

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take you are recommended to consult your stockbroker, solicitor, accountant or other independent adviser authorised under the financial services and markets act 2000.**

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## **Notice of Annual General Meeting Produce Investments plc**

Notice of the Annual General Meeting of Produce Investments plc (the "Company") which has been convened for Friday, 30 October 2015 at 09:30 am at the offices of Powerscourt, 1 Tudor Street, London, EC4Y OAH.

If you have sold or transferred all of your Ordinary Shares in Produce Investments plc, you should pass this document, together with the accompanying form of proxy, to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

To be effective, all proxy appointments must be lodged with the Company's Registrars at: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 28 October 2015 at 09.30 am.



# PRODUCE INVESTMENTS plc

PRODUCE INVESTMENTS PLC

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**From the Non-Executive Chairman, RB Clapham**

**8 October 2015**

Dear Shareholder

## **Notice of Annual General Meeting 2015**

I am pleased to be writing to you with details of the fifth Annual General Meeting of the Company which will be held on Friday, 30 October 2015 at 09:30 am at the offices of Powerscourt, 1 Tudor Street, London, EC4Y OAH. The Notice of the meeting is set out in Appendix 1 of this document. 9 resolutions will be voted on at the Annual General Meeting. Explanatory Notes for the Resolutions are set out in Appendix 2 of this document.

## **Recommendation**

Your Board believes that the proposed Resolutions 1 to 9 are in the best interests of the Company and its shareholders as a whole. The Board will be voting in favour of Resolutions 1 to 9 and unanimously recommend that you vote in favour of them as well.

Yours faithfully,

**RB Clapham**  
**Non-Executive Chairman**

# Appendix 1

Company number: 05624995

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Produce Investments plc (the “Company”) will be held at the offices of Powerscourt, 1 Tudor Street, London, EC4Y 0AH on Friday, 30 October 2015 at 09.30am.

You will be asked to consider and, if thought fit, pass the resolutions proposed below.

Resolutions 8 and 9 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

## Ordinary business

1. To receive and adopt the financial statements of the Company for the 52 weeks ended 27 June 2015 and the reports of the Directors and Auditors on the financial statements.
2. To receive, adopt and approve the Remuneration report for the 52 weeks ended 27 June 2015.
3. To re-elect Brian Macdonald, who retires by rotation and offers himself for re-appointment, as an Executive Director of the Company.
4. To re-elect Michael Jankowski, who retires by rotation and offers himself for re-appointment, as a Non-Executive Director of the Company.
5. To re-elect Neil Davidson, who retires by rotation and offers himself for re-appointment, as a Non-Executive Director of the Company.
6. To declare a final dividend of 4.775 pence per share on each of the Company's ordinary shares to registered holders on the 16 October 2015, for the 52 weeks ended 27 June 2015.

## Special business

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

7. THAT the Directors be and are hereby generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £89,289 and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

Such authority to expire on the earlier of the next Annual General Meeting or on the close of business on 31 December 2016 so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or subscription or conversion rights to be granted after the authority ends and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

To consider and, if thought fit, pass the following resolution as a special resolution:

8. THAT, subject to the passing of resolution 7, the Directors be and are hereby generally authorised to allot equity securities (as defined in the Companies Act 2006 (as amended) (the “2006 Act”) for cash under the authority given by that resolution and/or to sell treasury shares, as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £89,289.

This authority shall expire on the earlier of the next Annual General Meeting or on the close of business on 31 December 2016 whichever is earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

9. THAT, the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (as amended) (the “2006 Act”) to make market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 1 pence each (“Ordinary Shares”) on such terms and in such manner as the Directors of the Company may decide provided that:
  - (A) the maximum number of Ordinary Shares that may be purchased by the Company pursuant to this authority is 2,678,670;
  - (B) the minimum price that may be paid for any such Ordinary Share shall be the nominal value of that share (exclusive of expenses payable by the Company in connection with the purchase);
  - (C) the maximum price that may be paid for any Ordinary Share purchased pursuant to this authority is an amount equal to 105% of the average of the middle market prices shown in the quotations for the Company's Ordinary Shares in the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which that Ordinary Share is contracted to be purchased (exclusive of expenses payable by the Company in connection with the purchase); and
  - (D) this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2016 or, if earlier, on the date falling 14 months after the passing of this Resolution, but the Company may make a contract to purchase Ordinary Shares under this authority before its expiry which will or may be completed wholly or partly after the expiry of this authority, and may complete such a purchase as if this authority had not expired.

**Notes:**

1. Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder, as his proxy to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided (see proxy form). If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holders name (see proxy form) the number of shares in relation to which they are authorised to act as your proxy. If returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes (or if this proxy form has been issued in respect of a designated account for a shareholder, the proxy will exercise his discretion as to whether, and if so how, he votes).
2. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 0370 707 4025 or you may photocopy this form. Please indicate in the box next to the proxy holder's name (see proxy form) the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
3. The 'Vote Withheld' option overleaf is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. The address shown on this document is how your address appears on the Register of Members. If this information is incorrect please ring the Registrar's helpline on 0870 707 4025 to request a change of address form or go to [www.investorcentre.co.uk](http://www.investorcentre.co.uk) to use the online Investor Centre service.
6. Any alterations made to this form should be initialled.
7. The completion and return of this form will not preclude a member from attending the meeting and voting in person.

## Appendix 2: Explanatory notes

The notes that follow give an explanation of the proposed resolutions.

Resolutions 1 to 7 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 8 and 9 are proposed as special resolutions. This means that to be passed 75% or more of the votes cast must be in favour.

### Report and Accounts (Resolution 1)

The Directors of the Company must present the accounts to the meeting.

### Remuneration Report (Resolution 2)

In line with legislation, this vote will be advisory and in respect of the overall remuneration package and not specific to individual levels of remuneration. You can find the Remuneration Report on pages 17 to 20 of the Company's annual report and accounts.

### Re-election of Directors (Resolutions 3 to 5)

The Company's articles of association require that all Directors retire at least every three years and that all newly appointed Directors retire at the first Annual General Meeting following their appointment. Furthermore in line with the UK Corporate Governance Code, it is the Company's practice that any Non-Executive Director having been in post for nine years or more is subject to annual re-election. At this meeting, Brian Macdonald, Michael Jankowski and Neil Davidson retire and stand for re-election as Directors. Having considered the performance of and contribution made by each of the Directors standing for re-election or re-appointment the Board remains satisfied that the performance of each of the relevant Directors continues to be effective and to demonstrate commitment to the role and, as such, recommends their re-election/re-appointment.

#### *Brian Macdonald – Executive Director*

Brian joined Produce Investments on 1 August 2008 from Scottish & Newcastle, where he held a number of senior finance roles, both abroad and in the UK. He has significant experience having worked in a number of trading businesses and central roles at Scottish & Newcastle including mergers and acquisitions. His last role was Finance Director Developing Markets, covering Russia, Ukraine, Baltic States, India, China, Vietnam and the USA. Brian joined Produce Investments following the acquisition of Scottish & Newcastle by Carlsberg and Heineken.

#### *Michael Jankowski – Non-Executive Director*

Following post-graduate studies at the London School of Economics, Michael's career to date has included pension fund management, stockbroking, research, trading and the structuring/arranging of asset-based acquisitions. Michael's trading interests have ranged from pub companies to healthcare providers, with a current focus on technology and environmental companies.

#### *Neil Davidson – Non-Executive Director*

Neil has over 30 years' experience in the agri-food sector. He started his career at Northern Foods where he held various roles including Managing Director of the milk division, before becoming Chief Executive of Express Dairies when it demerged from Northern Foods in 1998. Neil subsequently became Chief Executive of Arla Foods following its merger with Express Dairies before retiring in 2005. Neil was a Non-Executive Director of Persimmon plc from 2004 until 2013 and was Chairman of Cherry Valley Farms between 2005 and 2010. He is a former President of the Dairy Industry Federation, the UK Representative for the Board of the European Dairy Association and Vice President of Dairy UK. In 2006 Neil was awarded a CBE for his services to the dairy industry. Neil is currently the Chairman of The Cricketer Publishing Limited and has recently been appointed as a Non-Executive Director of Wm. Morrison Supermarkets plc.

### Declaration of a dividend (Resolution 6)

A final dividend can only be paid after the shareholders at a general meeting have approved it. A final dividend of 4.775 pence per ordinary share is recommended by the Directors for payment to shareholders who are on the register of members at the close of business on 16 October 2015. If approved, the date of payment of the final dividend will be 3 November 2015.

### Authority to allot shares (Resolution 7)

The authority of shareholders is required to enable Directors to allot shares. Accordingly, in line with the Company's usual procedure, which is also standard practice amongst other public companies, this resolution seeks authority for the Directors to issue shares until the conclusion of next year's Annual General Meeting or 31 December 2016, if sooner. The resolution will provide for the Directors to be able to allot shares in the Company, or grant rights to subscribe for, or to convert any security into shares in the Company (together "Rights") up to a nominal amount of £89,289. This represents approximately one third of the issued share capital together with the amount of Rights that the Company may be obliged to allot to satisfy its obligations under the various option schemes, long term incentive plan and annual performance bonus that the Company operates. The Directors consider it appropriate to maintain the flexibility that these authorities provide and it is intended to renew these authorities at successive Annual General Meetings.

**Permission to allot shares other than to existing shareholders (Resolution 8)**

When shares and certain rights to subscribe for shares are issued for cash, they normally have to be offered first to existing shareholders in proportion to their current shareholding. Resolution 8 will give the Directors authority to allot shares in the capital of the Company, pursuant to the authority granted under Resolution 7 above, for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances. This authority will permit the Directors to allot shares up to a maximum nominal value of £89,289, representing approximately one third of the issued ordinary share capital of the Company otherwise than in connection with an offer to existing shareholders.

In this context, shareholders should note that under the 2006 Act the rights of pre-emption conferred by Section 561 of the 2006 Act (to the extent not disapplied) also apply to the sale by the Company of any shares which it holds as treasury shares. Resolution 8, if passed, will also disapply the provisions of Section 561 of the 2006 Act in relation to any sales of treasury shares, within the limits referred to in the resolution.

**Market purchase of its own shares (Resolution 9)**

This special resolution seeks authority for the Company to make market purchases of its own shares. The Directors consider that there may be occasions when it will be desirable to reduce the issued share capital of the Company by purchases in the market.

The authority given by the special resolution will be exercised only if the Directors are satisfied that any purchase will result in an increase in earnings per share of the ordinary share capital in issue after the purchase and, accordingly, that the purchase is in the interests of shareholders generally. The Directors will also give due consideration to the Company's group's interest cover, gearing and its general financial position. The Directors do not intend at present to use this power but wish to retain the flexibility to do so in the future. Any shares repurchased may either be cancelled or held by the Company as treasury shares.

The maximum number of Ordinary Shares which may be purchased under the proposed authority will be 2,678,670, representing approximately 10% of the issued share capital of the Company as at 6 October, being the latest practicable date prior to publication of the Notice. The price paid for Ordinary Shares will not be less than the nominal value of the shares nor more than 5% above the average of the middle market quotations of the Company's Ordinary Shares as derived from the London Stock Exchange Daily Official List for the 5 business days preceding the day on which the Ordinary Shares are purchased.

As at 6 October, being the latest practicable date prior to publication of the Notice, the total number of outstanding options to subscribe for shares was 1,941,050, representing 7.2% of the total issued Ordinary Share capital of the Company (excluding treasury shares) at that date. That percentage will increase to 8.0% if the authority being sought is exercised in full.

The authority will expire at the end of the 2016 Annual General Meeting or, if earlier, on 31 December 2016, unless previously cancelled or varied by the Company in general meeting. It is the intention of the Directors to renew this authority annually at each Annual General Meeting of the Company.

## Notes

## Notes