

## NEW VENUE

CMS Cameron McKenna LLP, Cannon Place,  
78 Cannon Street, London, EC4N 6AF



# Finsbury Food Group Plc Notice of Annual General Meeting

## This Document is Important and Requires Your Immediate Attention

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your shares in Finsbury Food Group Plc, you should pass this document together with any accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

## Notice of Meeting

**Notice is hereby given** that the 92nd Annual General Meeting of Finsbury Food Group Plc will be held at the offices of CMS Cameron McKenna LLP, Cannon Place, 78 Cannon Street, London, EC4N 6AF commencing at 9:30 am on Wednesday, 23rd November 2016 for the purposes set out below.

Resolutions 1 to 7 will be proposed as ordinary resolutions and resolutions 8 and 9 will be proposed as special resolutions.

1. To receive the reports of the Directors and the Financial Statements for the 53 weeks ended 2 July 2016 together with the report of the auditor thereon.
2. To declare a final dividend for the year ended 2 July 2016 of 1.87 pence per share.
3. To re-elect Marnie Millard as a Director who retires in accordance with the Company's Articles of Association and, being eligible, offers herself for re-election.
4. To re-elect Zoe Morgan as a Director who retires in accordance with the Company's Articles of Association and, being eligible, offers herself for re-election.
5. To re-appoint KPMG LLP as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
6. To authorise the Directors to determine the fees payable to the auditor.
7. To resolve that, in accordance with section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares and to grant rights to subscribe for or to convert any security into shares up to an aggregate nominal amount of £869,222 comprising:
  - (a) an aggregate nominal amount of £434,611 (whether in connection with the same offer or issue as under (b) below or otherwise); and
  - (b) an aggregate nominal amount of £434,611 in the form of equity securities (as defined in section 560 of the Companies Act 2006) in connection with an offer or issue by way of rights, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever.

This authority shall expire (unless previously varied as to duration, revoked or renewed by the Company in general meeting) on the date that is 15 months from the date of the Annual General Meeting or, if earlier, at the conclusion of the Annual General Meeting of the Company in 2017, except that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or such rights to be granted after such expiry and the Directors may allot shares or grant such rights in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

8. To consider the following Special Resolution:

That the Directors be empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash pursuant to the general authority conferred on them by resolution 7 and/or to sell equity securities held as treasury shares for cash pursuant to section 727 of the Companies Act 2006, in each case as if section 551 of that Act did not apply to any such allotment or sale, provided that this power shall be limited to:

- (a) any such allotment and/or sale of equity securities in connection with an offer or issue by way of rights or other pre-emptive offer or issue, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and

- (b) any such allotment and/or sale, otherwise than pursuant to paragraph (a) above, of equity securities having, in the case of ordinary shares, an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares having an aggregate nominal value, not exceeding £65,192.

This authority shall expire, unless previously revoked or renewed by the Company in general meeting, at such time as the general authority conferred on the Directors by resolution 7 expires, except that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry and the Directors may allot equity securities and/or sell equity securities held as treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

9. To consider the following Special Resolution:

That the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its ordinary shares of 1 pence each provided that in doing so it:

- (a) purchases no more than in aggregate 13,038,336 ordinary shares;
- (b) pays not less than 1 pence (excluding expenses) per ordinary share; and
- (c) pays a price per share that is not more (excluding expenses) per ordinary share than the higher of
  - (i) 5 % above the average of the middle market quotations for the ordinary shares as derived from the Daily Official List for the five business days immediately before the day on which it purchases that share; and
  - (ii) the higher of the price of the last independent trade and the highest current independent bid on the market where the purchase is carried out.

This authority shall expire at the conclusion of the Company's next Annual General Meeting or within 15 months from the date of passing of this resolution (whichever is the earlier), but the Company may, if it agrees to purchase ordinary shares under this authority before it expires, complete the purchase wholly or partly after this authority expires.

By Order of the Board  
**Melanie Cox**  
Company Secretary

Maes Y Coed Road  
Cardiff CF14 4XR  
16 September 2016

## Notes

1. A form of proxy is enclosed for your use. Further copies of the form of proxy may be obtained from the registered office of the Company.
2. Shareholders included on the register of ordinary shareholders at 6.00p.m. on Monday 21st November 2016 will be entitled to attend and vote at the Annual General Meeting in respect of the number of ordinary shares registered in their name at that time. Changes to the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.
3. A member entitled to attend and vote at the Annual General Meeting convened by this Notice is entitled to appoint one or more proxies to attend, speak and vote in his or her stead. A proxy need not be a member of the Company. If a member wishes his proxy to speak on his behalf at the Meeting, he will need to appoint his own choice of proxy (who is not the Chairman) and give instructions directly to the proxy. The completion and return of a form of proxy will enable a shareholder to vote at the Annual General Meeting without having to be present at the Meeting, but will not preclude him from attending the Meeting and voting in person if he should subsequently decide to do so.
4. In the case of joint registered holders, the signature of one holder will be accepted and the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand on the register of members in respect of the relevant joint holding.
5. A vote withheld is not a vote at law, which means that the vote will not be counted in the proportion of votes "For" or "Against" the relevant resolution. A shareholder who does not give any voting instructions in relation to a resolution should note that his proxy will have authority to vote or withhold a vote on that resolution as he thinks fit. A proxy will also have authority to vote or to withhold a vote on any other business (including amendments to resolutions) which is properly put before the Annual General Meeting, as he thinks fit.
6. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please sign and date the form of proxy and attach a schedule listing the names and addresses (in block capitals) of all your proxies, the number of shares in respect of which each proxy is appointed (which, in aggregate should not exceed the number of shares held by you) and indicating how you wish each proxy to vote or abstain from voting. If you wish to appoint the Chairman as one of your multiple proxies, insert "Chairman of the Meeting" in the box which is used to identify the name of the proxy on the proxy card.
7. To be valid, the enclosed form of proxy must be lodged with Capita Asset Services, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF not later than 48 hours before the time appointed for the holding of the Annual General Meeting or at any adjournment thereof.
8. The following documents will be available for inspection at the Company's registered office at Maes Y Coed Road, Cardiff, CF14 4XR during normal business hours on any weekday (Saturdays and public holidays excepted) from the date of this Notice until the date of the Annual General Meeting and at the place of the Annual General Meeting for 15 minutes prior to and during the Meeting:
  - (i) copies of the service contracts and letters of appointment of the Directors of the Company; and
  - (ii) the Articles of Association of the Company.
9. A copy of this notice of Annual General Meeting will be published on the Company's website at [www.finsburyfoods.co.uk](http://www.finsburyfoods.co.uk) together with details of those matters required to be published pursuant to the Companies Act 2006.
10. As at 15 September 2016 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 130,383,361 ordinary shares, carrying one vote each. The total voting rights in the Company as at 15 September 2016 are 130,383,361.

## **Explanatory Notes**

An explanation of each of the resolutions is set out below.

### ***Resolution 1 – To receive the Reports and Accounts***

The Board asks that shareholders receive the reports of the Directors and the Financial Statements for the 53 weeks ended 2 July 2016, together with the report of the auditors.

### ***Resolution 2 – Final Dividend***

The Board has proposed a final dividend of 1.87 pence per share for the year ended 2 July 2016. If approved, the recommended final dividend will be paid on 16 December 2016 to all shareholders who are on the register of members on 18 November 2016.

### ***Resolutions 3 and 4 – Re-election of Directors***

In accordance with the Company's Articles of Association Directors are required to retire at each Annual General Meeting and, if willing, put themselves forward for re-election by shareholders. The Directors retiring and seeking re-election at the meeting are Marnie Millard and Zoe Morgan, who were appointed as Directors since the last Annual General Meeting. Biographical details of all Directors can be found in the Annual Report.

### ***Resolutions 5 and 6 – Appointment and Remuneration of Auditor***

On the recommendation of the Audit Committee, the Board proposes that KPMG LLP be re-appointed as auditor of the Company. Resolution 6 proposes that the Board be authorised to determine the level of the auditor's remuneration.

### ***Resolution 7 – Renewal of the Powers of the Board to Allot Shares***

The Companies Act 2006 provides that the Directors may only allot shares or grant rights to subscribe for or to convert any security into shares if authorised by shareholders to do so. Resolution 7 will, if passed, authorise the Directors to allot shares up to an amount which represents an amount that is approximately equal to two-thirds of the issued ordinary share capital of the Company.

As provided in sub-paragraph (a) of resolution 7, up to half of this authority (equal to one-third of the issued share capital of the Company) will enable Directors to allot and issue new shares in whatever manner (subject to pre-emption rights) they see fit. Sub-paragraph (b) of the resolution provides that the remainder of the authority (equal to a further one-third) may only be used in connection with a rights issue in favour of ordinary shareholders. As paragraph (a) imposes no restrictions on the way the authority may be exercised, it could be used in conjunction with paragraph (b) so as to enable the whole two-thirds authority to be used in connection with a rights issue.

Passing this resolution will ensure that the Directors continue to have the flexibility to act in the best interests of shareholders, when opportunities arise, by issuing new shares. There are no current plans to issue new shares except in connection with employee share schemes.

### ***Resolution 8 – Disapplication of Pre-emption Rights in Certain Circumstances (Special Resolution)***

The Companies Act 2006 requires that, if the Company issues new shares, or grants rights to subscribe for or to convert any security into shares, for cash or sells any treasury shares, it must first offer them to existing shareholders in proportion to their current holdings. It is proposed that the Directors be authorised to issue shares for cash and/or sell shares from treasury (if any are so held) up to an aggregate nominal amount that is equal to approximately 5% of the Company's issued share capital without offering them to shareholders first, and to modify statutory pre-emption rights to deal with legal, regulatory or practical problems that may arise on a rights or other pre-emptive offer or issue. If passed, this authority will expire at the same time as the authority to allot shares given pursuant to Resolution 7.

The Board intends to adhere to the Pre-emption Group's Statement of Principles not to issue shares for cash on a non-pre-emptive basis that represent more than 7.5% of the Company's issued Ordinary Share capital in any rolling three-year period without prior consultation with shareholders. This limit excludes shares issued in connection with an acquisition or specified capital investment that is within the annual 5% limit referred to above, and excludes any shares issued pursuant to a separate, specific disapplication of pre-emption rights.

### ***Resolution 9 – Authorisation for the Company to Purchase its Own Shares (Special Resolution)***

If passed, resolution 9 will grant the Company authority, for a period of up to 15 months from the date of passing of the resolution, to buy its own shares in the market. The resolution limits the number of shares that may be purchased to 10% of the Company's issued share capital (excluding treasury shares). The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of 1 pence per ordinary share and a maximum amount (excluding expenses) of the higher of: (i) 5% over the average of the previous five days' middle market prices; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

The Directors' present intention is that shares purchased pursuant to this authority (to the extent statutory requirements are met and provided any treasury shares held do not exceed 10% of the Company's issued share capital) will be held in treasury for future cancellation, sale for cash, or transfer for the purposes of or pursuant to an employee share scheme, although they may be cancelled immediately on repurchase in the light of circumstances at the time. The effect of any cancellation would be to reduce the number of shares in issue. For most purposes, while held in treasury, shares are treated as if they have been cancelled (for example, they carry no voting rights and do not rank for dividends).