finance Plc. The impairment represents a reduction in value of the investment arising from release of prepaid bond fees.

The parent company and the Group have investments in the following subsidiary undertakings, associates and other investments which principally affected the profits or net assets of the Group. To

13. INVESTMENTS (Continued)

avoid a statement of excessive length, details of investments which are not significant have been omitted.

Company	Principal activity	Country of incorporation
2 Sisters Food Group Limited*	Chicken processing	England
2 Sisters Poultry Limited*	Chicken processing	England
2 Sisters Red Meat Limited*	Red meat processing	England
BH Acquisitions Limited*	Holding company	England
Northern Foods Limited	Food processing	England
Five Star Fish Limited*	Food processing	England
Amber Foods Limited*	Chicken processing	England
Northern Foods Grocery Group Limited	Food processing	England
Solway Foods Limited	Food processing	England
Convenience Foods Limited	Food processing	England
Cavaghan & Gray Limited	Food processing	England
F W Farnsworth Limited	Food processing	England
Green Isle Foods Limited	Food processing	Republic of Ireland
2 Sisters Europe B.V.*	Holding company	Holland
2 Sisters Poland Sp. Z.o.o.	Chicken processing	Poland
2 Sisters Storteboom B.V.	Chicken processing	Holland
2 Sisters Hamrol Sp. Z.o.o.	Chicken processing	Poland
2 Sisters Poultry B.V	Chicken processing	Holland
2 Sisters Holland B.V.	Chicken processing	Holland
TPFC Facilities B.V.	Tray Washing	Holland
Storteboom Agri B.V.	Chicken processing	Holland
Storteboom Kornhorn B.V.	Chicken processing	Holland
Storteboom Fresh B.V.	Chicken processing	Holland
Storteboom Nijkerk B.V.	Chicken processing	Holland
Storteboom Staphorst B.V.	Chicken processing	Holland
Brink Pluimveeprodukten Holding B.V	Chicken processing	Holland
Storteboom Barneveld B.V.	Chicken processing	Holland
Storteboom Food Group B.V.	Chicken processing	Holland
Boparan Finance plc*	Group financing	England

The Company's subsidiary 2 Sisters Europe B.V. owns 96% of the ordinary share capital of 2 Sisters Hamrol Sp. Z.o.o. Other than 2 Sisters Hamrol Sp. Z.o.o. the Company and the Group own 100% of the ordinary share capital and voting rights of all the companies above, whose activities principally affect the profits or net assets of the Group. Companies marked * are directly owned by Boparan Holdings Limited.

13. INVESTMENTS (Continued)

Investment in joint ventures

Group	£m
At 29 July 2012	2.6
Share of joint venture profit/(loss)	0.1
Capital contribution	0.2
Impairment	(0.3)
At 27 July 2013	**2.6**

Company	Principal activity	Country of incorporation
Hook 2 Sisters Limited	Chicken growing	England
2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited)	Chicken processing	India

The Company's subsidiary 2 Sisters Food Group Limited owns 50% of the ordinary share capital of Hook 2 Sisters Limited.

Boparan Holdings Limited owns 50% of the ordinary share capital of 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited).

The amount shown in the consolidated balance sheet represents the amount invested and the Group's share of Hook 2 Sisters Limited's and 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited) post tax profits.

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 8 March 2013 the Group, through Boparan Holdings Limited, acquired 100% of the issued share capital of 2 Sisters Red Meat Limited and 2 Sisters Poultry Limited. The fair value of the total consideration was £37.4 million. Acquisitions are accounted for under the acquisition method.

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

As at 27 July 2013 the fair values assigned to the assets and liabilities acquired are considered provisional. The adjustments are set out in the following table:

	Provisional book value to Group	Fair value adjustments	Accounting policy alignments	Provisional fair value to Group
	£m	£m	£m	£m
Fixed assets				
Tangible	30.7	—	—	**30.7**
Current assets				
Stocks	42.4	—	(3.2)	**39.2**
Debtors	51.6	(0.1)	—	**51.5**
Deferred tax	3.2	—	—	**3.2**
Cash	0.3	—	—	**0.3**
Total assets	128.2	(0.1)	(3.2)	**124.9**
Creditors				
Trade creditors and other payables	(75.4)	(0.7)	—	**(76.1)**
Accruals and deferred income	(19.8)	—	—	**(19.8)**
Total liabilities	(95.2)	(0.7)	—	**(95.9)**
Net assets acquired	33.0	(0.8)	(3.2)	**29.0**
Less purchased goodwill	—	—	—	**—**
Total net assets acquired	33.0	(0.8)	(3.2)	**29.0**
Goodwill	4.4	0.8	3.2	**8.4**
Total consideration				
Satisfied by:				
Cash	36.6	—	—	**36.6**
Directly attributable acquisition costs	0.8	—	—	**0.8**
Total consideration	37.4	—	—	**37.4**
Cash and cash equivalents acquired	0.3	—	—	**0.3**

During the year the acquired entities had turnover of £365.2m and a pre exceptional operating loss of £10.7m. Exceptional items of £1.4m have been incurred by the acquired business relating to costs of acquisition and integration.

The performance of the acquired entities has been disclosed within the Protein segment as disclosed in Note 2.

The acquired companies were formed on the date of acquisition and therefore have no prior year trading.

On 30 December 2011 the Group, through its subsidiary Solway Foods Limited, acquired the Brookes Avana business, consisting of RF Brookes and Avana Bakeries. The fair value of the total cash consideration was £30.6m. Acquisitions are accounted for under the acquisition method. As at 28 July 2012 the fair values assigned to the assets and liabilities acquired were provisional.

During the period ended 27 July 2013 the final working capital adjustments were agreed with an additional cash consideration paid of £5.7m.

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

The total adjustments are set out in the following table:

	Provisional book value	Final settlement	Accounting policy alignments	Revised fair value to Group
	£m	£m	£m	£m
Fixed assets				
Tangible	29.4	—	—	**29.4**
Current assets				
Stocks	10.1	(1.1)	(1.3)	**7.7**
Debtors	22.5	1.0	—	**23.5**
Total assets	62.0	(0.1)	(1.3)	**60.6**
Creditors				
Trade creditors and other payables	(31.4)	2.1	—	**(29.3)**
Total liabilities	(31.4)	2.0	—	**(29.3)**
Net assets acquired	30.6	2.0	(1.3)	**31.3**
Goodwill	0.6	3.7	1.3	**5.6**
Total consideration				
Satisfied by:				
Cash	30.6	5.7	—	**36.3**
Directly attributable acquisition costs	0.6	—	—	**0.6**
Total consideration	31.2	5.7	—	**36.9**
Cash and cash equivalents acquired	—	—	—	**—**

15. STOCKS

	Group	
	27 July 2013	28 July 2012
Stock and WIP	**111.4**	65.6
Packaging and consumables	**41.1**	36.4
	152.5	102.0

The replacement cost of the above stocks would not be significantly different from the values stated.

16. DEBTORS

	Group		Company	
	27 July 2013	28 July 2012	27 July 2013	28 July 2012
	£m	£m	£m	£m
Amounts falling due within one year:				
Trade debtors	**202.1**	168.2	**—**	—
Amounts owed by group undertakings	**—**	—	**783.7**	665.8
Amounts owed by joint ventures	**1.3**	1.3	**—**	—
Other debtors	**46.6**	28.9	**—**	—
Prepayments and accrued income	**14.3**	12.9	**1.0**	1.4
	264.3	211.3	**784.7**	667.2

16. DEBTORS (Continued)

Included within the trade debtors are debts subject to a debt factoring finance arrangement. The analysis of these debtors is outlined below:

	Group		Company	
	27 July 2013	28 July 2012	27 July 2013	28 July 2012
	£m	£m	£m	£m
Gross debtors	**219.5**	168.2	**783.7**	665.8
Amounts factored	**(17.4)**	—	**—**	—
Trade debtors	**202.1**	168.2	**783.7**	665.8

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	27 July 2013	28 July 2012	27 July 2013	28 July 2012
	£m	£m	£m	£m
Obligation under finance leases (note 19)	**3.2**	3.9	**—**	—
Bank overdraft	**1.0**	—	**32.4**	—
Trade creditors	**355.0**	260.0	**—**	—
Amount owed to group undertakings	**—**	—	**150.7**	84.7
Amount owed to joint venture	**31.9**	32.7	**—**	—
Corporation tax	**9.5**	19.3	**2.5**	9.5
Other taxation and social security	**11.7**	9.2	**—**	—
Other creditors	**5.2**	13.0	**—**	0.2
Accruals and deferred income	**168.8**	123.3	**0.2**	0.5
Government grants	**1.2**	0.1	**0.9**	—
	587.5	461.5	**186.7**	94.9

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	27 July 2013	28 July 2012
	£m	£m
Obligations under finance leases (note 19)	**3.4**	6.7
Bond notes (note 19)	**676.7**	649.1
Bank loans (note 19)	**—**	0.3
Accruals and deferred income	**4.7**	3.3
Government grant	**10.5**	7.3
	695.3	666.7

Finance leases are secured over the assets to which they relate.

	Company	
	27 July 2013	28 July 2012
	£m	£m
Amount owed to group undertakings	**693.5**	667.7
Government grant	**3.4**	—
	696.9	667.7

19. BORROWINGS

	Group	
	27 July 2013	28 July 2012
	£m	£m
Bank loans (net of fees)	**—**	0.3
Bond notes (net of fees)	**676.7**	649.1
Obligations under finance leases	**6.6**	10.6
	683.3	660.0
Due within one year	**3.2**	3.9
Due after more than one year	**680.1**	656.1
	683.3	660.0
Bank loans and bond notes:		
Within one year or less or on demand	**—**	—
More than one year but not more than two years	**—**	0.1
More than two years but not more than five years	**676.6**	0.2
More than five years	**0.1**	649.1
	676.7	649.4
Obligations under finance leases:		
Within one year or less or on demand	**3.2**	3.9
More than one year but not more than two years	**2.0**	3.2
More than two years but not more than five years	**1.4**	3.5
	6.6	10.6
Total	**683.3**	660.0

The Company has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. During the year, the Group executed two cross currency swap hedges against 75% of the €340m bond financing to fix the exchange rate on both capital and interest elements of the Euro bond.

There were no drawings under the RCF during the year or at period ended 28 July 2012. Interest on RCF drawings is calculated with reference to LIBOR and EURLIBOR plus applicable margin. In addition, a commitment fee is charged for the undrawn amount. The principal subsidiaries are guarantors to the facilities.

Finance leases are secured over the assets to which they relate.

20. PROVISIONS FOR LIABILITIES

	Provisions	Deferred taxation	Total
	£m	£m	£m
At 29 July 2012	15.5	1.0	16.5
Amounts arising on acquisition	—	(3.1)	(3.1)
Current period (credit)/charge to profit and loss account			
—exceptional	15.8	(1.9)	13.9
—non exceptional	(0.1)	(1.7)	(1.8)
Prior period (credit)/charge to profit and loss account			
—exceptional	—	—	—
—non exceptional	—	1.9	1.9
Utilised in the period			
—exceptional	(16.5)	—	(16.5)
—non exceptional	(0.1)	—	(0.1)
Foreign exchange movement	0.2	0.1	0.3
Reclassification from accruals	0.7	—	0.7
Adjustment due to rate change—profit and loss account	—	1.0	1.0
Net transfer of provisions from corporation tax	—	6.8	6.8
At 27 July 2013	**15.5**	**4.1**	**19.6**

Deferred taxation	27 July 2013	28 July 2012
	£m	£m
Accelerated capital allowances	**5.5**	4.8
Other short term timing differences	**(1.4)**	(3.8)
	4.1	1.0

Provisions of £15.5m (2012: £15.5m) comprise:

- exceptional provisions of £6.0m (2012: £7.2m) largely relate to the restructuring of the Group's operations and are expected to be utilised in the next 12 months. Further analysis of exceptional costs incurred during the financial period are analysed at note 4 to the financial statements.
- non-exceptional provisions of £9.5m (2012: £8.3m) largely relate to onerous property lease and associated costs, long term incentive plans and potential employer liability claims. These provisions are materially expected to be utilised in greater than 12 months.

The Group has an unrecognised deferred tax asset of £30.7m (2012: £34.0m) in respect of capital losses carried forward as at 27 July 2013. No deferred tax has been provided on capital losses totalling £153.3m at 27 July 2013 (2012: £151.9m) as it is uncertain when these losses will be utilised against future taxable gains. The movement on unprovided deferred tax during the period results from the effects of capital losses arising in the period and the treatment of revaluation reserves.

21. SHARE CAPITAL

	27 July 2013	28 July 2012
	£m	£m
Authorised, allotted and fully paid	—	—

The nominal value of the share capital issued at the end of the period was £7,000 (2012: £7,000).

21. SHARE CAPITAL (Continued)

The classes of ordinary share capital in issue at the year end are 500,800 ordinary (1) shares of £0.01 each, 2 ordinary (2) shares of £0.01 each, 12,316 ordinary (3) shares of £0.01 each, 225,799 ordinary (4) shares of £0.01 each, 20,527 ordinary (5) shares of £0.01 each and 13,548 ordinary (6) shares of £0.01 each.

	No: of shares	Nominal value	Price paid	Issued share capital	Share premium
				£m	£m
Ordinary (2) shares of £0.01 each	2	£0.01	£487.16	—	—
Ordinary (3) shares of £0.01 each	12,316	£0.01	£487.17	—	6.0
Ordinary (4) shares of £0.01 each	225,799	£0.01	£487.15	—	110.0
Ordinary (5) shares of £0.01 each	20,527	£0.01	£487.16	—	10.0
Ordinary (6) shares of £0.01 each	13,548	£0.01	£487.16	—	6.6
				—	**132.6**

All tranches of ordinary shares issued have voting rights and the right to full participation in any dividends and returns of capital.

22. RESERVES

	Share premium account	Profit and loss account
	£m	£m
Group		
At 28 July 2012	132.6	(60.7)
Loss for the financial period	—	(33.7)
Pension scheme—actuarial loss	—	21.0
Pension scheme—deferred tax on actuarial loss	—	(5.8)
Deferred tax attributable to taxation rate change	—	(12.2)
Other tax	—	1.0
Exchange difference arising on consolidation of overseas subsidiaries	—	7.3
At 27 July 2013	**132.6**	**(83.1)**

	Share premium account	Profit and loss account
	£m	£m
Company		
At 28 July 2012	132.6	(9.9)
Loss for the financial period	—	(17.9)
At 27 July 2013	**132.6**	**(27.8)**

The loss for the financial period dealt with in the financial statements of the parent company was £17.9m (2012: profit £24.2m). As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

23. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	27 July 2013 £m	28 July 2012 £m
Group		
(Loss)/profit for the financial period	**(33.7)**	42.3
Retained (loss)/profit for the period	**(33.7)**	42.3
Other recognised gains and losses relating to the period	**11.3**	(136.6)
Opening shareholders' funds	**71.9**	166.2
Closing shareholders' funds	**49.5**	71.9

24. MINORITY INTERESTS

	27 July 2013 £m	28 July 2012 £m
Group		
Opening minority interest	**0.5**	0.3
Profit on ordinary activities	**0.2**	0.2
Closing minority interest	**0.7**	0.5

25. FINANCIAL COMMITMENTS

Capital commitments

There were capital commitments of £5.9m at 27 July 2013 (2012: £2.8m) provided for at the year end and £5.7m (2012: £0.3m) capital commitments contracted for but not provided for.

Operating lease commitments

The payments which the Group is committed to make in the next period under operating leases are as follows:

	27 July 2013 £m	28 July 2012 £m
Land and buildings leases expiring:		
Within one year	**0.5**	0.3
Two to five years	**1.8**	1.9
Over five years	**2.3**	0.3
	4.6	2.5
Other leases expiring:		
Within one year	**1.9**	0.6
Two to five years	**3.3**	1.0
Over five years	**0.1**	0.1
	5.3	1.7

26. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	27 July 2013	28 July 2012
	£m	£m
Operating profit from continuing operations	**85.7**	108.1
Depreciation	**56.0**	53.3
Amortisation of goodwill	**29.8**	29.3
Impairment of plant & machinery	**—**	0.5
Loss on disposal of plant & machinery	**0.3**	—
(Decrease)/increase in provisions (excluding provisions acquired)	**(0.8)**	0.4
Payments made to defined benefit pension schemes	**(30.2)**	(27.8)
Grants and other non cash movements	**(1.9)**	1.6
Increase in stocks	**(10.3)**	(1.2)
Decrease in debtors	**15.2**	13.0
Increase in creditors	**23.9**	82.9
Cash impact of fundamental restructuring	**(17.1)**	(6.3)
Net cash inflow from operating activities	**150.6**	253.8

The cash impact of fundamental restructuring of £17.1m (2012: £6.3m) includes £7.3m of cash payable primarily relating to closure of the Leicester trading site.

27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	27 July 2013	28 July 2012
	£m	£m
(Decrease)/increase in cash (net of overdrafts)	(15.0)	91.7
Cash acquired with subsidiary	0.3	—
Cash inflow from debt and lease financing	4.3	4.1
Change in net debt resulting from cash flows	(10.4)	95.8
Loans acquired with subsidiary	—	(0.5)
Effect of foreign exchange rates	(22.5)	26.0
Movement in net debt	(32.9)	121.3
Net debt brought forward	(533.8)	(655.1)
Net debt carried forward	(566.7)	(533.8)

28. ANALYSIS OF NET DEBT

	28 July 2012	Cash flow	Acquisitions and disposals	Other movements	Foreign exchange	27 July 2013
	£m	£m	£m	£m	£m	£m
Cash balances (net of overdrafts)	144.8	(15.0)	0.3	—	3.3	**133.4**
Debt due within one year	—	—	—	—	—	**—**
Debt due after more than one year	(649.4)	0.4	—	(3.4)	(24.2)	**(676.6)**
Finance leases	(10.6)	3.9	—	—	—	**(6.7)**
Total debt	(660.0)	4.3	—	(3.4)	(24.2)	**(683.3)**
Prepayment of bond fees	(18.6)	—	—	3.4	(1.6)	**(16.8)**
Net debt	(533.8)	(10.7)	0.3	—	(22.5)	**(566.7)**

28. ANALYSIS OF NET DEBT (Continued)

Management define net debt as the net of borrowings including finance leases less cash balances. The other movement of £3.4m on debt due after more than one year relates to amortisation of the prepayment of bond fees. In the balance sheet, the bond balance is shown net of the prepaid bond fees. Management monitor and view the net debt figure excluding prepaid fees and so it is added back into net debt in the table above.

The cash receipt of £0.3m relating to acquisitions was transferred into the Group through the acquisition of 2 Sisters Red Meat Ltd and 2 Sisters Poultry Ltd.

During the period the Group entered into finance lease agreements with a capital value at the inception of the lease of £0.1m (2012: £0.1m).

	31 July 2011	Cash flow	Acquisitions and disposals	Other movements	Foreign exchange	28 July 2012
	£m	£m	£m	£m	£m	£m
Cash balances net of overdrafts	57.0	91.7	—	—	(3.9)	144.8
Debt due within one year	—	—	—	—	—	—
Debt due after more than one year	(673.1)	0.2	(0.5)	(3.6)	27.6	(649.4)
Finance leases	(14.5)	3.9	—	—	—	(10.6)
Total debt	(687.6)	4.1	(0.5)	(3.6)	27.6	(660.0)
Prepayment of bond fees	(24.5)	—	—	3.6	2.3	(18.6)
Net debt	(655.1)	95.8	(0.5)	—	26.0	(533.8)

The other movement of £3.6m on debt due after more than one year relates to amortisation of the prepayment of bond fees. The acquisitions debt acquired of £0.5m represents the bank loans greater than one year acquired as part of the acquisition of Branderhorst Freshfood B.V.

During the period the Group entered into finance lease agreements with a capital value at the inception of the lease of £0.1m.

29. ACQUISITIONS

The table below details the cashflow movements as a result of acquisitions in the period.

	27 July 2013	28 July 2012
	£m	£m
Purchase of subsidiary undertakings	**(37.4)**	(31.7)
Net cash acquired	**0.3**	—
	(37.1)	(31.7)

30. PENSION ARRANGEMENTS

DEFINED CONTRIBUTION SCHEMES

The Group contributes to defined contribution schemes for all qualifying employees. The total cost charged to income of £9.2m (2012: £5.5m) represents contributions payable to these by the Company at rates specified in the rules of the plans. At 27 July 2013 contributions of £0.1m (2012: £0.1m) due in respect of the current reporting period had not been paid over to the schemes.

30. PENSION ARRANGEMENTS (Continued)

DEFINED BENEFIT SCHEMES

The Group operates a number of defined benefit schemes for qualifying employees, principally the Northern Foods Pension Scheme, Northern Foods Pension Builder and the Lloyd Maunder Limited Retirement Benefit and Life Assurance Scheme in the United Kingdom, the Green Isle Foods Group Retirement and Death Benefit Plan (the Plan) in the Republic of Ireland and 2 Sisters Holland B.V pension arrangements in The Netherlands. Under the Schemes, the Pension Builder and the Plan, employees are entitled to retirement benefits based on pay and service. The Schemes, Pension Builder and the Plan are funded schemes whilst the Group's Post retirement medical benefit scheme is unfunded. The Schemes and the Plan are final salary schemes. The assets of all the Schemes, the Pension Builder and the Plan are held in trustee administered funds separate from the finances of the Group.

The Northern Foods Pension Scheme, Pension Builder and Green Isle Foods Group Retirement and Death Benefit Plan are closed to new entrants. Pension Builder is a defined benefit scheme based on the career average principle.

The Northern Foods Pension Scheme and Northern Foods Pension Builder Scheme were both closed to future accrual with effect from, 1 November 2011. A similar proposal became effective for the Green Isle pension scheme from 31 October 2012 which broke the link to salaries.

The most recent actuarial valuations of the defined benefit schemes for the purpose of the financial statements and the present value of defined benefit obligations were carried out at 27 July 2013 by independent qualified actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost was measured using the projected unit credit method.

It has been deemed appropriate by management to aggregate all pension schemes together in the disclosure notes below. Funding plans agreed to reduce the deficit (principally relating to the Northern Foods Limited schemes) are discussed later in this note. Principal assumptions and sensitivity analysis is disclosed for the Northern Foods Pension Scheme only on the basis that there are no significant differences between the assumptions used for the other schemes.

The principal assumptions used for the actuarial valuations of the Schemes were:

	27 July 2013	28 July 2012
Rate of increase in salaries	**n/a**	n/a
Inflation assumption	**3.2%**	2.5%
Discount Rate	**4.5%**	4.4%
Rate of increase in pension payments	**3.0%**	2.5%
Mortality	**CMI_2009**	CMI_2009

The mortality assumptions used are based on mortality experience of the schemes and anticipated mortality experience. The Group has adopted the SAPS All base tables with scaling factors appropriate for each section of the membership with the core CMI 2009 projections with a long-term rate of improvement of 0.5% per annum to reflect a detailed mortality study completed by the Trustees.

The life expectancy in years for a member aged 65 is as follows:

		27 July 2013	28 July 2012
		(years)	(years)
Current pensioner	—male	**20.7**	20.6
	—female	**22.4**	22.3
Future pensioner	—male	**21.0**	21.0
	—female	**23.3**	23.3

30. PENSION ARRANGEMENTS (Continued)

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at each balance sheet date were:

	%	27 July 2013	%	28 July 2012
		£m		£m
Equities	**7.0**	**609.3**	6.1	549.4
Bonds	**4.5**	**11.5**	4.4	10.9
Cash	**3.4**	**0.2**	2.6	0.1
Derivative Instruments	**3.7**	**243.3**	3.2	221.0
Other	**0.5**	**12.4**	0.5	11.5
Total fair value of assets		**876.7**		792.9
Present value of scheme liabilities		**(1,051.3)**		(1,013.9)
Pension scheme liability		**(174.6)**		(221.0)
Deferred tax asset		**34.3**		50.5
Net pension scheme liability		**(140.3)**		(170.5)

If life expectancy is increased or decreased by one year, liabilities are estimated to increase or decrease by £30m respectively. The impact of a 0.1% increase or decrease in the discount rate would decrease or increase liabilities by £18m respectively. The impact of a 0.1% increase or decrease in inflation rate would decrease or increase liabilities by £8m respectively.

The expected return on return seeking assets is set with reference to Fixed Interest Gilt Yields (which yielded 2.12% at 28 July 2012 and 2.94% at 27 July 2013), implying an ''equity'' risk premium of 4% pa which is consistent in both years. The expected return on collateral pool assets is the rate available on a 20 year swap curve adjusted by 0.5% to reflect the out the collateral pool which is consistent with the prior year.

Post retirement medical benefit scheme

Until 31 March 1999, Northern Foods Limited operated a post retirement medical benefit scheme. The method of accounting, assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes detailed above. The main actuarial assumptions are the underlying medical cost inflation of 5.2% per annum (2012: 4.5%) and the discount rate of 4.5% per annum (2012: 4.4%).

If the assumed rate of underlying medical cost inflation increased or decreased by 0.1% per annum then the valuation of the liabilities is estimated to increase or decrease by less than £0.1m (2012: less than £0.1m) respectively.

Amounts recognised in the income statement in respect of the Group's defined benefit schemes and post employment medical benefit scheme are as follows:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	27 July 2013	28 July 2012	27 July 2013	28 July 2012	27 July 2013	28 July 2012
	£m	£m	£m	£m	£m	£m
Current service cost	**0.2**	1.4	**—**	—	**0.2**	1.4
Interest on obligation	**43.5**	46.7	**0.1**	0.2	**43.6**	46.9
Expected return on scheme assets	**(38.6)**	(45.9)	**—**	—	**(38.6)**	(45.9)
Curtailment gain	**(0.8)**	(5.5)	**—**	—	**(0.8)**	(5.5)
Charge/(credit) to profit and loss account	**4.3**	(3.3)	**0.1**	0.2	**4.4**	(3.1)

30. PENSION ARRANGEMENTS (Continued)

A curtailment gain of £0.8m has been reported within administrative costs in relation to the closure to future accrual in October 2012 for the Green Isle scheme (2012: £5.5m on the closure of the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme reported below operating profit).

The current service cost for the period has been included within cost of sales £0.2m (2012: £1.2m), distribution costs £nil (2012: £0.1m) and administrative expenses £nil (2012: £0.1m).The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on the scheme assets has been charged to interest payable.

Actuarial gains and losses have been reported in the statement of total recognised gains and losses. The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS 17 is a loss of £143.2m (2012: loss of £164.2m).

The actual return on scheme assets was £12.3m (2012: £25.6m).

Amounts recognised in the consolidated balance sheet in respect of the Group's defined benefit schemes and post retirement medical benefit scheme are as follows:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	27 July 2013	28 July 2012	27 July 2013	28 July 2012	27 July 2013	28 July 2012
	£m	£m	£m	£m	£m	£m
Present value of obligations	**(1,049.3)**	(1,011.6)	**(2.0)**	(2.3)	**(1,051.3)**	(1,013.9)
Fair value of scheme assets	**876.7**	792.9	**—**	—	**876.7**	792.9
	(172.6)	(218.7)	**(2.0)**	(2.3)	**(174.6)**	(221.0)
Deferred taxation	**33.9**	50.0	**0.4**	0.5	**34.3**	50.5
Net pension liability	**(138.7)**	(168.7)	**(1.6)**	(1.8)	**(140.3)**	(170.5)

Changes in the present value of the scheme liabilities:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	27 July 2013	28 July 2012	27 July 2013	28 July 2012	27 July 2013	28 July 2012
	£m	£m	£m	£m	£m	£m
Scheme liabilities at start of period	**1,011.6**	876.2	**2.3**	2.9	**1,013.9**	879.1
Employer share of benefits accruing*	**0.2**	2.2	**—**	—	**0.2**	2.2
Interest on pension scheme liabilities	**43.5**	46.7	**0.1**	0.2	**43.6**	46.9
Benefits paid	**(38.2)**	(38.7)	**(0.4)**	(0.3)	**(38.6)**	(39.0)
Contributions by employees	**—**	0.5	**—**	—	**—**	0.5
Actuarial losses/(gains) on liabilities	**30.5**	132.5	**—**	(0.5)	**30.5**	132.0
Curtailment gain	**(0.8)**	(5.5)	**—**	—	**(0.8)**	(5.5)
Exchange	**2.5**	(2.3)	**—**	—	**2.5**	(2.3)
Scheme liabilities at period end	**1,049.3**	1,011.6	**2.0**	2.3	**1,051.3**	1,013.9

* Including notional contributions under pay exchange.

30. PENSION ARRANGEMENTS (Continued)

Changes in fair value of the scheme assets

	Defined benefit schemes	
	27 July 2013	**28 July 2012**
	£m	**£m**
Scheme assets at start of the period	**792.9**	779.5
Expected return on scheme assets	**38.6**	45.9
Contributions by the employer	**30.2**	27.8
Contributions by employees	**—**	0.5
Benefits paid	**(38.1)**	(38.7)
Actuarial (loss)/gain on scheme assets	**51.5**	(20.3)
Exchange	**1.6**	(1.8)
Fair value of scheme assets at the period end	**876.7**	792.9

Contributions by the employer of £30.2m (2012: £27.8m) include £1.1m (2012: £1.6m) employer contributions, £nil (2012: £0.8m) notional contributions under pay exchange, £25.5m (2012: £21.0m) special pension contributions, £2.1m (2012: £2.9m) PPF levy and £1.5m (2012: £1.5m) in respect of future administrative expense.

History of experience adjustments:

	27 July 2013	**28 July 2012**	**30 July 2011**	**31 July 2010**	**1 August 2009**
	£m	**£m**	**£m**	**£m**	**£m**
Fair value of scheme assets	**876.7**	792.9	779.5	8.6	7.4
Present values of scheme liabilities	**(1,051.3)**	(1,013.9)	(879.1)	(9.3)	(8.0)
Deficit in the scheme	**(174.6)**	(221.0)	(99.6)	(0.7)	(0.6)
Experience losses on scheme liabilities	**—**	—	—	—	(0.2)
Experience gains/(losses) on scheme assets	**51.5**	(20.3)	4.7	0.7	—

The Group have agreed to make payments in respect of shortfall, funding at a rate of £15.0m per annum for a ten year period to 30 April 2021. The levels of contributions are based on the current service cost and the expected future cash flows of the defined benefit scheme.

The annuities will mature over an 18 year period.

31. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption under FRS 8 'Related Party Disclosures' and has not disclosed transactions or balances between Group undertakings that have been eliminated on consolidation.

The Group incurred rental charges of £3.5m (2012: £2.6m) and associated service charges of £0.2m (2012: £nil) from Amber Real Estate Investment Limited, a related party by virtue of common ownership. At the period end the total creditor outstanding was £0.2m (2012: £nil).

The Group incurred rental charges of £1.0m (2012: £nil) from 2 Agriculture Limited, a related party by virtue of common ownership. Total purchases by the Group from 2 Agriculture Limited during the period were £121.1m (2012: £nil). At the period end the total creditor outstanding was £18.3m (2012: £nil).

The Group sales to Noblesse Proteins Investments B.V., a company in which the Group holds a 26% interest, were £0.8m for the year. At the end of the year there was an outstanding loan balance of £0.3m and outstanding trade receivables of £0.1m.

31. RELATED PARTY TRANSACTIONS (Continued)

The Group sales to Booker Group plc, a related party by virtue of a common non executive director, were £2.2m for the year (2012: £1.2m). At the end of the year there were outstanding trade receivables of £0.3m.

The Group donated to The Boparan Charitable Trust, a related party by virtue of a common ownership, £0.1m for the year.

Hook 2 Sisters is a related party by virtue of the Group's 50% investment in the company. The loan made to Hook 2 Sisters Limited of £1.3m was repayable on 9 February 2013 however remains outstanding at the period ended 27 July 2013. Total purchases by the Group from Hook 2 Sisters Limited during the period were £373.9m (2012: £330.6m). At the period end the total creditor outstanding was £32.9m (2012: £32.7m).

During the year a subsidiary of the Group, 2 Sisters Food Group Limited, also traded with Storteboom Hamrol Sp. Z o.o, of which Boparan Holdings Limited indirectly owns 96%. 2 Sisters Food Group Limited made purchases of £1.2m (2012: £6.1m). At the period end there was an outstanding balance of £nil (2012: £0.1m).

During the year, Lord Allen of Kensington took a loan in relation to his participation in the Growth Securities Ownership Plan of which £350,000 was outstanding at the period end.

The Group also generated £3.0m in cash from the disposal of 9 surplus sites to Amber Real Estate Investment Limited and the surrender of an onerous long term lease. The sales proceeds received were equivalent to the estimated market value of the combined portfolio (based on the sale of sites as industrial development land) less the cost of the onerous lease. In addition to the current year cash inflow of £3.0m, the disposal of the surplus properties will also generate annual cash cost savings of £0.7m and the Group has retained the right to a 25% profit share on one of the properties if it is resold in the future.

32. CONTINGENT LIABILITIES

Boparan Holdings Limited and other Group subsidiary companies are guarantors in respect of the Senior Notes due April 2018, whereby they absolutely and unconditionally guarantee the principal and interest on the Senior loan notes.

The same companies are cross guarantors in respect of the five year £40m Revolving credit facility.

Northern Foods Limited is the guarantor in respect of the obligations of several subsidiary undertakings with Allied Irish Bank. As at 27 July 2013 Northern Foods Limited guaranteed £nil (2012: £nil).

33. SUBSEQUENT EVENTS

On 14 October 2013 the Group announced the closure of Haughley Park, poultry cooking site. It has not yet been possible to quantify the full anticipated effect of this proposal.

34. DERIVATIVES NOT INCLUDED AT FAIR VALUE

Within subsidiaries the Group has derivatives which are not included at fair value in the accounts:

	Currency	Fair value 2013	Fair value 2012
		£m	£m
Forward foreign exchange contracts to sell	PLN	**—**	0.2
Forward foreign exchange contracts to sell	GBP	**0.1**	(0.3)
Cross currency swap attached to euro denominated Loan Notes	EUR	**(3.7)**	—
Forward foreign exchange contracts to sell	EUR	**0.6**	(0.7)

34. DERIVATIVES NOT INCLUDED AT FAIR VALUE (Continued)

The Company has derivatives which are not included at fair value in the accounts:

	Currency	Fair value 2013	Fair value 2012
		£m	£m
Intra group cross currency swap	EUR	**(49.3)**	—
Intra group cross currency swap	EUR	**38.8**	—
Cross currency swap attached to euro denominated Loan Notes	EUR	**(3.7)**	—

The Group and company uses the derivatives to hedge its exposure to changes in foreign currency exchange rates and to manage it exposure to interest rate movements on its bank borrowings. The fair values are based on market values of equivalent instruments at the balance sheet date.

35. ULTIMATE CONTROLLING PARTY

Boparan Midco Limited is the immediate parent of the Group and RS Boparan and BK Boparan are the ultimate controlling parties. Boparan Holdco Limited is the smallest and largest group into which the Group is consolidated. Copies of the Group financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOPARAN HOLDINGS LIMITED

We have audited the financial statements of Boparan Holdings Limited for the period ended 28 July 2012 which comprise the Consolidated Profit and Loss account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 36. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 28 July 2012 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark Doleman FCA, (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK

29 October 2012

BOPARAN HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Period ended 28 July 2012

	Note	52 weeks ended 28 July 2012 £m	52 weeks ended 30 July 2011 Restated* £m
TURNOVER	2, 3		
Existing operations		**2,243.9**	1,376.1
Acquisitions		**95.3**	—
Continuing operations		**2,339.2**	1,376.1
Cost of sales			
—before exceptional items		**(1,966.3)**	(1,201.8)
—exceptional items	3	**—**	(0.9)
	3	**(1,966.3)**	(1,202.7)
GROSS PROFIT	3	**372.9**	173.4
Distribution costs		**(134.1)**	(77.6)
Administrative expenses		**(131.4)**	(56.1)
Other Income		**0.7**	2.4
OPERATING PROFIT	3		
—Existing operations before exceptional items		**110.5**	43.0
—Exceptional items		**—**	(0.9)
—Acquisitions		**(2.4)**	—
		108.1	42.1
Exceptional items	4	**(3.2)**	(28.6)
Share of operating (loss)/profit from joint ventures		**(0.4)**	—
Interest receivable and similar income	8	**0.2**	1.5
Interest payable and similar charges	9		
—before exceptional items		**(74.3)**	(26.7)
—foreign exchange on financial instruments		**26.5**	(0.8)
—exceptional items	4	**—**	(11.2)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	**56.9**	(23.7)
Tax on profit/(loss) on ordinary activities	10	**(14.3)**	4.6
Tax on share of (loss)/profit from joint ventures	10	**(0.1)**	(0.1)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		**42.5**	(19.2)
Equity Minority Interest	24	**(0.2)**	(0.1)
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		**42.3**	(19.3)

All amounts in the current and prior periods relate to continuing activities.

* The prior year figures for the 52 weeks ended 30 July 2011 have been restated for a presentational change in the consolidated profit and loss account for the reclassification of the foreign exchange loss of £0.8m on the bond from within operating profit to interest payable and similar charges. The impact of this adjustment on profit for that financial period is £nil.

BOPARAN HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Period ended 28 July 2012

	Note	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
		£m	£m
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		**42.3**	(19.3)
Actuarial loss relating to the pension schemes	22, 23, 30	**(152.3)**	(11.5)
Deferred tax attributable to actuarial loss	22, 23	**37.9**	3.0
Deferred tax attributable to taxation rate change	22, 23	**(8.6)**	(2.9)
Currency translation differences on foreign currency net investments	22, 23	**(13.6)**	0.9
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD		**(94.3)**	(29.8)

BOPARAN HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET

28 July 2012

	Note	28 July 2012	30 July 2011
		£m	£m
FIXED ASSETS			
Goodwill	11	**535.2**	555.4
Tangible fixed assets	12	**390.8**	400.9
Investment	13	**0.9**	1.0
Investment in joint venture	13	**2.6**	2.6
		929.5	959.9
CURRENT ASSETS			
Stocks	15	**102.0**	94.3
Debtors due within one year	16	**211.3**	208.9
Cash at bank and in hand		**144.8**	57.0
		458.1	360.2
CREDITORS: amounts falling due within one year	17	**(461.5)**	(363.5)
NET CURRENT LIABILITIES		**(3.4)**	(3.3)
TOTAL ASSETS LESS CURRENT LIABILITIES		**926.1**	956.6
CREDITORS: amounts falling due after more than one year	18	**(666.7)**	(693.7)
PROVISIONS FOR LIABILITIES	20	**(16.5)**	(22.4)
NET ASSETS EXCLUDING PENSION LIABILITY		**242.9**	240.5
Net pension scheme deficit	30	**(170.5)**	(74.0)
NET ASSETS		**72.4**	166.5
CAPITAL AND RESERVES			
Called up share capital	21	**—**	—
Share premium account	21, 22	**132.6**	132.6
Profit and loss account	22	**(60.7)**	33.6
SHAREHOLDERS' FUNDS	23	**71.9**	166.2
Minority Interests	24	**0.5**	0.3
TOTAL CAPITAL EMPLOYED		**72.4**	166.5

These financial statements were approved by the Board of Directors and authorised for issue on 29 October 2012.

Signed on behalf of the Board of Directors

S Henderson
Director
Company Number 03558065

BOPARAN HOLDINGS LIMITED

COMPANY BALANCE SHEET

28 July 2012

	Note	28 July 2012	30 July 2011
		£m	£m
FIXED ASSETS			
Investments	13	158.2	161.5
CURRENT ASSETS			
Debtors due within one year	16	667.2	666.9
Cash at bank and in hand		59.9	20.5
		727.1	687.4
CREDITORS: amounts falling due within one year	17	(94.9)	(750.4)
NET CURRENT ASSETS/(LIABILITIES)		632.2	(63.0)
TOTAL ASSETS LESS CURRENT LIABILITIES		790.4	98.5
CREDITORS: amounts falling due after more than one year	18	(667.7)	—
NET ASSETS		122.7	98.5
CAPITAL AND RESERVES			
Called up share capital	21	—	—
Share Premium	21, 22	132.6	132.6
Profit and loss account	22	(9.9)	(34.1)
SHAREHOLDERS' FUNDS		122.7	98.5

These financial statements were approved by the Board of Directors and authorised for issue on 29 October 2012.

Signed on behalf of the Board of Directors

S Henderson
Director
Company Number 03558065

BOPARAN HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

Period ended 28 July 2012

	Note	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
		£m	£m
Net cash inflow from operating activities	26	253.8	59.2
Returns on investments and servicing of finance			
Interest received		0.2	0.2
Interest paid		(71.5)	(18.5)
Interest element of finance lease payments		(1.0)	(0.6)
		(72.3)	(18.9)
Taxation			
Corporation tax paid		(22.4)	(14.8)
Capital expenditure and financial investment			
Payments for tangible fixed assets		(30.6)	(46.1)
Receipts for tangible fixed assets		0.2	0.9
Investment in Joint Venture		(0.2)	(0.4)
		(30.6)	(45.6)
Acquisitions			
Acquisitions and disposals (including directly attributable acquisition costs)	29	(31.7)	(298.6)
Payments of deferred consideration		(1.0)	(1.3)
Cash outflows for acquisitions		(32.7)	(299.9)
Equity dividends paid		—	(16.7)
Net cash inflow/(outflow) before financing		95.8	(336.7)
Financing			
Capital element of finance leases acquired net of finance lease payments		(3.9)	4.3
Bank loans and bonds raised net of loans repaid	28	(0.2)	353.7
Issue of ordinary share capital		—	6.6
		(4.1)	364.6
Increase in cash in the period	27, 28	91.7	27.9

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently throughout the period and the preceding period.

The prior year figures for the 52 weeks ended 30 July 2011 have been restated for a presentational change in the consolidated profit and loss account for the reclassification of the foreign exchange loss of £0.8m on the bond from within operating profit to interest payable and similar charges. The impact of this adjustment on profit for that financial period is £nil.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The Group financial statements consolidate the financial statements of the company and all of its subsidiary undertakings at 28 July 2012 using acquisition accounting.

The results of subsidiary undertakings acquired or disposed of during a financial period are included from, or up to, the effective date of an acquisition or disposal. Goodwill, representing the difference between the cost and the fair value of the net assets is capitalised in the period of acquisition in respect of subsidiary undertakings acquired using acquisition accounting and written off over its useful life of twenty years. Negative goodwill is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale.

Going Concern

In determining whether the Group's annual consolidated financial statements can be prepared on a going concern basis, the directors considered the Group's business activities, together with the factors likely to affect its future development, performance and position. The review included the financial position of the Group, its cash flows, liquidity position, borrowing facilities and covenants. The key factors considered by the directors were as follows:

- consideration of detailed forecasts prepared for the 12 month period from the date of approval of the financial statements and the application of sensitivities to those forecasts;
- the implications of the challenging economic environment and future uncertainties on the Group's revenues and profits and its ability to meet financial covenants;
- the impact of the competitive environment within which the Group's businesses operate;
- the potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected;
- the Group has access to undrawn overdraft facilities and a committed bank facility to meet day to day working capital requirements.

As at the date of this report, the directors have a reasonable expectation that the Company and Group have adequate resources to continue in business for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements. Accordingly, the Annual report and financial statements for the 52 weeks ended 28 July 2012 have been prepared on the going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, Value Added Tax (VAT) and other sales related taxes.

1. ACCOUNTING POLICIES (Continued)

Interest receivable and similar income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

The net impact of the unwinding of the discount rate on pension scheme liabilities and the expected return on scheme assets is charged/credited to interest payable or interest receivable in the profit and loss account as appropriate.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

No depreciation is provided on freehold land. On other assets it is provided evenly on the cost of the tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Freehold buildings	2%–5%
Leasehold improvements	20%
Leasehold land and buildings	2%–5%
Plant and machinery	6.66%–20%
Fixtures, fittings and equipment	10%–25%
Motor vehicles	10%–25%

Leased assets

Leases are classified as finance leases whenever the terms of the lease involve the substantial transfer of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance lease are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Related party transactions

The company has taken advantage of the exemption granted under FRS 8 which does not require disclosure of transactions between subsidiary undertakings where 100% of the company's voting rights are controlled within the Group.

Intangible fixed assets—Goodwill

Goodwill arising on acquisition, representing the difference between the cost and the fair value of the net assets acquired in a business combination is capitalised in the period of acquisition and written off over its useful life which is taken as twenty years. Negative goodwill is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future

1. ACCOUNTING POLICIES (Continued)

or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments

Investments are stated at cost less any provision to reduce the carrying values to their recoverable amounts.

Stocks

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Interest payable and similar charges

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at the effective interest rate applicable on the carrying amount.

The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on pension scheme assets is charged/credited to interest payable or interest receivable in the profit and loss account as appropriate.

1. ACCOUNTING POLICIES (Continued)

Capitalisation of finance costs

Finance costs are netted against the loan finance to which it relates. These costs, together with the interest expense, are allocated to the profit and loss account over the term of the finance facility at a constant rate on the carrying amount.

Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds Sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

(b) Transactions and balances

In preparing the financial statements of the individual companies, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the balance sheet date. Non monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are included in the income statement for the period.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

(c) Group companies

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or an expense in the period in which the operation is disposed of.

Pension schemes

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit pension scheme

The Group operates a number of defined benefit pension schemes the majority of which are now closed to future benefit accrual. A defined benefit scheme is one where the amount of pension benefit an employee will receive on retirement is dependent on age, years of service and compensation. Under FRS 17, pension scheme assets are measured using fair values. Pension scheme liabilities are valued using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability.

1. ACCOUNTING POLICIES (Continued)

A pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full, net of deferred tax, and presented on the face of the balance sheet. The movement in the scheme surplus/deficit is split between operating and financial items in the profit and loss account and the statement of total recognised gains and losses.

The full service cost of the pension provision is charged to operating profit. The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on the scheme assets is charged/credited to interest payable or interest receivable in the profit and loss account.

Any difference between the expected return on assets and that actually achieved is charged through the statement of total recognised gains and losses. Similarly, any differences that arise from experience or assumption changes are charged through the statement of total recognised gains and losses.

Post retirement healthcare

The Group provides post retirement healthcare benefits to eligible employees who retired before 31 March 1999. The expected cost of this benefit has been computed using an accounting methodology similar to that for defined benefit pension schemes. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised in full in the period in which they occur. They are recognised outside the income statement and presented in the statement of comprehensive income. These obligations are valued annually for the purpose of the financial statements by independent qualified actuaries.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at their present value and at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

Government grants

Government grants in respect of capital expenditure are credited to deferred income and are released to the income statement over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to the income statement so as to match them with the expenditure to which they relate.

Research and development

Research and development costs comprise all directly attributable costs necessary to create and produce new products which are both brand new in design and those being modified. Costs classified as research and development include raw materials, labour costs, artwork origination and market research directly attributable to developing the product.

Dividends

Dividend distributions to the Company's shareholders are recognised in the Group and Company financial statements as follows:

- Final dividend: when approved by the Company's shareholders at the Annual general meeting;
- Interim dividend: when paid by the Company.

2. TURNOVER AND SEGMENTAL INFORMATION

52 weeks ended 28 July 2012	Turnover	Operating profit pre exceptional items	Exceptional items	Operating profit post exceptional items
	£m	£m	£m	£m
Chilled	793.5	34.1	—	34.1
Branded	462.7	14.6	—	14.6
Poultry	1,083.0	59.4	—	59.4
	2,339.2	108.1	—	108.1
Unallocated amounts:				
Share of operating loss from joint venture				(0.4)
Exceptional items				(3.2)
Net finance expense before exceptional items				(74.1)
Net finance expense—foreign exchange gain on financial instruments				26.5
Profit before taxation				56.9
Taxation on ordinary operations				(14.3)
Taxation on share of loss from joint ventures				(0.1)
Profit for the period after taxation on ordinary operations				42.5

Exceptional charge of £3.2m relates to Chilled credit of £1.6m, Branded charge of £3.3m, Poultry charge of £2.4m and unallocated credit of £0.9m.

52 weeks ended 30 July 2011	Turnover	Operating profit/(loss) pre exceptional items	Exceptional items	Operating profit/(loss) post exceptional items
	£m	£m	£m	£m
Chilled	175.8	6.7	—	6.7
Branded	128.1	(5.7)	—	(5.7)
Poultry	1,072.2	42.0	(0.9)	41.1
	1,376.1	43.0	(0.9)	42.1
Unallocated amounts:				
Exceptional items				(28.6)
Net finance expense before exceptional items				(25.2)
Net finance expense—foreign exchange gain on financial instruments				(0.8)
Net finance expense—exceptional items				(11.2)
Loss before taxation on ordinary activities				(23.7)
Taxation on ordinary operations				4.6
Taxation on share of loss from joint ventures				(0.1)
Loss for the period after taxation on ordinary operations				(19.2)

Exceptional charge of £28.6m relates to Poultry £1.3m and unallocated £27.8m.

2. TURNOVER AND SEGMENTAL INFORMATION (Continued)

The following is a reconciliation of EBITDA from operating profit before exceptional items:

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Operating profit	108.1	42.1
Exceptional items	—	0.9
Share of operating loss from joint ventures	(0.4)	—
Depreciation	53.3	27.7
Amortisation of intangible assets	29.3	11.0
EBITDA	190.3	81.7

Exceptional items are detailed in note 4 to the financial statements.

Intersegmental sales were charged at prevailing market prices. Intersegmental sales were: Chilled £0.1m (2011: £nil), Branded £nil (2011: £nil) and Poultry £21.3m (2011: £1.9m).

Other information—52 weeks ended 28 July 2012	Chilled	Branded	Poultry	Group
	£m	£m	£m	£m
Depreciation	19.2	16.9	17.2	53.3
Impairment of tangible fixed assets	1.5	1.0	0.5	3.0
Amortisation of intangible assets	13.0	9.7	6.6	29.3

Other information—52 weeks ended 30 July 2011	Chilled	Branded	Poultry	Group
	£m	£m	£m	£m
Depreciation	5.1	6.0	16.6	27.7
Impairment of tangible fixed assets	0.4	0.2	2.1	2.7
Amortisation of intangible assets	4.2	3.0	3.8	11.0

	Assets	Liabilities	28 July 2012 Total	Assets	Liabilities	30 July 2011 Total
	£m	£m	£m	£m	£m	£m
Chilled	465.2	(159.2)	306.0	447.2	(97.3)	349.9
Branded	397.5	(130.1)	267.4	442.9	(102.9)	340.0
Poultry	367.5	(150.7)	216.8	370.2	(139.3)	230.9
Operating assets/(liabilities)	**1,230.2**	**(440.0)**	**790.2**	**1,260.3**	**(339.5)**	**920.8**
Unallocated corporate assets:						
Cash at bank and in hand	144.8	—	144.8	57.0	—	57.0
Corporate other receivables	12.6	—	12.6	2.8	—	2.8
Unallocated corporate liabilities:						
Total borrowings	—	(660.0)	(660.0)	—	(687.6)	(687.6)
Retirement benefit obligations	—	(170.5)	(170.5)	—	(74.0)	(74.0)
Deferred taxation liabilities	—	(1.0)	(1.0)	—	(6.1)	(6.1)
Current taxation liabilities	—	(19.3)	(19.3)	—	(25.1)	(25.1)
Corporate other payables	—	(24.4)	(24.4)	—	(21.3)	(21.3)
Total assets/(liabilities)	**1,387.6**	**(1,315.2)**	**72.4**	**1,320.1**	**(1,153.6)**	**166.5**

2. TURNOVER AND SEGMENTAL INFORMATION (Continued)

	Turnover by destination		Turnover by origin		Profit/(loss) before tax		Net assets	
Geographical analysis	**52 weeks 2012**	**52 weeks 2011**	**52 weeks 2012**	**52 weeks 2011**	**52 weeks 2012**	**52 weeks 2011**	**52 weeks 2012**	**52 weeks 2011**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
United Kingdom	1,982.87	1,074.0	1,788.5	958.1	52.9	(28.1)	(51.2)	19.7
Other European	354.5	301.9	550.7	418.0	4.3	4.4	124.5	147.6
Other	1.9	0.2	—	—	(0.3)	—	(0.9)	(0.8)
Total	2,339.2	1,376.1	2,339.2	1,376.1	56.9	(23.7)	72.4	166.5

All unallocated costs and assets noted in the segmental reconciliations have been allocated to United Kingdom in the above table, consistent with where the Group's head office is based.

3. COST OF SALES, GROSS PROFIT AND OTHER OPERATING EXPENSES

The table below sets out the results to operating profit/(loss) split between existing operations, acquisitions and discontinued operations.

52 Weeks ended 28 July 2012	**Existing Operations**	**Acquisition**	**Total**
	£m	**£m**	**£m**
TURNOVER	2,243.9	95.3	2,339.2
Cost of sales	(1,884.8)	(81.5)	(1,966.3)
GROSS PROFIT	359.1	13.8	372.9
Distribution costs	(123.6)	(10.5)	(134.1)
Administrative expenses	(125.7)	(5.7)	(131.4)
Other Income	0.7	—	0.7
OPERATING PROFIT	110.5	(2.4)	108.1

52 Weeks ended 30 July 2011 (Restated)	**Existing Operations before exceptional items**	**Exceptional items**	**Total**
	£m	£m	£m
TURNOVER	1,376.1	—	1,376.1
Cost of sales	(1,201.8)	(0.9)	(1,202.7)
GROSS PROFIT	174.3	(0.9)	173.4
Distribution costs	(77.6)	—	(77.6)
Administrative expenses	(56.1)	—	(56.1)
Other Income	2.4	—	2.4
OPERATING PROFIT	43.0	(0.9)	42.1

4. EXCEPTIONAL ITEMS REPORTED AFTER OPERATING PROFIT

Exceptional items consist largely of the costs of the fundamental restructuring of continuing operations arising in respect of the acquisitions of Northern Foods Limited, Amber Foods Limited and Five Star Fish Limited during 2011, which has had a material effect on the nature and focus of the Group's operations, together with other material items which derived from events that fall within the ordinary activities of the Group.

Exceptional costs of £3.2m (2011: £39.8m) comprise:

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Fundamental restructuring of operations:		
Integration costs	4.2	—
Acquisitions and disposals of businesses	(1.9)	7.2
Impairment of tangible fixed assets	—	0.5
Make whole of US Private Placement loan (USPP)	—	20.9
Other	0.9	—
	3.2	28.6
Interest payable:		
Acquisition financing fees	—	11.2
Increase in charge to profit and loss account	3.2	39.8

Integration costs of £4.2m comprise a charge of £9.7m in relation to redundancy costs and costs of integrating infrastructure and IT, net of a curtailment gain of £5.5m on the closure to future benefit accruals of the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme.

A gain of £1.9m on disposals relates to:

- Gain of £2.2m on the sale of the trade and assets of the non-core activity to the Group of the food assembly operation at Colnbrook near London Heathrow to DHL Supply Chain. The Group will continue to supply food to British Airways via DHL on its short haul routes from London Heathrow. The trade and assets were sold for cash proceeds of £5.5m.
- Loss of £0.3m on the sale of a Group subsidiary Northern Foods Insurance Limited for proceeds of £0.9m.

The effects of the exceptional items reported after operating profit on the amounts charged to the profit and loss account for taxation and minority interests were:

	Tax on profit on ordinary activities	
	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Tax credit on fundamental restructuring costs	0.8	11.0
Decrease in tax charge to profit and loss account	0.8	11.0

The credit of £0.8m relates to £2.1m corporation tax credit (2011: £7.1m) net of a deferred tax charge of £1.3m (2011: credit of £3.9m).

5. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit/(loss) on ordinary activities before taxation is arrived at after charging/(crediting):

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Auditors' remuneration for audit services	0.4	0.4
Operating lease rentals:		
—hire of plant and machinery	4.7	3.1
—other	6.3	3.0
Depreciation of tangible fixed assets:		
—owned	46.6	26.1
—leased	6.7	1.6
Impairment of tangible fixed assets		
—owned (exceptional items)	3.0	0.9
—owned (non exceptional items)	—	1.3
—leased (exceptional items)	—	0.5
Amortisation of goodwill	29.3	11.0
Research and development costs	4.4	0.9
Government grants	0.6	0.2
Gain on disposals of businesses (exceptional items)	2.2	—

The analysis of auditor's remuneration is as follows:

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Fees payable to the Company's auditors for the audit of the Company's annual accounts	30	30
Audit of the Company's subsidiaries pursuant to legislation	352	340
Total audit fees	382	370
Tax compliance services	124	40
Tax advisory services	325	180
Total Tax services	449	220
Audit related assurance services	28	—
Other assurance services	—	476
Total assurance services	28	476
Corporate finance services	50	516
Other non-audit services	89	40
Total non audit fees	616	1,252

6. STAFF COSTS

GROUP

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
Average monthly number of employees, including directors:		
Production	12,492	8,193
Administration and selling	2,476	823
	14,968	9,016
	£m	£m
Staff costs, including directors:		
Wages and salaries	309.3	167.0
Social security costs	28.0	15.6
Pension costs	7.9	2.6
	345.2	185.2

In addition to the above, redundancy costs of £4.3m are included in exceptional items.

COMPANY

The company does not have any employees (2011: No employees). The directors are remunerated through other group companies. During the period £0.7m (2011: £nil) was recharged to the Company in relation to directors.

7. DIRECTORS' REMUNERATION

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Emoluments of Group's directors:		
Salaries, bonuses and benefits	1.2	1.0
Compensation for loss of office	—	0.2
Pension costs	—	—
	1.2	1.2
Emoluments of highest paid director:		
Salaries, bonuses and benefits	0.5	0.5
Compensation for loss of office	—	0.2
Contributions to pension scheme	—	—
	0.5	0.7

The directors participate in individual personal pension arrangements to which the company makes contributions. The pension cost charge represents contributions payable in the period and for 2012 amounted to £38,000 (2011: £25,000), the pension contribution in respect of the highest paid director was £38,000 (2011: £12,000).

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Bank interest	0.2	—
Net return on pension schemes	—	1.5
	0.2	1.5

9. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011 Restated
	£m	£m
Before exceptional items		
Interest on loans and overdrafts	71.6	24.0
Interest on finance leases	1.0	0.6
Net charge on pension schemes	1.0	—
Other interest charge	0.7	2.1
	74.3	26.7
Exceptional items		
Acquisition financing fee	—	11.2
Foreign exchange on financial instruments		
Exchange gain	(26.5)	0.8
	47.8	38.7

Foreign exchange on financial instruments arose on the retranslation of financial assets and liabilities into the Group's functional currency.

The prior year figures for the 52 weeks ended 30 July 2011 have been restated for a presentational difference in the consolidated profit and loss account for the reclassification of the foreign exchange loss of £0.8m on the bond from within operating profit to interest payable and similar charges. The impact of this adjustment on profit for that financial period is £nil.

10. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
United Kingdom corporation tax		
Current tax on income for the period	(13.8)	0.2
Adjustment in respect of prior periods	1.4	(0.5)
Total	(12.4)	(0.3)
Overseas taxation		
Current tax on income for the period	(3.1)	(2.4)
Adjustment in respect of prior periods	0.2	—
Total	(2.9)	(2.4)
Deferred taxation		
Net origination of timing differences	2.6	5.8
Adjustment in respect of prior periods	2.4	—
Change in corporation tax rate	4.6	2.2
Deferred tax on pension scheme	(8.7)	(0.8)
Total	0.9	7.2
Current taxation	(15.3)	(2.7)
Deferred taxation	0.9	7.2
Tax (charge)/credit on profit/(loss) of ordinary activities	(14.4)	4.5
Analysed as:		
Tax(charge)/credit on profit/(loss) on ordinary activities	(14.3)	4.6
Tax charge on share of profit from joint ventures	(0.1)	(0.1)

The Finance Act which provides for a reduction in the main rate of corporation tax to 23% effective from 1 April 2013, was substantively enacted on 3 July 2012. This recent change in legislation has been reflected in the deferred tax balances at 28 July 2012. The effect of this rate change is a deferred tax credit of £4.6m in the year, relating to the retirement benefit obligation. In addition to the credit of £4.6m taken to the profit and loss account, a deferred tax charge of £8.6m was taken to equity relating to the actuarial gains and losses on the retirement benefit assets and obligations. The prior year balances reflected the reduction in the main rate of corporation tax from 27% to 25% as this rate was substantively enacted on 5 July 2011.

10. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (Continued)

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation taxation to the profit/(loss) before tax is as follows:

	52 weeks ended 28 July 2012	52 weeks ended 30 July 2011
	£m	£m
Current tax reconciliation		
Profit/(loss) on ordinary activities before taxation	56.9	(23.7)
Standard UK corporation tax rate of 24% (2011: 26%)	(13.7)	6.2
Effects of:		
—Disallowable expenses	(7.2)	(2.8)
—Depreciation in excess of capital allowances	(5.2)	(2.0)
—Losses carried forward	—	(4.3)
—Differences between UK and overseas tax rate	(1.0)	(0.7)
—Other timing differences	10.2	1.4
—Adjustment in respect of prior periods	1.6	(0.5)
Current taxation charge	(15.3)	(2.7)

11. INTANGIBLE FIXED ASSETS—GOODWILL

Group	Note	£m
Cost		
At 31 July 2011		574.4
Additions		2.4
Fair value adjustments	14	9.1
Foreign currency translation		(3.7)
At 28 July 2012		582.2
Amortisation		
At 31 July 2011		19.0
Charge for the period		29.3
Foreign currency translation		(1.3)
At 28 July 2012		47.0
Net book value		
At 28 July 2012		535.2
At 30 July 2011		555.4

The fair value adjustments arising from the acquisitions of Northern Foods Limited, Amber Foods Limited, Five Star Fish Limited and Storteboom Sprundel B.V (formerly Branderhorst Freshfood B.V) were finalised in the financial period with adjustments made to the previously published provisional fair values.

11. INTANGIBLE FIXED ASSETS—GOODWILL (Continued)

The analysis of additional goodwill in the year is as follows:

	£m
Acquisitions:	
Brookes Avana	1.9
Storteboom Sprundel B.V (formerly Branderhorst Freshfood B.V)	0.5
	2.4
Fair value adjustments:	
Northern Foods Limited	6.7
Amber Foods Limited	1.8
Five Star Fish Limited	0.1
Storteboom Sprundel B.V (formerly Branderhorst Freshfood B.V)	0.5
	9.1

Impairment tests for goodwill

In line with Financial Reporting Standard 10, a first year goodwill impairment review has been performed for the acquisitions made in the prior year. The recoverable amount for each Cash Generating Unit exceeded its carrying value at the impairment test date. The Group has conducted sensitivity analysis based on reasonably possible changes in the key assumptions used for the impairment test. This has not resulted in any impairment of the carrying value of goodwill as at 28 July 2012.

12. TANGIBLE FIXED ASSETS

Group	Freehold Land and buildings and leasehold improvements	Leasehold land and buildings	Plant, fixtures and motor vehicles	Total
	£m	£m	£m	£m
Cost				
At 31 July 2011	169.2	19.2	287.0	475.4
Additions	4.4	0.1	24.1	28.6
Arising on acquisitions	6.1	—	24.3	30.4
Disposal	—	—	(9.9)	(9.9)
Translation difference	(7.0)	—	(20.5)	(27.5)
At 28 July 2012	172.7	19.3	305.0	497.0
Depreciation				
At 31 July 2011	13.6	0.2	60.7	74.5
Charge for the period	7.2	0.5	45.6	53.3
Impairment charge	1.0	—	2.0	3.0
Disposal	—	—	(8.2)	(8.2)
Translation difference	(1.3)	—	(15.1)	(16.4)
At 28 July 2012	20.5	0.7	85.0	106.2
Net book value				
At 28 July 2012	152.2	18.6	220.0	390.8
At 30 July 2011	155.6	19.0	226.3	400.9

12. TANGIBLE FIXED ASSETS (Continued)

The net book value of the tangible fixed assets includes £13.3m (2011: £20.3m) in respect of assets held under finance leases. Depreciation charged in the period on those assets amounted to £6.7m (2011: £1.6m).

There were £nil fixed assets held by the company (2011: £nil).

13. INVESTMENTS

Group	£m
Cost and Net Book Value	
At 31 July 2011	1.0
Arising on acquisition	—
Additions	—
Foreign exchange translation	(0.1)
At 28 July 2012	0.9

The total cost and net book value at 28 July 2012 relates to the 26% interest in Noblesse Proteins B.V. Investments, a company incorporated in Holland. This investment is carried at cost less any provision for impairment where deemed appropriate.

Company	£m
Cost and Net Book Value	
At 31 July 2011	161.5
Additions	0.3
Impairment of investment	(3.6)
At 28 July 2012	158.2

The investment in subsidiary undertakings represents the company's investment in Boparan Holdings Inc, 2 Sisters Food Group Limited, 2 Sisters Property B.V, BH Acquisitions Limited, BH Finance Limited, Amber Foods Limited, Five Star Fish Limited and 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited). Provisions for impairment are made where it is deemed the carrying value of investment will not be recovered. The directors consider the value of investments to be supported by their underlying assets and future cash flows.

The parent company and the Group have investments in the following subsidiary undertakings, associates and other investments which principally affected the profits or net assets of the Group. To

13. INVESTMENTS (Continued)

avoid a statement of excessive length, details of investments which are not significant have been omitted.

Company	Principal activity	Country of incorporation
2 Sisters Food Group Limited*	Chicken processing	England
BH Acquisitions Limited*	Holding company	England
Northern Foods Limited	Food processing	England
Five Star Fish Limited*	Food processing	England
Amber Foods Limited*	Chicken processing	England
Northern Foods Grocery Group Limited	Food processing	England
Solway Foods Limited	Food processing	England
Convenience Foods Limited	Food processing	England
Cavaghan & Gray Limited	Food processing	England
F W Farnsworth Limited	Food processing	England
Green Isle Foods Limited	Food processing	Republic of Ireland
2 Sisters Europe B.V.*	Holding company	Holland
2 Sisters Poland Sp. Z.o.o.	Chicken processing	Poland
2 Sisters Storteboom B.V.	Chicken processing	Holland
2 Sisters Hamrol Sp. Z.o.o.	Chicken processing	Poland
2 Sisters Poultry B.V	Chicken processing	Holland
2 Sisters Holland B.V.	Chicken processing	Holland
TPFC Facilities B.V.	Tray Washing	Holland
Storteboom Agri B.V.	Chicken processing	Holland
Storteboom Kornhorn B.V.	Chicken processing	Holland
Storteboom Fresh B.V.	Chicken processing	Holland
Storteboom Nijkerk B.V.	Chicken processing	Holland
Storteboom Staphorst B.V.	Chicken processing	Holland
Brink Pluimveeprodukten Holding B.V	Chicken processing	Holland
Storteboom Barneveld B.V.	Chicken processing	Holland
Storteboom Food Group B.V.	Chicken processing	Holland
Boparan Finance plc*	Group financing	England

The company's subsidiary 2 Sisters Europe B.V. owns 96% of the ordinary share capital of 2 Sisters Hamrol Sp. Z.o.o. Other than 2 Sisters Hamrol Sp. Z.o.o. the company and the Group own 100% of the ordinary share capital and voting rights of all the companies above, whose activities principally affect the profits or net assets of the Group. Companies marked * are directly owned by Boparan Holdings Limited.

Investment in joint ventures

Company	Principal activity	Country of incorporation
Hook 2 Sisters Limited	Chicken growing	England
2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited)	Chicken processing	India

13. INVESTMENTS (Continued)

The company's subsidiary 2 Sisters Food Group Limited owns 50% of the ordinary share capital of Hook 2 Sisters Limited.

Boparan Holdings Limited owns 50% of the ordinary share capital of 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited).

The amount shown in the consolidated balance sheet represents the amount invested and the Group's share of Hook 2 Sisters Limited's and 2 Sisters Food India Limited (formerly Reliance Nutritional Food Processors Limited) post tax profits.

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 7 April 2011 the Group, through its subsidiary BH Acquisitions Limited, acquired 100% of the issued share capital of Northern Foods Plc (re-registered as Northern Foods Limited on 27 May 2011) and as a result also acquired all of its subsidiaries and investment interests. The fair value of the total consideration was £352.3 million. As at 30 July 2011 the fair values assigned to the assets and liabilities acquired were provisional. During the period ended 28 July 2012 these have been reviewed and

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

adjusted as necessary, with adjustments made for the finalisation of the carrying value of properties, accruals, provisions and associated tax credit. The adjustments are set out in the following table:

	Provisional fair value to Group	Fair value adjustments	Revised fair value to Group
	£m	£m	£m
Fixed assets			
Intangible	51.3		51.3
Other intangible assets	—		—
Tangible	274.6	(2.6)	272.0
Deferred taxation assets	—		—
Current assets			
Stocks	56.3		56.3
Debtors	116.8		116.8
Cash	31.6		31.6
Total assets	530.6	(2.6)	528.0
Creditors			
Bank loans and overdraft payable less than one year	(6.9)		(6.9)
Bank loans payable greater than one year	(248.2)		(248.2)
Trade creditors and other payables	(201.7)		(201.7)
Corporation tax	(7.8)	1.6	(6.2)
Deferred tax	(9.2)		(9.2)
Accruals and deferred income	(22.2)	(5.7)	(27.9)
Retirement benefit obligation	(65.4)		(65.4)
Total liabilities	(561.4)	(4.1)	(565.5)
Net liabilities	(30.8)	(6.7)	(37.5)
Less purchased goodwill	(51.3)		(51.3)
Total net liabilities acquired	(82.1)		(88.8)
Goodwill	434.4		441.1
Total consideration	352.3		352.3
Satisfied by:			
Cash	329.2		329.2
Directly attributable acquisition costs	7.1		7.1
Shares issued	16.0		16.0
Total consideration	352.3		352.3
Cash and cash equivalents acquired	(24.7)		(24.7)

In addition, on 7 April 2011 the Boparan Holdings Group acquired 100% of the issued share capital of Amber Foods Limited and Five Star Fish Limited for total consideration of £110m. On 1 November 2010 the Group, through its subsidiary 2 Sisters Europe B.V., acquired the trade and assets of Brink Pluimveeprodukten Holding B.V. (herein Brink) for cash consideration of £6.7m. The acquisitions of Five Star Fish Limited and Brink were not material and have been shown aggregated.

Acquisitions are accounted for under the acquisition method. As at 30 July 2011 the fair values of the assets and liabilities acquired of Amber Foods Limited, Five Star Fish Limited and Brink were considered to be provisional.

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

During the period ended 28 July 2012 these have been reviewed and adjusted as necessary. The adjustments are set out in the following table:

	Amber Foods Ltd			Five Star Fish Ltd & Brink		
	Provisional fair value to Group	Fair value adjustment	Revised fair value to Group	Provisional fair value to Group	Fair value adjustment	Revised fair value to Group
	£m	£m	£m	£m	£m	£m
Fixed assets						
Intangible	—		—	2.7		2.7
Tangible	0.2		0.2	8.7		8.7
Current assets						
Stocks	0.7		0.7	7.1	(0.1)	7.0
Debtors	24.9		24.9	11.1		11.1
Cash	16.8		16.8	2.9		2.9
Total assets	42.6	—	42.6	32.5	(0.1)	32.4
Creditors						
Acquisition loan	—		—	(15.0)		(15.0)
Trade creditors and other payables	(1.9)	—	(1.9)	(11.5)		(11.5)
Corporation tax	(9.6)	(1.8)	(11.4)	(0.1)		(0.1)
Deferred taxation	—		—	(0.1)		(0.1)
Dividends payable	(16.7)		(16.7)	—		—
Total liabilities	(28.2)	(1.8)	(30.0)	(26.7)	—	(26.7)
Net assets	14.4	(1.8)	12.6	5.8	(0.1)	5.7
Less purchased goodwill	—	—	—	(2.7)		(2.7)
Total net assets acquired	14.4	(1.8)	12.6	3.1	(0.1)	3.0
Goodwill	95.6		97.4	3.6		3.7
Total consideration	110.0		110.0	6.7		6.7
Satisfied by:						
Cash	—		—	6.7		6.7
Shares issued	110.0		110.0	—		—
Total consideration	110.0		110.0	6.7		6.7
Cash and cash equivalents acquired	(16.8)		(16.8)	(2.9)		(2.9)

On 1 August 2011 the Group, through its subsidiary 2 Sisters Europe B.V., acquired 100% of the issued share capital of Storteboom Sprundel B.V (formerly Branderhorst Freshfood B.V). The fair value of the total consideration was £0.5m which resulted in goodwill of £0.5m. During the period ended 28 July 2012 the provisional assets and liabilities acquired have been reviewed and adjusted as necessary resulting in revised goodwill of £1.0m.

Furthermore, on 30 December 2011 the Group, through its subsidiary Solway Foods Limited, acquired the Brookes Avana business, consisting of RF Brookes and Avana Bakeries. The fair value of the total cash consideration was £30.6m. Acquisitions are accounted for under the acquisition method. As at

14. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

28 July 2012 the fair values of the assets and liabilities acquired of Brookes Avana were considered to be provisional.

	Book value	Accounting policy alignment	Provisional fair value to Group
	£m	£m	£m
Fixed assets			
Tangible	29.4	—	29.4
Current assets			
Stocks	10.1	(1.3)	8.8
Debtors	22.5	—	22.5
Total assets	62.0	(1.3)	60.7
Creditors			
Trade creditors and other payables	(31.4)	—	(31.4)
Total liabilities	(31.4)	—	(31.4)
Net assets acquired	30.6	(1.3)	29.3
Goodwill	0.6	1.3	1.9
Total consideration			
Satisfied by:			
Cash	30.6	—	30.6
Directly attributable acquisition costs	0.6	—	0.6
Total consideration	31.2	—	31.2
Cash and cash equivalents acquired	—	—	—

15. STOCKS

	Group	
	28 July 2012	30 July 2011
	£m	£m
Stock and WIP	65.6	66.7
Packaging and consumables	36.4	27.6
	102.0	94.3

The replacement cost of the above stocks would not be significantly different from the values stated.

16. DEBTORS

	Group		Company	
	28 July 2012	30 July 2011	28 July 2012	30 July 2011
	£m	£m	£m	£m
Amounts falling due within one year:				
Trade debtors	168.2	174.2	—	—
Amounts owed by Group undertakings	—	—	665.8	665.2
Amounts owed by joint ventures	1.3	1.3	—	—
Other debtors	28.9	23.0	—	—
Prepayments and accrued income	12.9	10.4	1.4	1.7
	211.3	208.9	667.2	666.9

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	28 July 2012	30 July 2011	28 July 2012	30 July 2011
	£m	£m	£m	£m
Obligation under finance leases (note 19)	3.9	4.0	—	—
Trade creditors	260.0	192.9	—	—
Amount owed to group undertakings	—	—	84.7	747.1
Amount owed to joint venture	32.7	31.8	—	—
Corporation tax	19.3	25.1	9.5	0.4
Other taxation and social security	9.2	8.1	—	—
Other creditors	13.0	6.5	0.2	—
Accruals and deferred income	123.3	93.6	0.5	2.9
Deferred consideration	—	1.0	—	—
Government grants	0.1	0.5	—	—
	461.5	363.5	94.9	750.4

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	28 July 2012	30 July 2011
	£m	£m
Obligations under finance leases (note 19)	6.7	10.5
Bond notes (note 19)	649.1	673.1
Bank loans (note 19)	0.3	—
Accruals and deferred income	3.3	2.4
Government grant	7.3	7.7
	666.7	693.7

Finance leases are secured over the assets to which they relate.

Company

During the period, an element of the intercompany liability shown as falling due within one year as at 30 July 2011 has been replaced with a new intercompany liability of £667.7m falling due after more than one year.

19. BORROWINGS

	Group	
	28 July 2012	30 July 2011
	£m	£m
Bank loans (net of fees)	0.3	—
Bond notes (net of fees)	649.1	673.1
Obligations under finance leases	10.6	14.5
	660.0	687.6
Due within one year	3.9	4.0
Due after more than one year	656.1	683.6
	660.0	687.6
Bank loans and bond notes:		
Within one year or less or on demand	—	—
More than one year but not more than two years	0.1	—
More than two years but not more than five years	0.2	—
More than five years	649.1	673.1
	649.4	673.1
Obligations under finance leases:		
Within one year or less or on demand	3.9	4.0
More than one year but not more than two years	3.2	3.9
More than two years but not more than five years	3.5	6.6
	10.6	14.5
Total	660.0	687.6

The company has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. There were no drawings under the RCF during the year or at period ended 28 July 2012. Interest on RCF drawings is calculated with reference to LIBOR and EURLIBOR plus applicable margin. In addition, a commitment fee is charged for the undrawn amount. The principal subsidiaries are guarantors to the facilities.

Finance leases are secured over the assets to which they relate.

20. PROVISIONS FOR LIABILITIES

	Provisions	Deferred taxation	Total
	£m	£m	£m
At 31 July 2011	16.3	6.1	22.4
Amounts arising on acquisition	1.3	0.1	1.4
Current period (credit)/charge to profit and loss account			
—exceptional	10.1	(0.2)	9.9
—non exceptional	1.0	(2.3)	(1.3)
Prior period (credit)/charge to profit and loss account			
—exceptional	—	(0.1)	(0.1)
—non exceptional	—	(2.4)	(2.4)
Utilised in the period			
—exceptional	(12.6)	—	(12.6)
—non exceptional	(0.6)	—	(0.6)
Foreign Exchange movement	—	(0.1)	(0.1)
Adjustment due to rate change—profit and loss account	—	(0.1)	(0.1)
At 28 July 2012	15.5	1.0	16.5

Deferred taxation	28 July 2012	30 July 2011
	£m	£m
Accelerated capital allowances	4.8	11.2
Other short term timing differences	(3.8)	(5.1)
	1.0	6.1

All of the provisions are categorised as non-current liabilities as they are not expected to be utilised in full within the next 52 week period. Provisions of £15.5m comprise of £7.2m relating to exceptional costs in relation to the fundamental restructuring of the Group's operations (further analysis is included in note 4 to the financial statements) and £8.3m of non exceptional provisions.

The Group has an unrecognised deferred tax asset of £34.0m (2011: £37.1m) in respect of capital losses carried forward as at 28 July 2012. No deferred tax has been provided on capital losses totalling £151.9m at 28 July 2012 (2011: £151.9m) as it is uncertain when these losses will be utilised against future taxable gains. The movement on unprovided deferred tax during the period arises solely as a result of the recognition of deferred tax at the rate of 23%.

21. SHARE CAPITAL

	28 July 2012	30 July 2011
	£m	£m
Authorised, allotted and fully paid	—	—

The nominal value of the share capital issued at the end of the period was £7,000 (2011: £7,000).

The classes of ordinary share capital in issue at the year end are 500,800 ordinary (1) shares of £0.01 each, 2 ordinary (2) shares of £0.01 each, 12,316 ordinary (3) shares of £0.01 each, 225,799 ordinary

21. SHARE CAPITAL (Continued)

(4) shares of £0.01 each, 20,527 ordinary (5) shares of £0.01 each and 13,548 ordinary (6) shares of £0.01 each.

	No: of shares	Nominal value	Price paid	Issued share capital	Share premium
				£m	£m
Ordinary (2) shares of £0.01 each	2	£0.01	£487.16	—	—
Ordinary (3) shares of £0.01 each	12,316	£0.01	£487.17	—	6.0
Ordinary (4) shares of £0.01 each	225,799	£0.01	£487.15	—	110.0
Ordinary (5) shares of £0.01 each	20,527	£0.01	£487.16	—	10.0
Ordinary (6) shares of £0.01 each	13,548	£0.01	£487.16	—	6.6
				—	132.6

All tranches of ordinary shares issued have voting rights and the right to full participation in any dividends and returns of capital.

22. RESERVES

	Share premium account	Profit and loss account
	£m	£m
Group		
At 31 July 2011	132.6	33.6
Profit for the financial period	—	42.3
Pension scheme—actuarial loss	—	(152.3)
Pension scheme—deferred tax on actuarial loss	—	37.9
Deferred tax attributable to taxation rate change	—	(8.6)
Exchange difference arising on consolidation of overseas subsidiaries	—	(13.6)
At 28 July 2012	132.6	(60.7)

	Share premium account	Profit and loss account
	£m	£m
Company		
At 31 July 2011	132.6	(34.1)
Profit for the financial period	—	24.2
At 28 July 2012	132.6	(9.9)

The profit for the financial period dealt with in the financial statements of the parent company was £24.2m (2011: loss £36.9m). As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

23. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	28 July 2012	30 July 2011
	£m	£m
Group		
Profit/(loss) for the financial period	42.3	(19.3)
Dividends	—	—
Retained profit/(loss) for the period	42.3	(19.3)
New shares issued	—	132.6
Other recognised gains and losses relating to the period	(136.6)	(10.5)
Opening shareholders' funds	166.2	63.4
Closing shareholders' funds	71.9	166.2

24. MINORITY INTERESTS

	28 July 2012	30 July 2011
	£m	£m
Group		
At 31 July 2011	0.3	0.2
Profit on ordinary activities	0.2	0.1
At 28 July 2012	0.5	0.3

25. FINANCIAL COMMITMENTS

Capital commitments

There were capital commitments of £2.8m at 28 July 2012 (2011: £2.4m) provided for at the year end and £0.3m (2011: £0.9m) capital commitments contracted for but not provided for.

Operating lease commitments

The payments which the Group is committed to make in the next period under operating leases are as follows:

	28 July 2012	30 July 2011
	£m	£m
Land and buildings leases expiring:		
Within one year	0.3	—
Two to five years	1.9	1.6
Over five years	0.3	0.4
	2.5	2.0
Other leases expiring:		
Within one year	0.6	0.8
Two to five years	1.0	1.9
Over five years	0.1	—
	1.7	2.7

26. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	28 July 2012	30 July 2011 Restated
	£m	£m
Operating profit from continuing operations	108.1	42.1
Depreciation	53.3	27.7
Amortisation of goodwill	29.3	11.0
Impairment of plant & machinery	0.5	1.3
Loss on disposal of plant & machinery	—	1.5
Increase/(decrease) in provisions (excluding provisions acquired)	0.4	(1.7)
Payments made to defined benefit pension schemes	(27.8)	(3.4)
Grants and other non cash movements	1.6	1.3
Increase in stocks	(1.2)	(10.7)
Decrease in debtors	13.0	17.4
Increase in creditors	82.9	7.2
Cash impact of fundamental restructuring	(6.3)	(34.5)
Net cash inflow from operating activities	253.8	59.2

The cash impact of fundamental restructuring of £6.3m (2011: £34.5m) includes £12.7m of cash payable primarily relating to integration costs, net of £5.5m proceeds on disposal of the trade and assets of the food assembly operation at Colnbrook near London Heathrow and £0.9m proceeds on the sale of a Group subsidiary Northern Foods Insurance Limited.

The prior year cash flow has been restated to reflect the change in presentation of the reclassification of the foreign exchange loss of £0.8m on the bond, and for a presentation change to show the cash payments made to defined benefit pension schemes instead of movement in pension schemes.

27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	28 July 2012	30 July 2011
	£m	£m
Increase in cash (net of overdrafts)	91.7	27.9
Cash inflow/(outflow) from debt and lease financing	4.1	(358.0)
Change in net debt resulting from cash flows	95.8	(330.1)
Loans acquired with subsidiary	(0.5)	(240.3)
Finance leases acquired with subsidiary	—	(2.2)
Effect of foreign exchange rates	26.0	(1.8)
New finance leases	—	—
Prepayment of bond fees	—	(25.5)
Movement in net debt	121.3	(599.9)
Net debt brought forward	(655.1)	(55.2)
Net debt carried forward	(533.8)	(655.1)

28. ANALYSIS OF NET DEBT

	31 July 2011	Cash flow	Acquisitions and disposals	Other movements	Foreign exchange	28 July 2012
	£m	£m	£m	£m	£m	£m
Cash balances net of overdrafts	**57.0**	**91.7**	**—**	**—**	**(3.9)**	**144.8**
Debt due within one year	—	—	—	—	—	—
Debt due after more than one year	(673.1)	0.2	(0.5)	(3.6)	27.6	(649.4)
Finance leases	(14.5)	3.9	—	—	—	(10.6)
Total debt	**(687.6)**	**4.1**	**(0.5)**	**(3.6)**	**27.6**	**(660.0)**
Prepayment of bond fees	(24.5)	—	—	3.6	2.3	(18.6)
Net debt	**(655.1)**	**95.8**	**(0.5)**	**—**	**26.0**	**(533.8)**

Management define net debt as the gross amount of borrowings outstanding. The other movement of £3.6m on debt due after more than one year relates to amortisation of the prepayment of bond fees. In the balance sheet, the bond balance is shown net of the prepaid bond fees. Management monitor and view the net debt figure excluding prepaid fees and so it is added back into net debt in the table above.

The acquisitions debt acquired of £0.5m represents the bank loans greater than one year acquired as part of the acquisition of Branderhorst Freshfood B.V.

During the period the Group entered into finance lease agreements with a capital value at the inception of the lease of £0.1m (2011: £6.4m).

	1 August 2010	Cash flow	Acquisitions and disposals	Other movements	Foreign exchange	30 July 2011
	£m	£m	£m	£m	£m	£m
Cash balances net of overdrafts	**29.2**	**27.9**	**—**	**—**	**(0.1)**	**57.0**
Debt due within one year	(24.8)	24.8	—	—		—
Debt due after more than one year	(51.6)	(378.5)	(240.3)	(1.0)	(1.7)	(673.1)
Finance leases	(8.0)	(4.3)	(2.2)	—		(14.5)
Total debt	**(84.4)**	**(358.0)**	**(242.5)**	**(1.0)**	**(1.7)**	**(687.6)**
Prepayment of bond fees	—	—	—	(24.5)	—	(24.5)
Net debt	**(55.2)**	**(330.1)**	**(242.5)**	**(25.5)**	**(1.8)**	**(655.1)**

The other movement of £0.1m on cash balances related to exchange differences.

The other movement of £1.0m on debt due after more than one year related to amortisation of the prepayment of bond fees of £1.0m.

The acquisitions and disposals debt acquired of £240.3m was the bank loans greater than one year acquired as part of the acquisition of Northern Foods of £248.2m net of £7.9m exchange movement at date of repayment.

The other movement of £24.5m related to the prepayment of bond fees. In the balance sheet, the bond balance is shown net of the prepaid bond fees. Management monitor and view the net debt figure excluding prepaid fees and so it is added back into net debt in the table above.

During the prior period the Group entered into finance lease agreements with a capital value at the inception of the lease of £6.4m (1 August 2010: £3.5m).

29. ACQUISITIONS

The table below details the cashflow movements as a result of acquisitions.

	28 July 2012	30 July 2011
	£m	£m
Purchase of subsidiary undertakings	(31.7)	(343.0)
Net cash/(overdrafts) acquired	—	44.4
	(31.7)	(298.6)

30. PENSION ARRANGEMENTS

DEFINED CONTRIBUTION SCHEMES

The Group contributes to defined contribution schemes for all qualifying employees. The total cost charged to income of £5.5m (2011: £2.8m) represents contributions payable to these by the company at rates specified in the rules of the plans. At 28 July 2012 contributions of £0.1m (2011: £0.2m) due in respect of the current reporting period had not been paid over to the schemes.

DEFINED BENEFIT SCHEMES

The Group operates a number of defined benefit schemes for qualifying employees, principally the Northern Foods Pension Scheme, Northern Foods Pension Builder and the Lloyd Maunder Limited Retirement Benefit and Life Assurance Scheme in the United Kingdom, the Green Isle Foods Group Retirement and Death Benefit Plan (the Plan) in the Republic of Ireland and 2 Sisters Holland B.V pension arrangements in The Netherlands. Under the Schemes, the Pension Builder and the Plan, employees are entitled to retirement benefits based on pay and service. The Schemes, Pension Builder and the Plan are funded schemes whilst the Group's Post retirement medical benefit scheme is unfunded. The Schemes and the Plan are final salary schemes. The assets of all the Schemes, the Pension Builder and the Plan are held in trustee administered funds separate from the finances of the Group.

The Northern Foods Pension Scheme and Pension Builder are closed to new entrants. Pension Builder is a defined benefit scheme based on the career average principle.

The Northern Foods Pension Scheme and Northern Foods Pension Builder Scheme were both closed to future accrual with effect from, 1 November 2011. A similar proposal has been made for the Green Isle pension scheme which would be with effect from 31 October 2012.

The most recent actuarial valuations of the defined benefit schemes for the purpose of the financial statements and the present value of defined benefit obligations were carried out at 28 July 2012 by independent qualified actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost was measured using the projected unit credit method.

It has been deemed appropriate by management to aggregate all pension schemes together in the disclosure notes below. Funding plans agreed to reduce the deficit (principally relating to the Northern Foods Limited schemes) are discussed later in this note. Principal assumptions and sensitivity analysis is disclosed for the Northern Foods Pension Scheme only on the basis that there are no significant differences between the assumptions used for the other schemes.

30. PENSION ARRANGEMENTS (Continued)

The principal assumptions used for the actuarial valuations of the Schemes were:

	28 July 2012	30 July 2011
	£m	£m
Rate of increase in salaries	n/a	3.0%
Inflation assumption	2.5%	3.3%
Discount Rate	4.4%	5.5%
Mortality	CMI_2009	CMI_2009

The mortality assumptions used are based on mortality experience of the schemes and anticipated mortality experience. The Group has adopted the SAPS All base tables with scaling factors appropriate for each section of the membership with the core CMI 2009 projections with a long-term rate of improvement of 0.5% per annum to reflect a detailed mortality study completed by the Trustees.

The life expectancy in years for a member aged 65 is as follows:

		28 July 2012	30 July 2011
		(years)	(years)
Current pensioner	—male	20.6	20.6
	—female	22.3	22.3
Future pensioner	—male	21.0	21.0
	—female	23.3	23.3

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at each balance sheet date were:

	%	28 July 2012	%	30 July 2011
		£m		£m
Equities	6.1	549.4	7.4	506.0
Bonds	4.4	10.9	5.5	10.3
Cash	2.6	0.1	3.6	0.1
Derivative Instruments	3.2	221.0	4.3	232.3
Other	0.5	11.5	0.5	30.8
Total fair value of assets		792.9		779.5
Present value of scheme liabilities		(1,013.9)		(879.1)
Pension scheme liability		(221.0)		(99.6)
Deferred tax asset		50.5		25.6
Net pension scheme liability		(170.5)		(74.0)

If life expectancy is increased or decreased by one year, liabilities are estimated to increase or decrease by £28m respectively. The impact of a 0.1% increase or decrease in the discount rate would decrease or increase liabilities by £17m respectively.

Post retirement medical benefit scheme

Until 31 March 1999, Northern Foods Limited operated a post retirement medical benefit scheme. The method of accounting, assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes detailed above. The main actuarial assumptions are the underlying medical cost inflation of 4.5% per annum (2011: 5.3%) and the discount rate of 4.4% per annum (2011: 5.5%).

30. PENSION ARRANGEMENTS (Continued)

If the assumed rate of underlying medical cost inflation increased or decreased by 0.1% per annum then the valuation of the liabilities is estimated to increase or decrease by less than £0.1m (2011: less than £0.1m) respectively.

Amounts recognised in the income statement in respect of the Group's defined benefit schemes and post employment medical benefit scheme are as follows:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	28 July 2012	30 July 2011	28 July 2012	30 July 2011	28 July 2012	30 July 2011
	£m	£m	£m	£m	£m	£m
Current service cost	1.4	1.3	—	—	1.4	1.3
Interest on obligation	46.7	15.7	0.2	0.1	46.9	15.8
Expected return on scheme assets	(45.9)	(17.3)	—	—	(45.9)	(17.3)
Curtailment gain	(5.5)	—	—	—	(5.5)	—
(Credit)/charge to profit and loss account	(3.3)	(0.3)	0.2	0.1	(3.1)	(0.2)

A curtailment gain of £5.5m on the closure of the Northern Foods Pension Scheme and the Northern Foods Pension Builder Scheme has been recorded within exceptional items as part of the fundamental group restructuring.

The current service cost for the period has been included within cost of sales £1.2m (2011: £1.1m), distribution costs £0.1m (2011: £0.1m) and administrative expenses £0.1m (2011: £0.1m).

The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on the scheme assets has been charged to interest payable in the current year, whereas it was credited to interest receivable in the prior year.

Actuarial gains and losses have been reported in the statement of total recognised gains and losses. The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS 17 is a loss of £164.2m (2011: loss of £11.9m)

The actual return on scheme assets was £25.6m (2011: £22.0m).

Amounts recognised in the Consolidated balance sheet in respect of the Group's defined benefit schemes and post retirement medical benefit scheme are as follows:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	28 July 2012	30 July 2011	28 July 2012	30 July 2011	28 July 2012	30 July 2011
	£m	£m	£m	£m	£m	£m
Present value of obligations	(1,011.6)	(876.2)	(2.3)	(2.9)	(1,013.9)	(879.1)
Fair value of scheme assets	792.9	779.5	—	—	792.9	779.5
	(218.7)	(96.7)	(2.3)	(2.9)	(221.0)	(99.6)
Deferred taxation	50.0	24.9	0.5	0.7	50.5	25.6
Net pension liability	(168.7)	(71.8)	(1.8)	(2.2)	(170.5)	(74.0)

30. PENSION ARRANGEMENTS (Continued)

Changes in the present value of the scheme liabilities:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	28 July 2012	30 July 2011	28 July 2012	30 July 2011	28 July 2012	30 July 2011
	£m	£m	£m	£m	£m	£m
Scheme liabilities at start of period	876.2	9.3	2.9	—	879.1	9.3
Arising on acquisition	—	844.4	—	2.9	—	847.3
Employer share of benefits accruing*	2.2	2.3	—	—	2.2	2.3
Interest on pension scheme liabilities	46.7	15.7	0.2	0.1	46.9	15.8
Benefits paid	(38.7)	(12.0)	(0.3)	(0.1)	(39.0)	(12.1)
Contributions by employees	0.5	0.4	—	—	0.5	0.4
Actuarial losses/(gains) on liabilities	132.5	16.2	(0.5)	—	132.0	16.2
Curtailment gain	(5.5)	—	—	—	(5.5)	—
Exchange	(2.3)	(0.1)	—	—	(2.3)	(0.1)
Scheme liabilities at period end	1,011.6	876.2	2.3	2.9	1,013.9	879.1

* Including notional contributions under pay exchange.

Changes in fair value of the scheme assets

	Defined benefit schemes	
	28 July 2012	30 July 2011
	£m	£m
Scheme assets at start of the period	779.5	8.6
Arising on acquisition	—	757.5
Expected return on scheme assets	45.9	17.3
Contributions by the employer	27.8	3.4
Contributions by employees	0.5	0.4
Benefits paid	(38.7)	(12.0)
Actuarial (loss)/gain on scheme assets	(20.3)	4.7
Exchange	(1.8)	(0.2)
Administrative costs	—	(0.2)
Fair value of scheme assets at the period end	792.9	779.5

Contributions by the employer of £27.8m (2011: £3.4m) include £1.6m (2011: £1.9m) employer contributions, £0.8m (2011: £1.0m) notional contributions under pay exchange, £21.0m (2011: £nil) special pension contributions, £2.9m (2011: £nil) PPF levy and £1.5m (2011: £0.5m) in respect of future administrative expense.

History of experience adjustments:

	28 July 2012	30 July 2011	31 July 2010	1 August 2009	2 August 2008
	£m	£m	£m	£m	£m
Fair value of scheme assets	792.9	779.5	8.6	7.4	6.7
Scheme liabilities	(1,013.9)	(879.1)	(9.3)	(8.0)	(6.4)
(Deficit)/surplus in the scheme	(221.0)	(99.6)	(0.7)	(0.6)	0.3
Experience gains/(losses) on scheme liabilities	—	—	—	(0.2)	0.3
Experience gains/(losses) on scheme assets	(20.3)	4.7	0.7	—	0.5

30. PENSION ARRANGEMENTS (Continued)

The Group have agreed funding at a rate of £15m per annum for a ten year period to 30 April 2021. The levels of contributions are based on the current service cost and the expected future cash flows of the defined benefit scheme.

31. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption under FRS 8 'Related Party Disclosures' and has not disclosed transactions or balances between Group undertakings that have been eliminated on consolidation.

The Group incurred rental charges of £2.6m (2011: £1.8m) from Amber Real Estate Investment, a related party by virtue of common ownership. There were no balances outstanding at the period end (2011: £nil).

The loan made to Hook 2 Sisters Limited of £1.3m remains outstanding at the period ended 28 July 2012. Total purchases by the Group from Hook 2 Sisters Limited during the period were £330.6m (2011: £317.0m). At the period end the total creditor outstanding was £32.7m (2011: £31.8m).

During the year a subsidiary of the Group, 2 Sisters Food Group Limited, also traded with Storteboom Hamrol Sp. Z o.o, of which Boparan Holdings Limited indirectly owns 96%. 2 Sisters Food Group Limited have made purchases of £6.1m (2011: £4.5m). At the period end there was an outstanding balance of £0.1m (2011: £0.1m).

32. CONTINGENT LIABILITIES

Boparan Holdings Limited and other Group subsidiary companies are guarantors in respect of the Senior Notes due April 2018, whereby they absolutely and unconditionally guarantee the principal and interest on the Senior loan notes.

The same companies are cross guarantors in respect of the five year £40m Revolving credit facility.

Northern Foods Limited is the guarantor in respect of the obligations of several subsidiary undertakings with Allied Irish Bank. As at 28 July 2012 Northern Foods Limited guaranteed £nil (2011: £0.1m).

33. SUBSEQUENT EVENTS

On 2 October 2012, the Group announced a proposal to cease production and enter into a phased closure of our RF Brookes site in Leicester. We are proposing to transfer the production to our other, more cost-competitive sites and close the Leicester site during the first quarter of 2013 calendar year. It has not yet been possible to quantify the full anticipated effect of this proposal.

34. FINANCIAL RISK MANAGEMENT POLICES

It is, and has been throughout the period under review the Group's policy that no trading in financial instruments shall be undertaken within the UK business. However a number of overseas subsidiaries hedge against overseas currency risk.

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year.

Interest rate risk

The Senior Notes which comprise the Groups core funding are fixed interest.

34. FINANCIAL RISK MANAGEMENT POLICES (Continued)

Liquidity risk

The Group uses a mixture of long-term borrowings and short-term cash placement in order to maintain liquidity and ensure sufficient funds are available for ongoing operations and future developments.

Foreign currency risk

The Group currently hedges foreign exchange transactions in respect of its European subsidiaries and overseas customers.

The long term Bond debt denominated in Euros is actively monitored by the Board and arrangements are being put in place for a long term hedge of this exposure.

The Group seeks to minimise its exposure to these risks by using derivative financial instruments where applicable. The use of derivative financial instruments is governed by Group policies which have been approved by the Board. The Group only enters into trade financial instruments for specific purposes. Speculative purchases are not made.

35. DERIVATIVES NOT INCLUDED AT FAIR VALUE

Within subsidiaries the Group has derivatives which are not included at fair value in the accounts:

	Currency	Principal	Fair value 2012	Fair value 2011
		£m	£m	£m
Forward foreign exchange contracts to sell	PLN	3.9	0.2	—
Forward foreign exchange contracts to sell	GBP	11.7	(0.3)	—
Currency rate swap		—	(0.7)	0.3

The Group uses the derivatives to hedge its exposure to changes in foreign currency exchange rates and to manage it exposure to interest rate movements on its bank borrowings. The fair values are based on market values of equivalent instruments at the balance sheet date

36. ULTIMATE CONTROLLING PARTY

Boparan Midco Limited is the immediate parent of the Group and RS Boparan and BK Boparan are the ultimate controlling parties. Boparan Holdco Limited is the smallest and largest group into which the Group is consolidated.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOPARAN HOLDINGS LIMITED

We have audited the financial statements of Boparan Holdings Limited for the period ended 30 July 2011 which comprise the Consolidated Profit and Loss account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 July 2011 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark Doleman FCA, (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Nottingham, UK

17 November 2011

BOPARAN HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Period ended 30 July 2011

	Note	52 weeks ended 30 July 2011	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010	52 weeks ended 31 July 2010
		£m	£m	£m	£m
TURNOVER	2, 3				
Existing operations			1,054.3		711.2
Acquisitions			321.8		84.6
Continuing operations			1,376.1		795.8
Discontinued operations			—		41.8
			1,376.1		837.6
Cost of sales					
—before exceptional items		(1,201.8)		(758.8)	
—exceptional items	3, 4	(0.9)		—	
	3		(1,202.7)		(758.8)
GROSS PROFIT	3		173.4		78.8
Distribution costs			(77.6)		(46.2)
Administrative expenses			(56.9)		(14.7)
Other Income			2.4		5.1
OPERATING PROFIT	3				
—Existing operations before exceptional items		29.3		30.2	
—Exceptional items		(0.9)		—	
—Acquisitions		12.9		2.1	
Continuing operations			41.3		32.3
Discontinued operations			—		(9.3)
Carried forward			41.3		23.0

BOPARAN HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT (Continued)

Period ended 30 July 2011

	Note	52 weeks ended 30 July 2011	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010	52 weeks ended 31 July 2010
		£m	£m	£m	£m
Brought forward			41.3		23.0
Exceptional items	4		(28.6)		—
Profit on sale of discontinued operations			—		14.2
Share of operating profit from joint ventures			—		0.5
Interest receivable and similar income	5		1.5		0.3
Interest payable and similar charges	6				
—before exceptional items		(26.7)		(1.9)	
—exceptional items	4	(11.2)		—	
			(37.9)		(1.9)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	7		(23.7)		36.1
Tax on (loss)/profit on ordinary activities	10		4.6		(10.3)
Tax on share of profit from joint ventures	10		(0.1)		(0.1)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			(19.2)		25.7
Equity Minority Interest	25		(0.1)		(0.1)
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD			(19.3)		25.6

BOPARAN HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Period ended 30 July 2011

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD	(19.3)	25.6
Actuarial (loss)/gain relating to the pension schemes	(11.5)	0.1
Deferred tax attributable to actuarial (loss)/gain	3.0	—
Deferred tax attributable to taxation rate change	(2.9)	—
Currency translation differences on foreign currency net investments	0.9	(0.9)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD	(29.8)	24.8

BOPARAN HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET

30 July 2011

	Note	30 July 2011 £m	31 July 2010 £m
FIXED ASSETS			
Goodwill	12	555.4	32.7
Tangible fixed assets	13	400.9	104.1
Investment	14	1.0	1.0
Investment in joint venture		2.6	2.3
		959.9	140.1
CURRENT ASSETS			
Stocks	16	94.3	19.3
Debtors			
—due within one year	17	208.9	84.2
—due after one year	17	—	1.3
Cash at bank and in hand		57.0	41.6
		360.2	146.4
CREDITORS: amounts falling due within one year	18	(363.5)	(162.9)
NET CURRENT LIABILITIES		(3.3)	(16.5)
TOTAL ASSETS LESS CURRENT LIABILITIES		956.6	123.6
CREDITORS: amounts falling due after more than one year	19	(693.7)	(56.5)
PROVISIONS FOR LIABILITIES	21	(22.4)	(3.0)
NET ASSETS EXCLUDING PENSION LIABILITY		240.5	64.1
Net pension scheme deficit	31	(74.0)	(0.5)
NET ASSETS		166.5	63.6
CAPITAL AND RESERVES			
Called up share capital	22	—	—
Share premium account	22, 23	132.6	—
Profit and loss account	23	33.6	63.4
SHAREHOLDERS' FUNDS	24	166.2	63.4
Minority Interests	25	0.3	0.2
TOTAL CAPITAL EMPLOYED		166.5	63.6

These financial statements were approved by the Board of Directors and authorised for issue on 17 November 2011.

Signed on behalf of the Board of Directors

S Henderson
Director
Company Number 03558065

BOPARAN HOLDINGS LIMITED

COMPANY BALANCE SHEET

30 July 2011

	Note	30 July 2011 £m	31 July 2010 £m
FIXED ASSETS			
Investments	14	161.5	10.6
CURRENT ASSETS			
Debtors			
—due within one year	17	666.9	11.2
—due after one year	17	—	18.0
Cash at bank and in hand		20.5	—
		687.4	29.2
CREDITORS: amounts falling due within one year	18	(750.4)	(19.0)
NET CURRENT (LIABILITIES)/ASSETS		(63.0)	10.2
TOTAL ASSETS LESS CURRENT LIABILITIES		98.5	20.8
CREDITORS: amounts falling due after more than one year	19	—	(18.0)
NET ASSETS		98.5	2.8
CAPITAL AND RESERVES			
Called up share capital	22	—	—
Share Premium	22, 23	132.6	—
Profit and loss account	23	(34.1)	2.8
SHAREHOLDERS' FUNDS		98.5	2.8

These financial statements were approved by the Board of Directors and authorised for issue on 17 November 2011.

Signed on behalf of the Board of Directors

S Henderson
Director
Company Number 03558065

BOPARAN HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

Period ended 30 July 2011

	Note	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
		£m	£m
Net cash inflow from operating activities	27	59.2	53.7
Returns on investments and servicing of finance			
Interest received		0.2	0.2
Interest paid		(18.5)	(1.2)
Interest element of finance lease payments		(0.6)	(0.7)
		(18.9)	(1.7)
Taxation			
Corporation tax paid		(14.8)	(9.5)
Capital expenditure and financial investment			
Payments for tangible fixed assets		(46.1)	(21.5)
Receipts for tangible fixed assets		0.9	—
Investment in Joint Venture		(0.4)	(0.2)
		(45.6)	(21.7)
Acquisitions			
Acquisitions and disposals (including directly attributable acquisition costs)	30	(298.6)	(36.0)
Payments of deferred consideration		(1.3)	(1.3)
Cash outflows for acquisitions		(299.9)	(37.3)
Equity dividends paid		(16.7)	(18.5)
Net cash outflow before financing		(336.7)	(35.0)
Financing			
Capital element of finance leases acquired net of finance lease payments		4.3	(3.7)
Bank loans and bonds raised net of loans repaid	29	353.7	31.2
Issue of ordinary share capital		6.6	—
		364.6	27.5
Increase/(decrease) in cash in the period	28, 29	27.9	(7.5)

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently throughout the period and the preceding period.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The Group financial statements consolidate the financial statements of the company and all of its subsidiary undertakings at 30 July 2011 using acquisition accounting.

The results of subsidiary undertakings acquired or disposed of during a financial period are included from, or up to, the effective date of an acquisition or disposal. Goodwill, representing the difference between the cost and the fair value of the net assets is capitalised in the period of acquisition in respect of subsidiary undertakings acquired using acquisition accounting and written off over its useful life of twenty years. Negative goodwill is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale.

Going Concern

In determining whether the Group's annual consolidated financial statements can be prepared on a going concern basis, the directors considered the Group's business activities, together with the factors likely to affect its future development, performance and position; these are set out above under Principal Risks and Uncertainties. The review included the financial position of the Group, its cash flows, liquidity position, borrowing facilities and covenants. The key factors considered by the directors were as follows:

- consideration of detailed forecasts prepared for the 12 month period from the date of approval of the financial statements and the application of sensitivities to those forecasts;
- the implications of the challenging economic environment and future uncertainties on the Group's revenues and profits.
- The Group undertakes forecasts and projections of trading and cash flows and monitors the Group's banking covenants on a regular basis. This allows the Group to target performance and identify areas of focus for management;
- the impact of the competitive environment within which the Group's businesses operate;
- the potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected;
- the enlarged group has access to overdraft facilities and a committed bank facility to meet day to day working capital requirements.

As at the date of this report, the directors have a reasonable expectation that the Company and Group have adequate resources to continue in business for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements. Accordingly, the Annual report and financial statements for the 52 weeks ended 30 July 2011 have been prepared on the going concern basis.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, Value Added Tax (VAT) and other sales related taxes.

1. ACCOUNTING POLICIES (Continued)

Finance income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Finance income includes the expected return on pension scheme assets.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

No depreciation is provided on freehold land. On other assets it is provided evenly on the cost of the tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Freehold land and buildings	2%–5%
Leasehold improvements	20%
Leasehold land and buildings	2%–5%
Plant and machinery	6.66%–20%
Fixtures, fittings and equipment	10%–25%
Motor vehicles	10%–25%

Leased assets

Leases are classified as finance leases whenever the terms of the lease involve the substantial transfer of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance lease are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Related party transactions

The company has taken advantage of the exemption granted under FRS 8 which does not require disclosure of transactions between subsidiary undertakings where 100% of the company's voting rights are controlled within the Group.

Intangible fixed assets—Goodwill

Goodwill arising on acquisition, representing the difference between the cost and the fair value of the net assets acquired in a business combination is capitalised in the period of acquisition and written off over its useful life of twenty years. Negative goodwill is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that

1. ACCOUNTING POLICIES (Continued)

arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments

Investments are stated at cost less any provision to reduce the carrying values to their recoverable amounts.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Capitalisation of finance costs

Finance costs are netted against the loan finance to which it relates. These costs, together with the interest expense, are allocated to the profit and loss account over the term of the finance facility at a constant rate on the carrying amount.

Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds

1. ACCOUNTING POLICIES (Continued)

Sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

(b) Transactions and balances

In preparing the financial statements of the individual companies, transactions in currencies other than pounds Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the balance sheet date. Non monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are included in the income statement for the period.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

(c) Group companies

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or an expense in the period in which the operation is disposed of.

Pension schemes

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit pension scheme

The Group operates a number of defined benefit pension schemes. A defined benefit scheme is one where the amount of pension benefit an employee will receive on retirement is dependent on age, years of service and compensation. Under FRS 17, pension scheme assets are measured using fair values. Pension scheme liabilities are valued using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability.

A pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full, net of deferred tax, and presented on the face of the balance sheet. The movement in the scheme surplus/ deficit is split between operating and financial items in the profit and loss account and the statement of total recognised gains and losses.

The full service cost of the pension provision is charged to operating profit. The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on the scheme assets is charged/credited to other finance costs.

Any difference between the expected return on assets and that actually achieved is charged through the statement of total recognised gains and losses (STRGL). Similarly, any differences that arise from experience or assumption changes are charged through the statement of total recognised gains and losses.

1. ACCOUNTING POLICIES (Continued)

Post retirement healthcare

The Group provides post retirement healthcare benefits to eligible retired employees. An employee is eligible if granted the benefit and if retirement occurred on or before 31 March 1999. Employees who were granted the benefit, but retired after 31 March 1999, will not receive this benefit in retirement. Post 31 March 1999, the benefit was not granted to any employees.

The expected cost of this benefit has been computed using an accounting methodology similar to that for defined benefit pension schemes. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised in full in the period in which they occur. They are recognised outside the income statement and presented in the statement of comprehensive income. These obligations are valued annually for the purpose of the financial statements by independent qualified actuaries.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at their present value and at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

Government grants

Government grants in respect of capital expenditure are credited to deferred income and are released to the income statement over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to the income statement so as to match them with the expenditure to which they relate.

Research and development

Research and development costs comprise all directly attributable costs necessary to create and produce new products which are both brand new in design and those being modified. Costs classified as research and development include raw materials, labour costs, artwork origination and market research directly attributable to developing the product.

Dividends

Dividend distributions to the Company's shareholders are recognised in the Group and Company financial statements as follows:

- Final dividend: when approved by the Company's shareholders at the Annual general meeting;
- Interim dividend: when paid by the Company.

2. TURNOVER AND SEGMENTAL INFORMATION

Period ended 30 July 2011	Turnover	Operating profit/(loss) pre exceptional items	Exceptional items	Operating profit/(loss) post exceptional items
	£m	£m	£m	£m
Chilled	175.8	6.4	—	6.4
Branded	128.1	(5.8)	—	(5.8)
Poultry	1,072.2	41.6	(0.9)	40.7
	1,376.1	42.2	(0.9)	41.3
Unallocated amounts:				
Exceptional items				(28.6)
Net finance expense before exceptional items				(25.2)
Net finance expense—exceptional items				(11.2)
Loss before taxation				(23.7)
Taxation on ordinary operations				4.6
Taxation on share of (loss)/profit from joint ventures				(0.1)
Loss for the period after taxation on ordinary operations				(19.2)

Period ended 31 July 2010	Turnover	Operating profit pre exceptional items	Exceptional items	Operating Profit post exceptional items
	£m	£m	£m	£m
Chilled	—	—	—	—
Branded	—	—	—	—
Poultry	837.6	23.0	—	23.0
	837.6	23.0	—	23.0
Unallocated amounts:				
Profit on sale of discontinued operations				14.2
Share of operating profit from joint venture				0.5
Net finance expense				(1.6)
Profit before taxation on ordinary activities				36.1
Taxation on ordinary operations				(10.3)
Taxation on share of (loss)/profit from joint ventures				(0.1)
Profit for the period after taxation on ordinary operations				25.7

In the prior year, discontinued operations in poultry include £41.8m in turnover and a loss of £9.3m in operating profit.

Exceptional items are detailed in note 4 to the financial statements.

2. TURNOVER AND SEGMENTAL INFORMATION (Continued)

Intersegmental sales were charged at prevailing market prices. Intersegmental sales were: Chilled £nil (2010: £nil), Branded £nil (2010: £nil) and Poultry £1.9m (2010: £nil).

Other information—period ended 30 July 2011	Chilled	Branded	Poultry	Group
	£m	£m	£m	£m
Depreciation	5.1	6.0	16.6	27.7
Impairment of tangible fixed assets	0.4	0.2	2.1	2.7
Amortisation of intangible assets	4.2	3.0	3.8	11.0

Other information—period ended 31 July 2010	Chilled	Branded	Poultry	Group
	£m	£m	£m	£m
Depreciation	—	—	13.5	13.5
Amortisation of intangible assets	—	—	2.0	2.0

	Assets	Liabilities	30 July 2011 Total	Assets	Liabilities	31 July 2010 Total
	£m	£m	£m	£m	£m	£m
Chilled	447.2	(97.3)	349.9	—	—	—
Branded	442.9	(102.9)	340.0	—	—	—
Poultry	370.2	(139.3)	230.9	242.4	(99.4)	143.0
Operating assets/(liabilities)	**1,260.3**	**(339.5)**	**920.8**	**242.4**	**(99.4)**	**143.0**
Unallocated corporate assets:						
Cash at bank and in hand	57.0	—	57.0	41.6	—	41.6
Corporate other receivables	2.8	—	2.8	2.5	—	2.5
Unallocated corporate liabilities:						
Total borrowings	—	(687.6)	(687.6)	—	(96.8)	(96.8)
Retirement benefit obligations	—	(74.0)	(74.0)	—	(0.5)	(0.5)
Deferred taxation liabilities	—	(6.1)	(6.1)	—	(3.0)	(3.0)
Current taxation liabilities	—	(25.1)	(25.1)	—	(18.0)	(18.0)
Corporate other payables	—	(21.3)	(21.3)	—	(5.2)	(5.2)
Total assets/(liabilities)	**1,320.1**	**(1,153.6)**	**166.5**	**286.5**	**(222.9)**	**63.6**

	Turnover by destination		Turnover by origin		(Loss)/profit before tax		Net assets	
Geographical analysis	52 weeks 2011	52 weeks 2010	52 weeks 2011	52 weeks 2010	52 weeks 2011	52 weeks 2010	52 weeks 2011	52 weeks 2010
	£m	£m	£m	£m	£m	£m	£m	£m
United Kingdom	1,074.0	728.3	958.1	672.5	(28.1)	29.1	19.7	42.4
Other European	301.9	67.5	418.0	123.3	4.4	3.4	147.6	23.0
North America	—	41.8	—	41.8	—	3.6	(0.8)	(1.8)
Other	0.2	—	—	—	—	—	—	—
Total	1,376.1	837.6	1,376.1	837.6	(23.7)	36.1	166.5	63.6

All turnover in North America in the prior year relates to discontinued operations. All unallocated costs and assets noted in the segmental reconciliations have been allocated to United Kingdom in the above table, consistent with where the Group's head office is based.

3. COST OF SALES, GROSS PROFIT AND OTHER OPERATING EXPENSES

The table below sets out the results to operating profit/(loss) split between existing operations, acquisitions and discontinued operations.

52 Weeks ended 30 July 2011	Existing Operations before exceptional items	Exceptional items	Existing Operations	Acquisitions	Total
	£m	£m	£m	£m	£m
TURNOVER	1,054.3	—	1,054.3	321.8	1,376.1
Cost of sales	(942.0)	(0.9)	(942.9)	(259.8)	(1,202.7)
GROSS PROFIT	112.3	(0.9)	111.4	62.0	173.4
Distribution costs	(57.6)	—	(57.6)	(20.0)	(77.6)
Administrative expenses	(27.4)	—	(27.4)	(29.5)	(56.9)
Other Income	2.0	—	2.0	0.4	2.4
OPERATING PROFIT	29.3	(0.9)	28.4	12.9	41.3

52 Weeks ended 31 July 2010	Existing Operations	Acquisitions	Discontinued Operations	Total
	£m	£m	£m	£m
TURNOVER	711.2	84.6	41.8	837.6
Cost of sales	(633.4)	(75.2)	(50.2)	(758.8)
GROSS PROFIT/(LOSS)	77.8	9.4	(8.4)	78.8
Distribution costs	(40.1)	(6.1)	—	(46.2)
Administrative expenses	(12.6)	(1.2)	(0.9)	(14.7)
Other Income	5.1	—	—	5.1
OPERATING PROFIT/(LOSS)	30.2	2.1	(9.3)	23.0

4. EXCEPTIONAL ITEMS REPORTED AFTER OPERATING PROFIT

Exceptional items consist largely of the costs of the fundamental restructuring of continuing operations arising in respect of the acquisitions of Northern Foods Limited, Amber Foods Limited and Five Star Fish Limited which has had a material effect on the nature and focus of the Group's operations, together with other material items which derived from events that fall within the ordinary activities of the Group.

Exceptional costs of £39.8m comprise:

	52 weeks ended 30 July 2011
	£m
Fundamental restructuring of operations:	
Impairment of property plant and equipment	0.5
Make whole of US Private Placement (USPP)	20.9
Acquisition and rationalisation costs	7.2
	28.6
Interest payable:	
Acquisition financing fees	11.2
Increase in charge to profit and loss account	39.8

4. EXCEPTIONAL ITEMS REPORTED AFTER OPERATING PROFIT (Continued)

The USPP was in place at the date of acquisition of Northern Foods and was subsequently repaid in full in May 2011. The exceptional costs of £20.9m arose as a result of early repayment of the USPP.

The effects of the exceptional items reported after operating profit on the amounts charged to the profit and loss account for taxation and minority interests were:

	Tax on profit on ordinary activities	
	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Tax credit on fundamental restructuring costs	11.0	—
Decrease in tax charge to profit and loss account	11.0	—

The credit of £11.0m related to corporation tax of £7.1m and deferred tax of £3.9m.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Bank interest	—	0.3
Net return on pension schemes	1.5	—
	1.5	0.3

6. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Before exceptional items		
Interest on loans and overdrafts	24.0	1.2
Interest on finance leased assets	0.6	0.7
Other interest charge	2.1	—
	26.7	1.9
Exceptional items		
Acquisition financing fee	11.2	—
	37.9	1.9

7. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss)/profit on ordinary activities before taxation is arrived at after charging/(crediting):

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Auditors' remuneration for audit services	0.4	0.2
Operating lease rentals:		
—hire of plant and machinery	3.1	2.0
—other	3.0	4.5
Depreciation of tangible fixed assets:		
—owned	26.1	12.4
—leased	1.6	1.1
Impairment of tangible fixed assets		
—owned (exceptional items)	0.9	—
—owned (non exceptional items)	1.3	—
—leased (exceptional items)	0.5	—
—leased (non exceptional items)	—	—
Amortisation of goodwill	11.0	2.0
Research and development costs	0.9	—
Government grants	0.2	—
Profit on sale of discontinued operations	—	(14.2)

The analysis of auditor's remuneration is as follows:

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£000	£000
Fees payable to the Company's auditors for the audit of the Company's annual accounts	30	30
Audit of the Company's subsidiaries pursuant to legislation	340	179
Total audit fees	370	209
Tax services	220	264
Corporate finance services	1,032	173
Total non audit fees	1,252	437

8. STAFF COSTS

GROUP

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
Average monthly number of employees, including directors:		
Production	8,193	4,584
Administration and selling	823	434
	9,016	5,018

8. STAFF COSTS (Continued)

	£m	£m
Staff costs, including directors:		
Wages and salaries	167.0	90.0
Social security costs	15.6	8.2
Pension costs	2.6	1.0
	185.2	99.2

In addition to the above, redundancy costs of £1.1m are included in exceptional items.

COMPANY

The company does not have any employees (2010: No employees). The directors are remunerated through other group companies.

9. DIRECTORS' REMUNERATION

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Emoluments of company's directors:		
Salaries, bonuses and benefits	1.0	0.6
Compensation for loss of office	0.2	—
Pension costs	—	—
	1.2	0.6
Emoluments of highest paid director:		
Salaries, bonuses and benefits	0.5	0.3
Compensation for loss of office	0.2	—
Contributions to pension scheme	—	—
	0.7	0.3

The directors participate in individual personal pension arrangements to which the company makes contributions. The pension cost charge represents contributions payable in the period and for 2011 amounted to £25,000 (2010: £24,000), the pension contribution in respect of the highest paid director was £12,000 (2010: £12,000).

10. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
United Kingdom corporation tax		
Current tax on income for the period	0.2	(9.7)
Adjustment in respect of prior periods	(0.5)	1.6
Total	(0.3)	(8.1)
Overseas taxation		
Current tax on income for the period	(2.4)	(2.3)
Deferred taxation		
Net origination of timing differences	5.8	0.2
Adjustment in respect of prior periods	—	(0.2)
Change in corporation tax rate	2.2	—
Deferred tax on pension scheme	(0.8)	—
Total	7.2	—
Current taxation	(2.7)	(10.4)
Deferred taxation	7.2	—
Tax credit/(charge) on (loss)/profit of ordinary activities	4.5	(10.4)
Analysed as:		
Tax credit/(charge) on (loss)/profit on ordinary activities	4.6	(10.3)
Tax charge on share of profit from joint ventures	(0.1)	(0.1)

The Finance Act 2010, which provides for a reduction in the main rate of corporation tax from 26% to 25% effective from 1 April 2012, was substantively enacted on 6 July 2011. The prior year balances reflected the reduction in the main rate of corporation tax from 28% to 27% effective from 1 April 2011. This recent change in legislation has been reflected in the deferred tax balances at 30 July 2011. The effect of this rate change is a deferred tax credit of £2.2m in the year, of which £1.9m related to the retirement benefit obligation. In addition to the credit of £2.2m taken to the profit and loss account, a deferred tax charge of £2.9m was taken to equity relating to the actuarial gains and losses on the retirement benefit assets and obligations.

10. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (Continued)

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation taxation to the (loss)/profit before tax is as follows:

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Current tax reconciliation		
(Loss)/profit on ordinary activities before taxation	(23.7)	36.1
Standard UK corporation tax rate of 26% (2010: 28%)	6.2	(10.1)
Effects of:		
—Disallowable expenses	(2.8)	(2.3)
—Capital allowances in excess of depreciation	(2.0)	—
—Losses carried forward	(4.3)	—
—Differences between UK and overseas tax rate	(0.7)	0.4
—Other timing differences	1.4	—
—Adjustment in respect of prior periods	(0.5)	1.6
Current taxation charge	(2.7)	(10.4)

A deferred tax asset has been recognised in relation to losses carried forward. Management expect that future taxable profits will be available against which the losses carried forward can be utilised.

On 23 March 2011 the Government announced that the main rate of corporation tax would reduce to 26% with effect from 1 April 2011, with subsequent 1% reductions per annum to reach 23% with effect from 1 April 2014. The anticipated effect of the further reduction to 23% will reduce the Group's future tax charge and reduce the Group's deferred tax liability accordingly. It has not yet been possible to quantify the full anticipated effect of this.

11. DIVIDENDS

	52 weeks ended 30 July 2011	52 weeks ended 31 July 2010
	£m	£m
Interim approved at £nil per share (2010: £2,600 per share)	—	13.0

12. INTANGIBLE FIXED ASSETS—GOODWILL

Group	£m
Cost	
At 1 August 2010	40.5
Additions	533.6
Foreign currency translation	0.3
At 30 July 2011	574.4
Amortisation	
At 1 August 2010	7.8
Charge for the period	11.0
Foreign currency translation	0.2
At 30 July 2011	19.0
Net book value	
At 30 July 2011	555.4
At 31 July 2010	32.7

The analysis of additional goodwill in the year is as follows:

Acquisition	£m
Northern Foods Limited	434.4
Amber Foods Limited	95.6
Five Star Fish Limited	3.2
Brink Pluimveeprodukten Holding B.V.	0.4
	533.6

13. TANGIBLE FIXED ASSETS

Group	Freehold Land and buildings and leasehold improvements	Leasehold land and buildings	Plant, fixtures and motor vehicles	Total
	£m	£m	£m	£m
Cost				
At 1 August 2010	57.7	—	100.8	158.5
Additions	15.5	0.2	28.8	44.5
Arising on acquisitions	96.8	19.0	167.5	283.3
Translation difference	1.1	—	0.9	2.0
Disposal	(1.9)	—	(11.0)	(12.9)
At 30 July 2011	169.2	19.2	287.0	475.4
Depreciation				
At 1 August 2010	8.6	—	45.8	54.4
Charge for the period	4.3	0.2	23.2	27.7
Impairment charge	1.5	—	1.2	2.7
Disposal	(0.9)	—	(9.6)	(10.5)
Translation difference	0.1	—	0.1	0.2
At 30 July 2011	13.6	0.2	60.7	74.5
Net book value				
At 30 July 2011	155.6	19.0	226.3	400.9
At 31 July 2010	49.1	—	55.0	104.1

The net book value of the tangible fixed assets includes £20.3m (2010: £8.0m) in respect of assets held under finance leases. Depreciation charged in the period on those assets amounted to £1.6m (2010: £1.1m).

There were £nil fixed assets held by the company (2010: £nil).

14. INVESTMENTS

Group	£m
Cost and Net Book Value	
At 1 August 2010	1.0
Arising on acquisition	—
Additions	—
Foreign exchange translation	—
At 30 July 2011	1.0

The total cost and net book value at 30 July 2011 relates to the 26% interest in Nobless Proteins B.V. Investments, a company incorporated in Holland. This investment is carried at cost less any provision for impairment where deemed appropriate.

Company	£m
Cost and Net Book Value	
At 1 August 2010	10.6
Additions	150.9
At 30 July 2011	161.5

14. INVESTMENTS (Continued)

The investment in subsidiary undertakings represents the company's investment in Boparan Holdings Inc, 2 Sisters Food Group Limited, 2 Sisters Property B.V, BH Acquisitions Limited, BH Finance Limited, Amber Foods Limited, Five Star Fish Limited and Reliance Nutritional Food Processors Limited. Provisions for impairment are made where it is deemed the carrying value of investment will not be recovered. The directors consider the value of investments to be supported by their underlying assets and future cash flows.

Additions in the period relate to BH Acquisitions Limited (£16.0m), BH Finance Limited (£24.5m), Amber Foods Limited (£110m) and Reliance Nutritional Food Processors Limited (£0.4m).

The parent company and the Group have investments in the following subsidiary undertakings, associates and other investments which principally affected the profits or net assets of the Group. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

Company	Principal activity	Country of incorporation
2 Sisters Food Group Limited*	Chicken processing	England
BH Acquisitions Limited*	Holding company	England
Northern Foods Limited	Food processing	England
Five Star Fish Limited*	Food processing	England
Amber Foods Limited*	Chicken processing	England
Northern Foods Grocery Group Limited	Food processing	England
Solway Foods Limited	Food processing	England
Convenience Foods Limited	Food processing	England
Cavaghan & Gray Limited	Food processing	England
F W Farnsworth Limited	Food processing	England
Green Isle Foods Limited	Food processing	Republic of Ireland
2 Sisters Europe B.V.*	Holding company	Holland
2 Sisters Poland Sp. Z.o.o.	Chicken processing	Poland
2 Sisters Storteboom B.V.	Chicken processing	Holland
2 Sisters Hamrol Sp. Z.o.o.	Chicken processing	Poland
2 Sisters Poultry B.V	Chicken processing	Holland
2 Sisters Holland B.V.	Chicken processing	Holland
TPFC Facilities B.V.	Tray Washing	Holland
Storteboom Agri B.V.	Chicken processing	Holland
Storteboom Kornhorn B.V.	Chicken processing	Holland
Storteboom Fresh B.V.	Chicken processing	Holland
Storteboom Nijkerk B.V.	Chicken processing	Holland
Storteboom Staphorst B.V.	Chicken processing	Holland
Brink Pluimveeprodukten Holding B.V	Chicken processing	Holland
Storteboom Barneveld B.V.	Chicken processing	Holland
Storteboom Food Group B.V.	Chicken processing	Holland
Boparan Finance plc*	Group financing	England

The company's subsidiary 2 Sisters Europe B.V. owns 96% of the ordinary share capital of 2 Sisters Hamrol Sp. Z.o.o. Other than 2 Sisters Hamrol Sp. Z.o.o. the company and the Group own 100% of the ordinary share capital and voting rights of all the companies above, whose activities principally affect the profits or net assets of the Group. Companies marked * are directly owned by Boparan Holdings Limited.

14. INVESTMENTS (Continued)

Investment in joint ventures

Company	Principal activity	Country of incorporation
Hook 2 Sisters Limited	Chicken growing	England
Reliance Nutritional Food Processors Limited	Chicken processing	India

The company's subsidiary 2 Sisters Food Group Limited owns 50% of the ordinary share capital of Hook 2 Sisters Limited.

Boparan Holdings Limited owns 50% of the ordinary share capital of Reliance Nutritional Food Processors Limited.

The amount shown in the consolidated balance sheet represents the amount invested and the Group's share of Hook 2 Sisters Limited's and Reliance Nutritional Food Processors Limited's post tax profits.

15. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 7th April 2011 the Group, through its subsidiary BH Acquisitions Limited, acquired 100% of the issued share capital of Northern Foods Plc (re-registered as Northern Foods Limited on 27th May 2011) and as a result also acquired all of its subsidiaries and investment interests. The fair value of the total consideration was £352.3 million. Acquisitions are accounted for under the acquisition method.

15. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

The following table sets out the book values of the identifiable assets and liabilities and their fair value to the Group.

	Book value	Accounting policy alignment	Fair value to Group
	£m	£m	£m
Fixed assets			
Intangible	52.4	(1.1)	51.3
Other intangible assets	10.1	(10.1)	—
Tangible	274.1	0.5	274.6
Deferred taxation assets	17.1	(17.1)	—
Current assets			
Stocks	56.3	—	56.3
Debtors	117.5	(0.7)	116.8
Cash	31.6	—	31.6
Total assets	559.1	(28.5)	530.6
Creditors			
Bank loans and overdraft payable less than one year	(6.9)	—	(6.9)
Bank loans payable greater than one year	(248.2)	—	(248.2)
Trade creditors and other payables	(202.0)	0.3	(201.7)
Corporation tax	(7.8)	—	(7.8)
Deferred tax	(2.2)	(7.0)	(9.2)
Accruals and deferred income	(22.2)	—	(22.2)
Retirement benefit obligation	(89.8)	24.4	(65.4)
Total liabilities	(579.1)	17.7	(561.4)
Net liabilities	(20.0)	(10.8)	(30.8)
Less purchased goodwill			(51.3)
Total net liabilities acquired			(82.1)
Goodwill			434.4
Total consideration			352.3
Satisfied by:			
Cash			329.2
Directly attributable acquisition costs			7.1
Shares issued			16.0
Total consideration			352.3
Cash and cash equivalents acquired			(24.7)

The fair value adjustments are to align Northern Foods Limited's accounting policies with the Group's existing accounting policies under United Kingdom Generally Accepted Accounting Practices.

Northern Foods Limited earned a loss after taxation of £13.2m in the year ended 2 April 2011. The loss for the year ended 2 April 2011 of £13.2m (2009/10: profit of £13.8m) includes restructuring items of £49.6m with an associated tax credit of £6.7m. Restructuring items comprised £5.2m in relation to the closure of Fenland and Ethnic, £3.7m in relation to the sale of the trade and assets of the Dalepak site, £8.4m of rationalisation costs, £5.5m in relation to the mothballing of a production line at the Green Isle site, a release of £0.3m relating to project Golden, merger and take-over costs of £17.4m, and £13.2m cash costs, and a £3.5m non-cash pension credit in relation to the Pensions ETV exercise.

15. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

For the period from 3 April 2011 to 7 April 2011, Northern Foods Limited earned a profit on ordinary activities after tax of £0.2m on the basis of the accounting policies of Northern Foods Limited prior to the acquisition.

In addition, on 7th April 2011 the Boparan Holdings Group acquired 100% of the issued share capital of Amber Foods Limited and Five Star Fish Limited for total consideration of £110m. On 1 November 2010 the Group, through its subsidiary 2 Sisters Europe B.V., acquired the trade and assets of Brink Pluimveeprodukten Holding B.V. (herein Brink) for cash consideration of £6.7m. The acquisitions of Five Star Fish Limited and Brink were not material and have been shown aggregated.

Acquisitions are accounted for under the acquisition method. As at 31 July 2011 the fair values of the assets and liabilities acquired of Northern Foods Limited, Amber Foods Limited, Five Star Fish Limited and Brink were considered to be provisional.

The following table sets out the book values of the identifiable assets and liabilities and their fair value to the Group. There are no fair value adjustments or accounting policy alignments.

Book value and fair value	Amber Foods Limited	Five Star Fish Limited & Brink
	£m	£m
Fixed assets		
Intangible	—	2.7
Tangible	0.2	8.7
Current assets		
Stocks	0.7	7.1
Debtors	24.9	11.1
Cash	16.8	2.9
Total assets	42.6	32.5
Creditors		
Acquisition loan	—	(15.0)
Trade creditors and other payables	(1.9)	(11.5)
Corporation tax	(9.6)	(0.1)
Deferred taxation	—	(0.1)
Dividends payable	(16.7)	—
Total liabilities	(28.2)	(26.7)
Net assets	14.4	5.8
Less purchased goodwill	—	(2.7)
Total net assets acquired	14.4	3.1
Goodwill	95.6	3.6
Total consideration	110.0	6.7
Satisfied by:		
Cash	—	6.7
Shares issued	110.0	—
Total consideration	110.0	6.7
Cash and cash equivalents acquired	(16.8)	(2.9)

Amber Foods Limited earned a profit after taxation of £12.1m in the year ended 26 December 2010. In the period from 27 December 2010 to 7 April 2011, profit on ordinary activities after tax was £4.2m.

15. ACQUISITION OF SUBSIDIARY UNDERTAKINGS (Continued)

The impact on the Group's geographical reporting segments following the acquisition of Northern Foods Limited and Amber Foods Limited were as follows:

	Northern Foods and Amber Foods
	£m
TURNOVER BY DESTINATION	
United Kingdom	275.4
Other European Countries	21.3
Other	0.3
	297.0
TURNOVER BY ORIGIN	
United Kingdom	250.7
Other European Countries	46.3
	297.0
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	
United Kingdom	14.2
Other European Countries	(6.0)
	8.2
NET ASSETS	
United Kingdom	699.0
Other European Countries	70.6
	769.6

Goodwill has been allocated into the appropriate segments in the net assets split above. Borrowings form part of the unallocated borrowings in note 2 and as such have not been allocated above. The effect on the segmental reporting by class of business is shown in note 2 to the financial statements by the introduction of two additional classes of business, chilled and branded.

16. STOCKS

	Group	
	30 July 2011	31 July 2010
	£m	£m
Stock and WIP	66.7	11.4
Packaging and consumables	27.6	7.9
	94.3	19.3

The replacement cost of the above stocks would not be significantly different from the values stated.

17. DEBTORS

	Group		Company	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m	£m	£m
Amounts falling due within one year:				
Trade debtors	174.2	71.4	—	—
Amounts owed by Group undertakings	—	—	665.2	11.2
Amounts owed by joint ventures	1.3	—	—	—
Other debtors	23.0	8.7	—	—
Prepayments and accrued income	10.4	4.1	1.7	—
	208.9	84.2	666.9	11.2
Amounts falling due after more than one year:				
Amounts owed by Group undertakings	—	—	—	18.0
Amounts owed by joint venture	—	1.3	—	—
	—	1.3	—	18.0

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m		
Bank overdraft	—	12.4	—	—
Bank loans	—	24.8	—	19.0
Obligation under finance leases	4.0	4.1	—	—
Trade creditors	192.9	54.4	—	—
Amount owed to group undertakings	—	—	747.1	—
Amount owed to joint venture	31.8	19.1	—	—
Corporation tax	25.1	18.0	0.4	—
Overseas tax	—	1.8	—	—
Other taxation and social security	8.1	5.6	—	—
Other creditors	6.5	—	—	—
Accruals and deferred income	93.6	21.3	2.9	—
Deferred consideration	1.0	1.4	—	—
Government grants	0.5	—	—	—
	363.5	162.9	750.4	19.0

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m	£m	£m
Obligations under finance leases	10.5	3.9	—	—
Bond notes	673.1	—	—	18.0
Bank loans	—	51.6		
Accruals and deferred income	2.4	—	—	—
Deferred consideration	—	1.0	—	—
Government grant	7.7	—	—	—
	693.7	56.5	—	18.0

Finance leases are secured over the assets to which they relate.

20. BORROWINGS

	Group		Company	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m	£m	£m
Bank loans (net of fees)	—	76.4	—	37.0
Bond notes (net of fees)	673.1	—	—	—
Obligations under finance leases	14.5	8.0	—	—
	687.6	84.4	—	37.0
Due within one year	4.0	28.9	—	19.0
Due after more than one year	683.6	55.5	—	18.0
	687.6	84.4	—	37.0
Bank loans and bond notes:				
Within one year or less or on demand	—	24.8	—	19.0
More than one year but not more than two years	—	11.8	—	6.0
More than two years but not more than five years	—	39.8	—	12.0
More than five years	673.1	—		—
	673.1	76.4	—	37.0
Obligations under finance leases:				
Within one year or less or on demand	4.0	4.1	—	—
More than one year but not more than two years	3.9	1.5	—	—
More than two years but not more than five years	6.6	2.4	—	—
	14.5	8.0	—	—
Total	687.6	84.4	—	37.0

The company has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. There were no drawings under the RCF at period ended 30 July 2011. Interest on RCF drawings is calculated with reference to LIBOR and EURLIBOR plus applicable margin. In addition, a commitment fee is charged for the undrawn amount. The principal subsidiaries are guarantors to the facilities.

Finance leases are secured over the assets to which they relate.

21. PROVISIONS FOR LIABILITIES

	Provisions	Deferred taxation	Total
	£m	£m	£m
At 1 August 2010	—	3.0	3.0
Amounts arising on acquisition			
—exceptional	11.6	—	11.6
—non exceptional	9.6	9.3	18.9
Current period (credit)/charge to profit and loss account			
—exceptional	2.2	—	2.2
—non exceptional	0.3	(5.8)	(5.5)
Utilised in the period			
—exceptional	(5.4)	—	(5.4)
—non exceptional	(2.0)	—	(2.0)
Foreign Exchange movement	—	(0.1)	(0.1)
Adjustment due to rate change—profit and loss account	—	(0.3)	(0.3)
At 30 July 2011	16.3	6.1	22.4

	30 July 2011	31 July 2010
	£m	£m
Deferred taxation		
Accelerated capital allowances	11.2	3.2
Other short term timing differences	(5.1)	(0.2)
	6.1	3.0

All of the provisions are included within current liabilities as they are expected to be utilised in full within the next 52 week period. Provisions comprise of £8.4m relating to exceptional costs in relation to the fundamental restructuring of the Group's operations, further analysis is included in note 4 to the financial statements and £7.9m of non exceptional provisions. Included in non exceptional provisions is a £0.6m environmental provision for expected costs to follow up on certain environmental matters at the 2 Sisters Europe B.V. production location in Putten.

The Group has an unrecognised deferred tax asset of £37.1m (2010: £1.0m liability) in respect of capital losses carried forward as at 30 July 2011. No deferred tax has been provided on capital losses totalling £151.9m at 30 July 2011 (2010: £nil) as it is uncertain when these losses will be utilised against future taxable gains. The movement on unprovided deferred tax during the period arises solely as a result of the recognition of deferred tax at the rate of 25%.

22. SHARE CAPITAL

	30 July 2011	31 July 2010
	£m	£m
Authorised, allotted and fully paid	—	—

The nominal value of the share capital issued at the end of the period was £7,000 (2010: £5,000).

The classes of ordinary share capital in issue at the year end are 500,800 ordinary (1) shares of £0.01 each, 2 ordinary (2) shares of £0.01 each, 12,316 ordinary (3) shares of £0.01 each, 225,799 ordinary (4) shares of £0.01 each, 20,527 ordinary (5) shares of £0.01 each and 13,548 ordinary (6) shares of £0.01 each.

22. SHARE CAPITAL (Continued)

During the year, Boparan Holdings Limited sub-divided the 5,008 issued ordinary share capital at a nominal value of £1 each into 500,800 ordinary shares of £0.01 each, with a nominal value of £5,000.

During the year, Boparan Holdings Limited issued the following shares.

	No: of shares	Nominal value	Price paid	Issued share capital	Share premium
				£m	£m
Ordinary (2) shares of £0.01 each	2	£0.01	£487.16	—	—
Ordinary (3) shares of £0.01 each	12,316	£0.01	£487.17	—	6.0
Ordinary (4) shares of £0.01 each	225,799	£0.01	£487.15	—	110.0
Ordinary (5) shares of £0.01 each	20,527	£0.01	£487.16	—	10.0
Ordinary (6) shares of £0.01 each	13,548	£0.01	£487.16	—	6.6
				—	132.6

During the period Boparan Holdings Limited issued share capital to its parent company Boparan Holdco Limited for consideration of £132.6m. This consisted of shares issued with a value of £110m as consideration for the acquisition of Amber Foods Limited, £16.0m external creditors were repaid and £6.6m of cash was received.

All tranches of ordinary shares issued have voting rights and the right to full participation in any dividends and returns of capital.

23. RESERVES

	Share premium account	Profit and loss account
Group		
At 1 August 2010	—	63.4
Shares issued	132.6	—
Loss for the financial period	—	(19.3)
Pension scheme—actuarial loss	—	(11.5)
Pension scheme—deferred tax on actuarial loss	—	3.0
Deferred tax attributable to taxation rate change	—	(2.9)
Exchange difference arising on consolidation of overseas subsidiaries	—	0.9
At 30 July 2011	132.6	33.6

	Share premium account	Profit and loss account
Company		
At 1 August 2010	—	2.8
Shares issued	132.6	—
Loss for the financial period	—	(36.9)
At 30 July 2011	132.6	(34.1)

The loss for the financial period dealt with in the financial statements of the parent company was £36.9m (2010: profit £7.8m). As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

For information on shares issued in the year see note 22 to the financial statements.

24. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	30 July 2011 £m	31 July 2010 £m
Group		
(Loss)/profit for the financial period	(19.3)	25.6
Dividends	—	(13.0)
Retained profit for the period	(19.3)	12.6
New shares issued	132.6	—
Other recognised gains and losses relating to the period	(10.5)	(0.8)
Opening shareholders' funds	63.4	51.6
Closing shareholders' funds	166.2	63.4

25. MINORITY INTERESTS

	30 July 2011	31 July 2010
Group		
At 1 August 2010	0.2	—
Acquisition of subsidiary undertaking	—	0.1
Profit on ordinary activities	0.1	0.1
At 30 July 2011	0.3	0.2

26. FINANCIAL COMMITMENTS

Capital commitments

There were capital commitments of £2.4m at 30 July 2011 (2010: £4.2m) provided for at the year ended 30 July 2011 and £0.9 capital commitments contracted for but not provided for.

Operating lease commitments

The payments which the Group is committed to make in the next period under operating leases are as follows:

	30 July 2011 £m	31 July 2010 £m
Land and buildings leases expiring:		
Within one year	—	0.9
Two to five years	1.6	0.3
Over five years	0.4	1.7
	2.0	2.9
Other leases expiring:		
Within one year	0.8	1.0
Two to five years	1.9	0.5
Over five years	—	0.2
	2.7	1.7

27. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30 July 2011	31 July 2010
	£m	£m
Operating profit	41.3	23.0
Pre tax profit of joint venture	—	0.5
Depreciation	27.7	13.5
Amortisation of goodwill	11.0	2.0
Non exceptional impairment of plant & machinery	1.3	
Loss on disposal of plant & machinery	1.5	—
Decrease in provisions (excluding provisions acquired)	(1.7)	—
Movement in pension schemes	(1.0)	—
Grants and other non cash movements	(0.2)	—
(Increase)/decrease in stocks	(10.7)	7.3
Decrease in debtors	17.4	8.3
Increase/(decrease) in creditors	7.1	(1.3)
Cash impact of fundamental restructuring	(34.5)	—
Movement in exchange	—	0.4
Net cash inflow from operating activities	59.2	53.7

The cash impact of fundamental restructuring of £34.5m in the current period relates to £28.8m make whole payment on the USPP and £5.7m in relation to acquisition and integration costs. The £5.7m included £4.9m relating to exceptional provisions acquired on acquisition of Northern Foods.

28. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	30 July 2011	31 July 2010
	£m	£m
Increase/(decrease) in cash (net of overdrafts)	27.9	(7.5)
Cash inflow from increase in debt and lease financing	(358.0)	(27.5)
Change in net debt resulting from cash flows	(330.1)	(35.0)
Loans acquired with subsidiary	(240.3)	(1.9)
Finance leases acquired with subsidiary	(2.2)	—
Finance leases terminated	—	6.3
Effect of foreign exchange rates	(1.8)	—
New finance leases	—	(3.5)
Prepayment of bond fees	(25.5)	—
Movement in net debt	(599.9)	34.1
Net debt brought forward	(55.2)	(21.1)
Net debt carried forward	(655.1)	(55.2)

29. ANALYSIS OF NET DEBT

	1 August 2010	Cash flow	Acquisitions and disposals	Other movements	30 July 2011
	£m	£m	£m	£m	£m
Cash balances net of overdrafts	**29.2**	**27.9**	**—**	**(0.1)**	**57.0**
Debt due within one year	(24.8)	24.8	—	—	—
Debt due after more than one year	(51.6)	(378.5)	(240.3)	(2.7)	(673.1)
Finance leases	(8.0)	(4.3)	(2.2)	—	(14.5)
Total debt	**(84.4)**	**(358.0)**	**(242.5)**	**(2.7)**	**(687.6)**
Prepayment of bond fees	—	—	—	(24.5)	(24.5)
Net debt	**(55.2)**	**(330.1)**	**(242.5)**	**(27.3)**	**(655.1)**

The other movement of £0.1m on cash balances relate to exchange differences.

The other movement of £2.7m on debt due after more than one year relates to exchange movements on opening loan balances of £1.7m and amortisation of the prepayment of bond fees of £1.0m.

The acquisitions and disposals debt acquired of £240.3m is the bank loans greater than one year acquired as part of the acquisition of Northern Foods of £248.2m net of £7.9m exchange movement at date of repayment.

Management define net debt as the gross amount of borrowings outstanding. The other movement of £24.5m relates to the prepayment of bond fees. In the balance sheet, the bond balance is shown net of the prepaid bond fees. Management monitor and view the net debt figure excluding prepaid fees and so it is added back into net debt in the table above.

During the period the Group entered into finance lease agreements with a capital value at the inception of the lease of £6.4m (1 August 2010: £3.5m).

30. ACQUISITIONS

The table below details the cashflow movements as a result of acquisitions.

	30 July 2011	31 July 2010
	£m	£m
Purchase of Subsidiary undertakings	(343.0)	(59.4)
Net cash/(overdrafts) acquired	44.4	(12.0)
Sale of trade and assets of subsidiary	—	35.4
	(298.6)	(36.0)

Total consideration paid in the current year is split as:

	30 July 2011
	£m
Northern Foods Limited	
Cash consideration	329.2
Directly attributable acquisition costs	7.1
Five Star Fish Limited & Brink	—
Cash consideration	6.7
	343.0

30. ACQUISITIONS (Continued)

Total net cash and cash equivalents acquired is split as:

	30 July 2011
	£m
Northern Foods Limited	24.7
Amber Foods Limited	16.8
Five Star Fish Limited & Brink	2.9
	44.4

31. PENSION ARRANGEMENTS

DEFINED CONTRIBUTION SCHEMES

The Group contributes to defined contribution schemes for all qualifying employees. The total cost charged to income of £2.8m (2010: £0.8m) represents contributions payable to these by the company at rates specified in the rules of the plans. At 30 July 2011 prepaid contributions of £0.2m (2010: accrued £0.1m) had been paid over to the schemes.

DEFINED BENEFIT SCHEMES

The Group operates a number of defined benefit schemes for qualifying employees, principally the Northern Foods Pension Scheme, Northern Foods Pension Builder and the Lloyd Maunder Limited Retirement Benefit and Life Assurance Scheme in the United Kingdom, the Green Isle Foods Group Retirement and Death Benefit Plan (the Plan) in the Republic of Ireland and 2 Sisters Holland B.V pension arrangements in The Netherlands. Under the Schemes, the Pension Builder and the Plan, employees are entitled to retirement benefits based on pay and service. The Schemes, Pension Builder and the Plan are funded schemes whilst the Group's Post retirement medical benefit scheme is unfunded. The Schemes and the Plan are final salary schemes. The assets of all the Schemes, the Pension Builder and the Plan are held in trustee administered funds separate from the finances of the Group.

The Northern Foods Pension Scheme and Pension Builder are closed to new entrants. Pension Builder is a defined benefit scheme based on the career average principle.

On 3 August 2011 Northern Foods Limited wrote to contributing members with a proposal to close the Northern Foods Pension Scheme and Northern Foods Pension Builder Scheme to future accrual with effect from 31 October 2011. Following the two month consultation period Northern Foods Limited confirmed that the proposal would go ahead and the new defined contribution plan would be established with effect from 1 November 2011 to provide future benefits. A similar proposal has been made for the Green Isle pension scheme.

The most recent actuarial valuations of the Schemes, the Pension Builder and the Plan for the purpose of the financial statements and the present value of defined benefit obligations were carried out at 30 July 2011 by independent qualified actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost was measured using the projected unit credit method.

The total Northern Foods Pension Schemes which were acquired as part of the acquisition of Northern Foods Limited are £71.3m of the total net pension liability of £74.0m. It has been deemed appropriate by management to aggregate all pension schemes together in the disclosure notes below. Funding plans agreed to reduce the deficit (principally relating to the Northern Foods Limited schemes) are discussed later in this note. Principal assumptions and sensitivity analysis is disclosed for the Northern Foods pension scheme only on the basis that there are no significant differences between the assumptions used for the other schemes.

31. PENSION ARRANGEMENTS (Continued)

The principal assumptions used for the actuarial valuations of the Schemes were:

	30 July 2011	31 July 2010
Rate of increase in salaries	3.0%	5.3%
Inflation assumption	3.3%	3.3%
Discount Rate	5.5%	5.1%
Mortality	CMI_2009	PA92 long cohort

The mortality assumptions used are based on mortality experience of the schemes and anticipated mortality experience. The Group has adopted the SAPS All base tables with scaling factors appropriate for each section of the membership with the core CMI 2009 projections with a long-term rate of improvement of 0.5% per annum to reflect a detailed mortality study completed by the Trustees.

The life expectancy in years for a member aged 65 is as follows:

		30 July 2011	31 July 2010
		(years)	(years)
Current pensioner	—male	20.6	23.9
	—female	22.3	27.0
Future pensioner	—male	21.0	24.9
	—female	23.3	27.9

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at each balance sheet date were:

	%	30 July 2011	%	31 July 2010
		£m		£m
Equities	7.4	506.0	7.3	0.7
Bonds	5.5	10.3	—	—
Cash	3.6	0.1	4.0	0.3
Derivative Instruments	4.3	232.3	5.1	6.9
Other	0.5	30.8	—	0.7
Total fair value of assets		779.5		8.6
Present value of scheme liabilities		(879.1)		(9.3)
Pension scheme liability		(99.6)		(0.7)
Deferred tax asset		25.6		0.2
Net pension scheme liability		(74.0)		(0.5)

If life expectancy is increased or decreased by one year, liabilities are estimated to increase or decrease by £25m respectively. The impact of a 0.1% increase or decrease in the discount rate would decrease or increase liabilities by £15m respectively.

Post retirement medical benefit scheme

Until 31 March 1999, Northern Foods Limited operated a post retirement medical benefit scheme. The method of accounting, assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes detailed above. The main actuarial assumptions are the underlying medical cost inflation of 5.3% per annum (2010/11: 5.4%) and the discount rate of 5.5% per annum (2010/11: 5.7%).

31. PENSION ARRANGEMENTS (Continued)

If the assumed rate of underlying medical cost inflation increased or decreased by 1.0% per annum then the valuation of the liabilities is estimated to increase or decrease by less than £0.1m (2010/11: £0.1m) respectively.

Amounts recognised in the income statement in respect of the Group's defined benefit schemes and post employment medical benefit scheme are as follows:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m	£m	£m	£m	£m
Current service cost	1.3	0.2	—	—	1.3	0.2
Interest on obligation	15.7	0.4	0.1	—	15.8	0.4
Expected return on scheme assets	(17.3)	(0.4)	—	—	(17.3)	(0.4)
(Credit)/charge to profit and loss account	(0.3)	0.2	0.1	—	(0.2)	0.2

The current service cost for the period has been included within cost of sales £1.1m (2010: £0.2m), distribution costs £0.1m (2010: £nil) and administrative expenses £0.1m (2010: £nil).

The interest on obligation and the expected return on scheme assets are included in net return on pension schemes within interest receivable and similar income.

Actuarial gains and losses have been reported in the statement of total recognised gains and losses. The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS 17 is a loss of £11.9m (2010: loss of £0.4m)

The actual return on scheme assets was £22.0m (2010: £1.2m).

Amounts recognised in the Consolidated balance sheet in respect of the Group's defined benefit schemes and post retirement medical benefit scheme are as follows:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m	£m	£m	£m	£m
Present value of obligations	(876.2)	(9.3)	(2.9)	—	(879.1)	(9.3)
Fair value of scheme assets	779.5	8.6	—	—	779.5	8.6
	(96.7)	(0.7)	(2.9)	—	(99.6)	(0.7)
Deferred taxation	24.9	0.2	0.7	—	25.6	0.2
Net pension	(71.8)	(0.5)	(2.2)	—	(74.0)	(0.5)

31. PENSION ARRANGEMENTS (Continued)

Changes in the present value of the scheme liabilities:

	Defined benefit schemes		Post retirement medical benefit scheme		Total retirement benefit schemes	
	30 July 2011	31 July 2010	30 July 2011	31 July 2010	30 July 2011	31 July 2010
	£m	£m	£m	£m	£m	£m
Scheme liabilities at start of period	9.3	8.0	—	—	9.3	8.0
Arising on acquisition	844.4	—	2.9	—	847.3	—
Employer share of benefits accruing*	2.3	0.2	—	—	2.3	0.2
Interest on pension scheme liabilities	15.7	0.5	0.1	—	15.8	0.5
Benefits paid	(12.0)	(0.2)	(0.1)	—	(12.1)	(0.2)
Contributions by employees	0.4	0.1	—	—	0.4	0.1
Actuarial losses on liabilities	16.2	0.7	—	—	16.2	0.7
Exchange	(0.1)	—	—	—	(0.1)	—
Scheme liabilities at period end	876.2	9.3	2.9	—	879.1	9.3

* Including notional contributions under pay exchange.

Changes in fair value of the scheme assets

	Defined benefit schemes	
	30 July 2011	31 July 2010
	£m	£m
Scheme assets at start of the period	8.6	7.5
Arising on acquisition	757.5	—
Expected return on scheme assets	17.3	0.4
Contributions by the employer	3.4	0.2
Contributions by employees	0.4	—
Benefits paid	(12.0)	(0.2)
Actuarial gain on scheme assets	4.7	0.8
Exchange	(0.2)	—
Administrative costs	(0.2)	(0.1)
Fair value of scheme assets at the period end	779.5	8.6

Contributions by the employer of £3.4m include £1.9m employer contributions, £1.0m notional contributions under pay exchange and £0.5m in respect of future administrative expense.

History of experience adjustments:

	31 July 2011	31 July 2010	1 August 2009	2 August 2008	29 September 2007
	£m	£m	£m	£m	£m
Fair value of scheme assets	779.5	8.6	7.4	6.7	5.9
Scheme liabilities	(879.1)	(9.3)	(8.0)	(6.4)	(5.3)
(Deficit)/surplus in the scheme	(99.6)	(0.7)	(0.6)	0.3	0.6
Experience gains/(losses) on scheme liabilities	—	—	(0.2)	0.3	0.4
Experience gains/(losses) on scheme assets	4.7	0.7	—	0.5	(0.6)

The estimated amount of contributions expected to be paid to the scheme during the year to 31 July 2012 is £2.9m. In addition to this the Group have agreed additional funding at a rate of £15m per annum

31. PENSION ARRANGEMENTS (Continued)

for a ten year period. The levels of contributions are based on the current service cost and the expected future cash flows of the defined benefit scheme.

32. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption under FRS 8 'Related Party Disclosures' and has not disclosed transactions or balances between Group undertakings that have been eliminated on consolidation.

The Group incurred rental charges of £nil (2010: £0.6m) during the period on property owned by R S Boparan and B K Boparan. The Group incurred rental charges of £1.8m (2010: £0.5m) from Amber Real Estate Investment, a related party by virtue of common ownership. The Group incurred charges for services rendered from Boparan Investments LLP of £nil (2010: £0.1m), a related party by virtue of common ownership. There were no balances outstanding at the period end as a result of any transactions with these entities (2010: Nil).

The loan made to Hook 2 Sisters Limited of £1.3m is repayable on 9 February 2012. Total purchases by the Group from Hook 2 Sisters Limited during the period were £317.0m (2010: £281.4m). At the period end the total creditor outstanding was £31.8m (2010: £19.1m).

33. CONTINGENT LIABILITIES

Boparan Holdings Limited and other Group subsidiary companies are guarantors in respect of the Senior Notes due April 2018, whereby they absolutely and unconditionally guarantee the principal and interest on the Senior loan notes.

The same companies are cross guarantors in respect of the five year £40m Revolving credit facility.

Northern Foods Limited is the guarantor in respect of the obligations of several subsidiary undertakings with Allied Irish Bank. As at 30 July 2011 Northern Foods Limited guaranteed £0.1m (2010: £nil).

34. SUBSEQUENT EVENTS

There have been no subsequent events.

35. FINANCIAL RISK MANAGEMENT POLICES

It is, and has been throughout the period under review the Group's policy that no trading in financial instruments shall be undertaken within the UK business. However a number of overseas subsidiaries hedge against overseas currency risk.

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year.

Interest rate risk

The Senior Notes which comprise the Groups core funding are fixed interest.

Liquidity risk

The company uses a mixture of long-term and short-term debt finance in order to maintain liquidity and ensure sufficient funds are available for ongoing operations and future developments,.

Foreign currency risk

The Group currently hedges foreign exchange transactions in respect of its European subsidiaries and overseas customers.

35. FINANCIAL RISK MANAGEMENT POLICES (Continued)

The policy is to hedge the fair value of the Senior Notes. At the year end it was unhedged.

36. DERIVATIVES NOT INCLUDED AT FAIR VALUE

Within subsidiaries the Group has derivatives which are not included at fair value in the accounts:

	Currency	Principal	Fair value 2011	Fair value 2010
		£m	£m	£m
Forward foreign exchange contracts to sell	PLN	6.9	—	—
Forward foreign exchange contracts to sell	GBP	8.0	—	(0.2)
Currency rate swap		—	0.3	—

The Group uses the derivatives to hedge its exposure to changes in foreign currency exchange rates and to manage it exposure to interest rate movements on its bank borrowings. The fair values are based on market values of equivalent instruments at the balance sheet date

37. ULTIMATE CONTROLLING PARTY

Boparan Midco Limited is the immediate parent of the Group and RS Boparan and BK Boparan are the ultimate controlling parties. Boparan Holdco Limited is the smallest and largest group into which the Group is consolidated.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOPARAN MIDCO LIMITED

We have audited the financial statements of Boparan Midco Limited for the 52 week period from 29 July 2012 to 27 July 2013 which comprise the Balance Sheet and the related notes 1 to 6. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 27 July 2013 and of its result for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Richard Knights FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, United Kingdom
22 November 2013

BOPARAN MIDCO LIMITED

BALANCE SHEET
as at 27 July 2013

	Notes	27 July 2013 £'000	28 July 2012 £'000
Fixed assets			
Investments	3	**376,522**	376,522
Net assets		**376,522**	376,522
Capital and reserves			
Called up share capital	4	**8**	8
Profit and loss account		**376,514**	376,514
Shareholders' funds		**376,522**	376,522

These financial statements were approved by the Board of Directors of Boparan Midco Limited (registered number: 07590228) on 22 November 2013.

Signed on behalf of the Board of Directors

RS Boparan
Director

BOPARAN MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
52 weeks ended 27 July 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention, applied consistently, and in accordance with applicable UK law and accounting standards.

Basis of preparation

The Company is in a net assets position and does not have any exposure to external debt therefore the Company is able to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of the financial statements.

The Company and other Group subsidiary companies are cross guarantors of the Bonds and revolving credit facility of the Boparan Holdings Group and therefore the going concern of the Company is dependent on the going concern of the Group.

In forming their opinion on the going concern of the Company, the directors have considered the Group forecasts and the future uncertainties facing the Group. Group forecasts indicate that there will be no breach of financial covenants for a period of at least 12 months from the date of approval of these financial statements and the Group is able to continue to operate within its existing facility. The directors have considered the future activities of the Company, its expected future cash flows and the availability of financial support from the Boparan Holdings Group and have concluded that the Company is a going concern.

Profit and loss account

No profit and loss account is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during either the period under review or the preceding financial period. There have been no movements in shareholders' funds during the period under review or the preceding period.

Group accounts and cash flow statement

The Company has taken advantage of the exemption from preparing consolidated accounts afforded by Sections 400(2) and 401(2) of the Companies Act 2006 because it is a wholly owned subsidiary of Boparan Holdco Limited which is the largest group of undertakings which prepare publicly available consolidated accounts that incorporate the results of the Company. Therefore these accounts present information about the Company as an individual undertaking and not about its group. The Company is also, on this basis, exempt from the requirement of Financial Reporting Standard 1 ''Cash flow statements'' to present a cash flow statement.

Investments

Investments are stated at cost less any provision to reduce the carrying values to their recoverable amounts.

2. EMOLUMENTS OF DIRECTORS AND AUDITOR REMUNERATION

None of the directors received any remuneration for their services to the Company in either period.

Fees payable to the Company's auditor for the audit of the Company's annual accounts of £3,000 (2012: £3,000) were borne by another Group company. Non audit fees for the period were £nil (2012: £nil).

3. FIXED ASSET INVESTMENTS

	£'000
Shares at cost and net book amount in subsidiary undertakings:	
At start and end of period	**376,522**

The Company's investment relates to a 100% shareholding in Boparan Holdings Limited which is a holding company incorporated in England. Provisions for impairment are made where it is deemed the carrying value of investment will not be recovered. The directors consider the value of investments to be supported by their underlying assets and future cash flows.

4. CALLED UP SHARE CAPITAL

	2013 £'000	2012 £'000
Authorised:		
772,992 ordinary shares of £0.01 each	**8**	8
Called up and fully paid:		
772,992 ordinary shares of £0.01 each	**8**	8

5. CONTINGENT LIABILITY

Boparan Midco Limited is the immediate parent company of Boparan Holdings Limited. The Boparan Holdings Group has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. The Company and other Group subsidiary companies are cross guarantors of the Bond whereby they absolutely and unconditionally guarantee the principal and interest on the Senior loan notes. The same companies are cross guarantors in respect of the Boparan Holdings Group's £40m Revolving credit facility which is a facility of Boparan Holdings Limited. This facility was undrawn at the balance sheet date. The total bond value as at 27 July 2013 per the Boparan Holdings Group accounts was £676.7m net of fees (2012: £649.1m) however the individually guaranteed amount is not readily available.

6. ULTIMATE PARENT UNDERTAKING

At 27 July 2013, Boparan Holdco Limited is the immediate parent of the Company and RS Boparan and BK Boparan are the ultimate controlling parties. Boparan Holdco Limited is the largest and smallest Group into which this Company is consolidated. Copies of the consolidated financial statements can be obtained from the Company's registered office.

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with other wholly owned members of the Boparan Holdco Group.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOPARAN FINANCE PLC

We have audited the financial statements of Boparan Finance Plc for the 52 week period ended 27 July 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 27 July 2013 and of its loss for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Richard Knights FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, UK
22 November 2013

BOPARAN FINANCE PLC

PROFIT & LOSS ACCOUNT
for 52 weeks ended 27 July 2013

	Notes	52 weeks ended 27 July 2013 €'000	69 weeks ended 28 July 2012 €'000
TURNOVER	2	**81,588**	102,558
Cost of sales		**(84,705)**	(107,770)
Gross loss		**(3,117)**	(5,212)
Administrative Expenses		**(33)**	6
OPERATING LOSS		**(3,150)**	(5,206)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(3,150)**	(5,206)
Tax (charge)/credit on loss on ordinary activities	4	**(72)**	1,094
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	9,10	**(3,222)**	(4,112)

All results are derived from continuing operations.

The Company has no recognised gains or losses other than those included in the loss for the period shown above and, therefore, no separate statement of total recognised gains and losses has been presented.

BOPARAN FINANCE PLC

BALANCE SHEET
as at 27 July 2013

	Notes	27 July 2013 €'000	28 July 2012 €'000
CURRENT ASSETS			
Debtors			
—due within one year	5	**21,178**	21,496
—due after one year	5	**803,480**	848,040
		824,658	869,536
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	**(19,072)**	(20,310)
NET CURRENT ASSETS and TOTAL ASSETS LESS CURRENT LIABILITIES		**805,586**	849,226
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	7	**(783,978)**	(824,396)
NET ASSETS		**21,608**	24,830
CAPITAL AND RESERVES			
Called up share capital	8	**57**	57
Profit and loss account	9	**21,551**	24,773
SHAREHOLDER'S FUNDS		**21,608**	24,830

The financial statements of Boparan Finance Plc (registered number: 07594510) were approved by the Board of Directors on 22 November 2013.

Signed on behalf of the Board of Directors

S Henderson
Director

NOTES TO THE FINANCIAL STATEMENTS
Period ended 27 July 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable UK law and accounting standards.

A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of preparation

The Company is in a net asset position and is financed through external loans. The external interest payments are financed through interest charged on intercompany loans. The parent company, Boparan Holdings Limited, has confirmed its intention to provide sufficient financial support, should it be required, to enable the Company to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of the financial statements. The going concern of the Company is therefore dependent on the going concern of the Group.

The Group has two main sources of finance. In addition to the Bond due 2018, the Group has a Revolving Credit Facility (RCF) of £40m which expires in April 2016. The Company and other Group subsidiary companies are cross guarantors of the Bond whereby they absolutely and unconditionally guarantee the principal and interest on the Senior Loan Notes. The same companies are cross guarantors in respect of the Group's £40m RCF which is a facility of Boparan Holdings Limited. This facility was undrawn at the balance sheet date. The total bond value as at 27 July 2013 per the Boparan Holdings Group accounts was £676.7m net of fees (2012: £649.1m) however the individually guaranteed amount is not readily available.

In forming their opinion on the going concern of the Company, the directors have considered the Group forecasts and the future uncertainties facing the Group. Group forecasts indicate that there will be no breach of financial covenants for a period of at least 12 months from the date of approval of these financial statements and the Group is able to continue to operate within its existing facility.

The directors have considered the future activities of the Company, its expected future cash flows and the availability of financial support from the ultimate parent company and have concluded that the Company is a going concern.

Cash flow statement

The Company is exempt from the requirement of FRS 1 to present a cash flow statement since it is a wholly owned subsidiary undertaking of Boparan Holdings Limited, in whose financial statements a cash flow statement is presented.

Turnover

Turnover is measured at the fair value of the consideration received or receivable from other Group entities in line with the Company's loan agreements.

Cost of sales

The Company's cost of sales represents the finance costs incurred by the Company on the Bond.

Interest receivable and similar income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

1. ACCOUNTING POLICIES (Continued)

Interest payable and similar charges

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at the effective interest rate applicable on the carrying amount.

Foreign currencies

(a) Functional and presentation currency

For the purpose of the financial statements, the results and financial position are expressed in Euro, which is the functional and the presentation currency of the Company.

(b) Transactions and balances

In preparing the financial statements, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the balance sheet date. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are included in the income statement for the period.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at their present value and at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

Derivative financial instruments

The Company uses derivative financial instruments to reduce exposure to foreign exchange risk. The Company does not hold or issue derivative financial instruments for speculative purposes. The Company does not apply hedge accounting.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. TURNOVER

Turnover consists of intercompany interest receivable from Group undertakings and arises wholly in the UK.

3. DIRECTORS' EMOLUMENTS AND AUDITOR'S REMUNERATION

None of the directors received any remuneration for their services to the Company in either period.

Fees payable to the Company's auditor for the audit of the Company's annual accounts of £500 (2012: £500) were borne by another Group company. Non audit fees for the period were £nil (2012: £nil).

4. TAXATION ON LOSS ON ORDINARY ACTIVITIES

	52 weeks ended 27 July 2013 £'000	69 weeks ended 28 July 2012 £'000
Corporation tax at 23.67% (2012: 24%)	**733**	1,094
Adjustments in respect of prior periods	**(805)**	—
Total current tax (charge)/credit	**(72)**	1,094

The UK standard rate of corporation tax is 23.67%. The current tax charge for the current year varies from the standard rate for the reasons set out in the following reconciliation.

	52 weeks ended 27 July 2013 €'000	69 weeks ended 28 July 2012 €'000
Loss on ordinary activities before taxation	**(3,150)**	(5,206)
UK Corporation tax rate of 23.67% (2012: 24%)	**746**	1,249
Effects of:		
—Expenses not deductible for tax	**(13)**	(101)
—Adjustments in respect of prior periods	**(805)**	—
—Other timing differences	**—**	(54)
Corporation tax (charge)/credit	**(72)**	1,094

The Finance Act which provides for a reduction in the main rate of corporation tax to 20% effective from 1 April 2015 was substantively enacted on 17 July 2013.

5. DEBTORS

	27 July 2013 €'000	28 July 2012 €'000
Amounts falling due within one year:		
Amounts owed by Group undertakings	**20,476**	20,402
Corporation Tax	**702**	1,094
	21,178	21,496
Amounts falling due after more than one year:		
Amounts owed by Group undertakings	**803,480**	848,040

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	27 July 2013 €'000	28 July 2012 €'000
Accruals and deferred income	**19,072**	20,310

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	27 July 2013 €'000	28 July 2012 €'000
Bond	**783,978**	824,396

The Bond comprises the Senior Loan Notes of £400m 9.875% and Senior Loan Notes of €340m 9.750% due April 2018. The Bond is shown net of capitalised bond fees at the balance sheet date of €19.5m (2012: €23.6m).

The Bond is secured on the assets of the Company and certain subsidiaries.

8. CALLED UP SHARE CAPITAL

	27 July 2013 €'000	28 July 2012 €'000
Called up, allotted and fully paid		
50,000 Ordinary shares of £1 each	**57**	57

9. RESERVES

	Profit and loss account €'000
At 28 July 2012	24,773
Loss for the financial period	(3,222)
At 27 July 2013	**21,551**

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	27 July 2013 €'000	28 July 2012 €'000
Loss for the financial period	**(3,222)**	(4,112)
Retained loss for the period	**(3,222)**	(4,112)
New shares issued	**—**	57
Capital contribution from parent company	**—**	28,885
Net (reduction in)/addition to shareholder's funds	**(3,222)**	24,830
Opening shareholder's funds	**24,830**	—
Closing shareholder's funds	**21,608**	24,830

11. DERIVATIVES NOT INCLUDED AT FAIR VALUE

The Company has derivatives with other Group companies which are not included at fair value in the accounts:

	Currency	Fair value 2013 €'000	Fair value 2012 €'000
Intra group cross currency swap	EUR	**(57,140)**	—

11. DERIVATIVES NOT INCLUDED AT FAIR VALUE (Continued)

The Company uses the derivatives with other Group companies to hedge its exposure to changes in foreign currency exchange rates on the external Bond. The fair values are based on market values of equivalent external instruments held within the Group at the balance sheet date.

12. CONTINGENT LIABILITIES

The Boparan Holdings Group has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. The Company and other Group subsidiary companies are cross guarantors of the Bond whereby they absolutely and unconditionally guarantee the principal and interest on the Senior loan notes. The same companies are cross guarantors in respect of the Boparan Holdings Group's £40m Revolving credit facility which is a facility of Boparan Holdings Limited. This facility was undrawn at the balance sheet date. The total bond value as at 27 July 2013 per the Boparan Holdings Group accounts was £676.7m net of fees (2012: £649.1m) however the individually guaranteed amount is not readily available.

13. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under FRS 8, as a wholly owned subsidiary of Boparan Holdings Limited, not to disclose related party transactions with other wholly owned members of the Group.

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company is a wholly owned subsidiary of Boparan Holdings Limited, a company registered in England and Wales. The parent company of the smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Boparan Holdings Limited, registered in England and Wales. The parent company of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Boparan Holdco Limited, registered in England and Wales. Copies of the consolidated financial statements can be obtained from the Company's registered office.

As at 27 July 2013, Boparan Holdco Limited was also the Company's ultimate parent undertaking. RS Boparan and BK Boparan are the ultimate controlling parties.

ISSUER

Registered Office of the Issuer

Boparan Finance plc
Trinity Park House
Fox Way
Wakefield WF2 8EE
United Kingdom

Legal Advisors to the Issuer
as to U.S. and English law

Milbank, Tweed, Hadley & McCloy LLP
10 Gresham Street
London EC2V 7JD
United Kingdom

Legal Advisors to the Initial Purchasers

As to U.S. law

Cahill Gordon & Reindel LLP
Augustine House
6A Austin Friars
London EC2N 2HA
United Kingdom

As to English law

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ
United Kingdom

Trustee, Transfer Agent and Paying Agent

Citibank, N.A., London Branch
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Registrar

Citigroup Global Markets Deutschland AG
5th Floor
Reuterweg 16
60323 Frankfurt
Germany

Security Agent

The Law Debenture Trust Company p.l.c.
Fifth Floor
100 Wood Street
London EC2V 7EX

Independent Auditors

Deloitte LLP
Four Brindley Place
Birmingham B1 2HZ
United Kingdom

Legal Advisors to the Trustee

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

Boparan Finance plc

£250,000,000 5.25% Senior Notes due 2019
£330,000,000 5.50% Senior Notes due 2021
€300,000,000 4.375% Senior Notes due 2021

Listing Particulars

July 24, 2014