

Finsbury Food Group Plc

Notice of an Annual General Meeting

Notice is hereby given that the 90th Annual General Meeting of Finsbury Food Group Plc will be held at the offices of Redleaf Polhill, First Floor, 4 London Wall Buildings, London EC2M 5NT commencing at 9:30 a.m. on Wednesday 26th November 2014 for the following purposes:-

Ordinary Business

1. To receive the Directors' Report and Financial Statements for the year ended 28 June 2014.
2. To declare a final dividend for the year ended 28 June 2014 of 0.75 pence per share.
3. To re-appoint Peter Baker as Director who was appointed since the last Annual General Meeting.
4. To re-elect Mr. Edward Beale as a Director who retires by rotation in accordance with the Company's Articles of Association and being eligible offers himself for re-election.
5. To re-appoint KPMG LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next meeting at which the accounts are laid before the Company.
6. To authorise the Directors to determine the fees payable to KPMG LLP.

Special Business

7. To consider the following Ordinary Resolution:

That the limit on the aggregate of fees paid to Directors specified in Article 92 of the Company's shall not exceed £350,000 per annum.

8. To consider the following Ordinary Resolution:

That 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 either:

- (i) in the event that each of the shareholder resolutions to be proposed at the general meeting of the Company to be held at 10.00 a.m. on 29 October 2014 (or at any adjournment thereof) (the "GM Resolutions") have been passed, £833,092 comprising:
 - (a) an aggregate nominal amount of £416,546 (whether in connection with the same offer or issue as under (b) below or otherwise); and
 - (b) an aggregate nominal amount of £416,546 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,

or:

- (ii) in the event that the GM Resolutions have not been passed, £441,568 comprising:
 - (a) an aggregate nominal amount of £220,784 (whether in connection with the same offer or issue as under (b) below or otherwise); and
 - (b) an aggregate nominal amount of £220,784 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 2015, 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.

Special Business *(continued)*

9. 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 8 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 561 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 the sum of either:
 - (i) £126,226 if the GM Resolutions have been passed; or
 - (ii) £66,904 if the GM Resolutions have not been passed.

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 8 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.

10. 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, either: (i) 12,622,632 ordinary shares if the GM Resolutions have been passed, or (ii) 6,690,428 ordinary shares if the GM Resolutions have not been passed;
- (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
CITY GROUP P.L.C.
Company Secretary

Maes-y-coed Road
Cardiff CF14 4XR
23 October 2014

Notes with respect to the Special Business at the Annual General Meeting

In addition to the ordinary business to be transacted at the Annual General Meeting of the Company referred to in resolutions 1 to 6 of the Notice of Meeting, the Directors propose certain special business as set out in Resolutions 7 to 10.

Non-Executive Directors' Fees – Ordinary Resolution

Resolution 7 will increase the annual aggregate limit of Directors' fees specified in the Company's Articles of Association to £350,000.

Authority to Allot Shares – Ordinary Resolution

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 8 will, if passed, authorise the Directors to allot shares up to an amount which represents an amount that is, in the case of paragraph (i) of resolution 8, approximately equal to two-thirds of the issued ordinary share capital of the Company as it will be if the resolutions to be proposed at the general meeting of the Company to be held at 10.00 a.m. on 29 October 2014 (or at any adjournment thereof) (the "GM Resolutions") are passed; and, in the case of paragraph (ii) of resolution 8, is approximately equal to two-thirds of the issued ordinary share capital of the Company if the GM Resolutions are not passed.

As provided in sub-paragraph (a) of paragraphs (i) and (ii) of resolution 8, 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 paragraphs (i) and (ii) 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.

Pre-emption Rights – 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 as it will be, in the case of sub-paragraph (i) of paragraph (b) of resolution 9, if the GM Resolutions have been passed, or in the case of sub-paragraph (ii) of paragraph (b) of resolution 9, if the GM Resolutions have not been passed, in either case 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 8.

Purchase of Own Shares – Special Resolution

If passed, resolution 10 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).

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 6.00 p.m. on Monday 24 November 2014 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 or she 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 or her from attending the Meeting and voting in person if he or she should subsequently decide to do so.

Notes *(continued)*

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 relevant 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, 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 together with details of those matters required to be published pursuant to the Companies Act 2006.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual subject to the provisions of the Company's Articles of Association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK and Ireland Limited (formerly CRESTCo Limited) specifications and must contain the information required for such instructions, as described in the CREST Manual referred to in agreements entered into by Euroclear UK ("CREST Manual") (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (CREST participant ID: RA10) by 9.30am on 24 November 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.