

Notice of Annual General Meeting

THE FOLLOWING INFORMATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any matter referred to in this report or as to the action you should take, you should seek your own personal financial advice from a stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if you are not resident in the United Kingdom, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares in A.G. BARR p.l.c., please pass this report, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Notice is hereby given that the one hundred and tenth annual general meeting of A.G. BARR p.l.c. (the “**Company**”) will be held at the offices of KPMG LLP, 191 West George Street, Glasgow G2 2LJ on Tuesday, 27 May 2014 at 9.30 a.m. to consider and, if thought fit, pass the resolutions set out below. Resolutions 1 to 16 (inclusive) will be proposed as ordinary resolutions and Resolutions 17 and 18 will be proposed as special resolutions.

1. To receive and approve the audited accounts of the group and the Company for the year ended 26 January 2014 together with the directors’ and auditor’s reports thereon.
2. To approve the directors’ remuneration policy set out on pages 51 to 62 of the Company’s annual report and accounts for the year ended 26 January 2014.
3. To receive and approve the annual statement by the chairman of the remuneration committee and the directors’ remuneration report as set out on pages 49 and 50 and pages 63 to 76 of the Company’s annual report and accounts for the year ended 26 January 2014.
4. To re-elect Mr Ronald George Hanna as a director of the Company.
5. To re-elect Mr Roger Alexander White as a director of the Company.
6. To re-elect Mr Alexander Brian Cooper Short as a director of the Company.
7. To re-elect Mr Jonathan David Kemp as a director of the Company.
8. To re-elect Mr Andrew Lewis Memmott as a director of the Company.
9. To re-elect Mr William Robin Graham Barr as a director of the Company.
10. To re-elect Mr Martin Andrew Griffiths as a director of the Company.
11. To re-elect Mr John Ross Nicolson as a director of the Company.
12. To elect Ms Pamela Powell as a director of the Company.
13. To appoint KPMG LLP as the Company’s auditor, to hold office until the conclusion of the next general meeting at which accounts are laid, and to authorise the audit committee of the board of directors of the Company to fix their remuneration.
14. THAT the draft new Share Savings Scheme (the “**2014 SAYE**”) produced at the meeting (and, for the purposes of identification, initialled by the Chairman) be and hereby is approved and adopted subject to the condition that the Finance Bill 2014 is enacted substantially in the form currently before Parliament (insofar as it relates to Save As You Earn (“**SAYE**”) scheme matters) and provided that the directors be and are hereby authorised to make any minor amendments to the 2014 SAYE if necessary to ensure it complies with the Finance Act 2014 (insofar as it relates to SAYE scheme matters), and further that (once the condition regarding its adoption has been satisfied) the Company be and hereby is authorised to grant options under and otherwise operate the 2014 SAYE in accordance with its terms until the date which is ten years from the date it is adopted, and it is further resolved that no further options shall be granted under the A.G. BARR p.l.c. Share Savings Scheme 2005.
15. THAT the draft new Long Term Incentive Plan (the “**2014 LTIP**”) produced at the meeting (and, for the purposes of identification, initialled by the Chairman) be and hereby is adopted, and further that the Company be and hereby is authorised to grant options and make conditional share awards under and otherwise operate the 2014 LTIP in accordance with its terms until the date which is ten years from the date it is adopted.

16. THAT the board of directors of the Company (the “**Board**”) be and it is hereby generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (the “**2006 Act**”) to exercise all the powers of the Company to allot shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company:

(a) up to an aggregate nominal amount of £1,621,788.50; and

(b) up to a further aggregate nominal amount of £1,621,788.50 provided that (i) they are equity securities (within the meaning of section 560 of the 2006 Act); and (ii) they are offered by way of a rights issue in favour of the holders of shares (excluding the Company in its capacity as a holder of treasury shares) on the register of members of the Company on a date fixed by the Board where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as practicable) to the respective numbers of shares held by them on that date subject to such exclusions or other arrangements as the Board deem necessary or expedient to deal with (a) equity securities representing fractional entitlements; (b) treasury shares; or (c) legal or practical problems arising in any overseas territory, the requirements of any regulatory body or any stock exchange or any other matter whatsoever,

provided that this authority shall expire on the earlier of 31 July 2015 or at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

17. THAT, subject to the passing of resolution 16 set out in the notice of the annual general meeting of the Company convened for 27 May 2014 (“**Resolution 16**”), the board of directors of the Company (the “**Board**”) be and is hereby generally empowered, pursuant to sections 570 and 573 of the Companies Act 2006 (the “**2006 Act**”), to allot equity securities (within the meaning of section 560 of the 2006 Act) (including the grant of rights to subscribe for, or to convert any securities into, ordinary shares of 4 1/6 pence each in the capital of the Company (“**Ordinary Shares**”)), wholly for cash either pursuant to the authority conferred on them by Resolution 16 or by way of a sale of treasury shares (within the meaning of section 560(3) of the 2006 Act) as if section 561(1) of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:

(a) the allotment of equity securities, for cash, in connection with a rights issue, open offer or other pre-emptive offer in favour of holders of Ordinary Shares (excluding the Company in its capacity as a holder of treasury shares) on the register of members of the Company on a date fixed by the Board where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as practicable) to the respective numbers of Ordinary Shares held by them on that date subject to such exclusions or other arrangements in connection with the rights issue, open offer or other offer as the Board deem necessary or expedient to deal with (i) equity securities representing fractional entitlements; (ii) treasury shares; or (iii) legal or practical problems arising in any overseas territory, the requirements of any regulatory body or any stock exchange or any other matter whatsoever; and

(b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £243,268,

provided that this authority shall expire on the earlier of 31 July 2015 or at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of this authority and the Board may allot equity securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired.

18. THAT the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the “**2006 Act**”) to make one or more market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 4 1/6 pence each in the capital of the Company (“**Ordinary Shares**”), on such terms and in such manner that the directors think fit, provided that:

(a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased shall be 11,676,877;

(b) the maximum price which may be paid for an Ordinary Share is an amount equal to the higher of (i) 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five dealing days immediately preceding the day on which the Ordinary Share is purchased; 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, and the minimum price which may be paid for an Ordinary Share is an amount equal to its nominal value (in each case exclusive of associated expenses);

Notice of Annual General Meeting

Continued

(c) unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the earlier of 31 July 2015 or at the conclusion of the next annual general meeting of the Company after the passing of this resolution, but a contract to purchase Ordinary Shares may be made before such expiry which will or may be completed wholly or partly thereafter, and a purchase of Ordinary Shares may be made in pursuance of any such contract; and

(d) an Ordinary Share so purchased shall be cancelled or, if the directors so determine and subject to the provisions of applicable laws or regulations of the United Kingdom Listing Authority, held as a treasury share.

By order of the Board



Julie A. Barr
Company Secretary

23 April 2014

Registered Office
A.G. BARR p.l.c.
Westfield House
4 Mollins Road
Cumbernauld
G68 9HD

Registered in Scotland SC005653

Shareholders should also read the notes to this Notice of Annual General Meeting which are set out on pages 135 to 144 of this report. Those notes provide further information about shareholders' entitlement to attend, speak and vote at the Annual General Meeting (or appoint another person to do so on their behalf).

Explanatory Notes

The following notes provide an explanation of the resolutions to be considered at the one hundred and tenth annual general meeting (the “AGM”) of A.G. BARR p.l.c. (the “Company”).

Resolutions 1 to 16 (inclusive) will be 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 17 and 18 will be proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1 – Receive and approve the reports and accounts

Shareholders are being asked to receive and approve the audited accounts of the group and the Company (as audited by KPMG Audit Plc) for the year ended 26 January 2014 together with the associated reports of the directors and auditor.

Resolutions 2 and 3 – Directors’ remuneration

Following changes to the Companies Act 2006 (the “2006 Act”) which took effect on 1 October 2013, the directors’ remuneration report is now divided into three parts: the annual statement by the chairman of the remuneration committee, the directors’ remuneration policy and the directors’ remuneration report.

- The annual statement by the chairman of the remuneration committee (which is set out on pages 49 and 50 of this report) provides a summary of the directors’ remuneration policy and the directors’ remuneration report.
- The directors’ remuneration policy (which is set out on pages 51 to 62 of this report) sets out the Company’s future policy on directors’ remuneration.
- The directors’ remuneration report (which is set out on pages 63 to 76 of this report) gives details of the payments and share awards made to the directors in connection with their and the Company’s performance during the year ended 26 January 2014. It also details how the Company’s policy on directors’ remuneration will be operated in 2014.

Resolution 2 invites shareholders to approve the directors’ remuneration policy. This is a binding policy and, after it takes effect, the directors will not be entitled to remuneration unless such remuneration is consistent with the approved policy or shareholders otherwise approve the remuneration. If Resolution 2 is approved, the policy will take effect from the conclusion of the AGM. Shareholders will be given a binding vote on the directors’ remuneration policy at least every three years.

Resolution 3 invites shareholders to approve the annual statement by the chairman of the remuneration committee and the directors’ remuneration report (other than the directors’ remuneration policy) for the year ended 26 January 2014. Resolution 3 is an advisory vote and will not affect the way in which the Company’s pay policy has been implemented. Each year, shareholders will be given an advisory vote on the implementation of the directors’ remuneration policy in relation to the payments and share awards made to directors during the year under review.

Resolutions 4 to 12 inclusive – Re-election and election of directors

The Company’s articles of association require that all newly appointed directors retire at the first annual general meeting following their appointment. Consequently, Ms Pamela Powell will retire and offer herself for election.

The board of directors of the Company (the “**Board**”) complies with the provisions of the U.K. Corporate Governance Code whereby all directors are subject to annual re-election. Accordingly, all other directors of the Company are retiring and offering themselves for re-election.

Biographical details of the directors are set out on pages 32 and 33 of this report. The Board has confirmed that, following formal performance evaluation, all of the directors continue to perform effectively and demonstrate commitment to their roles. The Board therefore unanimously recommends the proposed re-election (or election in the case of Ms Pamela Powell) of the directors.

Resolution 13 – Appointment of auditor

KPMG Audit Plc has informed the Company that it has initiated a process to streamline its two registered audit firms, KPMG Audit Plc and its parent entity KPMG LLP, with the result that KPMG Audit Plc will no longer carry out audit services. As a result, KPMG Audit Plc has notified the Company that it is not seeking re-appointment. Consequently, the audit committee of the board of directors of the Company (the “**Board**”) has recommended, and the Board has approved, the resolution to appoint KPMG LLP as auditor of the Company. Accordingly, shareholders are being asked to approve the appointment of 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 and to authorise the audit committee of the Board to fix their remuneration.

In connection with the resignation of KPMG Audit Plc, the Company is required to send shareholders a copy of the statement of the circumstances connected with its resignation. That statement is set out on page 145 of this report.

Explanatory Notes

Continued

Resolutions 14 and 15 – Adoption of new share schemes

Under the terms of the A.G. BARR p.l.c. Share Savings Scheme 2005 (the “**2005 SAYE**”), which was approved by the Company in general meeting on 24 May 2005, the Company can grant options to employees and executive directors who enter into a savings arrangement over a number of years, with the savings eventually used to fund the option exercise price. No further options may be granted under the 2005 SAYE after 23 May 2015 and in addition there have been numerous recent and proposed legislative changes affecting Save As You Earn (“**SAYE**”) schemes. For these reasons, the Board has recommended that a new SAYE (the “**2014 SAYE**”) be adopted this year. The 2014 SAYE would replace the 2005 SAYE for any future options granted.

The Board has also recommended that a new Long Term Incentive Plan (the “**2014 LTIP**”) be adopted. The 2014 LTIP would replace the existing A.G. BARR p.l.c. Long Term Incentive Plan 2003 (the “**2003 LTIP**”), which was approved by the Company in general meeting on 19 May 2003.

Resolutions 14 and 15, which, respectively, approve the adoption of the 2014 SAYE and the adoption of the 2014 LTIP, are proposed as ordinary resolutions. The terms of the 2014 SAYE and the 2014 LTIP are summarised in pages 140 to 144 of this report.

Resolution 16 – Authority to allot shares

The directors may not allot shares in the Company unless authorised to do so by shareholders in general meeting. Sub-paragraph (a) of Resolution 16, if passed, will authorise the directors to allot shares having an aggregate nominal value of up to £1,621,788.50, representing approximately one third of the Company’s issued share capital as at 22 April 2014 (being the latest practicable date prior to the publication of this report). The directors have no present intention to exercise this authority.

In line with guidance issued by the Association of British Insurers, sub-paragraph (b) of Resolution 16, if passed, will authorise the directors to allot additional shares in connection with a rights issue having an aggregate nominal value of up to £1,621,788.50, representing approximately one third of the Company’s issued share capital as at 22 April 2014 (being the latest practicable date prior to the publication of this report). The directors have no present intention to exercise the authority sought under sub-paragraph (b) of Resolution 16, however, if such authority is obtained, it will give the Company greater flexibility to allot additional shares for the purpose of a pre-emptive rights issue. This authority will be used when the directors consider it to be in the best interests of shareholders.

The authorities sought under Resolution 16 will expire on the earlier of 31 July 2015 (being the latest date by which the Company must hold its annual general meeting in 2015) and the conclusion of the annual general meeting of the Company held in 2015.

Resolution 17 – Disapplication of statutory pre-emption rights

If the directors wish to allot new shares for cash, the Companies Act 2006 states that the shares must be offered first to existing shareholders in proportion to their existing shareholdings. For legal, regulatory and practical reasons, however, it might not be possible or desirable for shares allotted by means of a pre-emptive offer to be offered to certain shareholders, particularly those resident overseas. Furthermore, it might in some circumstances be in the Company’s interests for the directors to be able to allot some shares for cash without having to offer them first to existing shareholders. To enable this to be done, shareholders’ statutory pre-emption rights must be disapplied. Accordingly, Resolution 17, if passed, will empower the directors to allot a limited number of new equity securities without shareholders’ statutory pre-emption rights applying to such allotment. The authority conferred by Resolution 17 would also cover the sale of treasury shares for cash.

Sub-paragraph (a) of Resolution 17 would confer authority on the directors to make any arrangements which may be necessary to deal with any legal, regulatory or practical problems arising on a rights issue, an open offer or any other pre-emptive offer in favour of ordinary shareholders, for example, by excluding certain overseas shareholders from such issue or offer.

Sub-paragraph (b) of Resolution 17 would disapply shareholders’ statutory pre-emption rights by empowering the directors to allot equity securities for cash on a non pre-emptive basis but only new equity securities having a maximum aggregate nominal value of £243,268, representing approximately 5% of the Company’s issued share capital as at 22 April 2014 (being the latest practicable date prior to the publication of this report).

The authority sought under Resolution 17 will expire on the earlier of 31 July 2015 (being the latest date by which the Company must hold an annual general meeting in 2015) and the conclusion of the annual general meeting of the Company held in 2015.

Resolution 18 – Purchase of own shares

The Companies Act 2006 permits a company to purchase its own shares provided the purchase has been authorised by shareholders in general meeting.

Resolution 18, if passed, would give the Company the authority to purchase any of its own issued ordinary shares at a price of not less than an amount equal to the nominal value of an ordinary share and not more than the higher of: (i) 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 five dealing days before any purchase is made; and (ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange plc.

The authority will enable the purchase of up to a maximum of 11,676,877 ordinary shares, representing 10% of the Company's issued ordinary share capital as at the date of the AGM, and will expire on the earlier of 31 July 2015 (being the latest date by which the Company must hold an annual general meeting in 2015) and the conclusion of the annual general meeting of the Company held in 2015.

The directors will only exercise this buy back authority after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall position of the Company. Purchases would be financed out of distributable profits and shares purchased would either be cancelled (and the number of shares in issue reduced accordingly) or held as treasury shares.

The Company operates two share option schemes under which awards may be satisfied by the allotment or transfer of ordinary shares to a scheme participant. However, in practice, the Company has always satisfied awards to participants by the transfer of ordinary shares from the trustee of each of the schemes.

As at 1 April 2014 (being the latest practicable date prior to the publication of this report), options had been granted over 2,215,484 ordinary shares (the "**Option Shares**") representing approximately 1.90% of the Company's issued share capital at that date. If the authority to purchase the Company's ordinary shares (as described in Resolution 18) were exercised in full, the Option Shares would represent approximately 2.11% of the Company's issued share capital as at 1 April 2014. As at 1 April 2014, the Company did not hold any treasury shares.

Notes

1. Attending the annual general meeting (the "AGM") in person

If you wish to attend the AGM in person, you should arrive at the venue for the AGM in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Company's registrar, Equiniti Limited (the "**Registrar**"), prior to being admitted to the AGM.

2. Appointment of proxies

Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the AGM. A proxy need not be a member of the Company but must attend the AGM to represent a member. To be validly appointed, a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying proxy form.

If a member wishes a proxy to speak on their behalf at the AGM, the member will need to appoint their own choice of proxy (not the Chairman of the AGM) and give their instructions directly to them. Such an appointment can be made using the proxy form accompanying this notice of AGM or through CREST.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should contact the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

A member may instruct their proxy to abstain from voting on a particular resolution to be considered at the AGM by marking the "Withheld" option in relation to that particular resolution when appointing their proxy. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" the resolution.

The appointment of a proxy will not prevent a member from attending the AGM and voting in person if he or she wishes.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 8 below.

Explanatory Notes

Continued

3. Appointment of a proxy using a proxy form

A proxy form for use in connection with the AGM is enclosed. To be valid any proxy form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA at least 48 hours before the time of the AGM or any adjournment of that meeting.

If you do not have a proxy form and believe that you should have one, or you require additional proxy forms, please contact the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

4. Appointment of a proxy through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the following website: www.euroclear.com. 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.

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 & Ireland Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 Registrar (ID RA19) no later than 48 hours before the time of the AGM or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar 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.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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.

5. Appointment of a proxy by joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first named being the most senior).

6. Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).

7. Entitlement to attend and vote

To be entitled to attend and vote at the AGM (and for the purpose of determining the votes they may cast), members must be registered in the Company’s register of members at 6.00 p.m. on 25 May 2014 (or, if the AGM is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting). Changes to the Company’s register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the AGM.

8. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the “**2006 Act**”) to enjoy information rights (a “**Nominated Person**”) may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

9. Website giving information regarding the AGM

Information regarding the AGM, including information required by section 311A of the 2006 Act, and a copy of this notice of AGM is available from www.agbarr.co.uk.

10. Audit concerns

Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the 2006 Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the 2006 Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

11. Voting rights

As at 22 April 2014 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital consisted of 116,768,778 ordinary shares of 4 1/6 pence each, carrying one vote each. Therefore, the total voting rights in the Company as at 22 April 2014 were 116,768,778 votes.

12. Notification of shareholdings

Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the AGM as his/her proxy will need to ensure that both he/she, and his/her proxy, comply with their respective disclosure obligations under the UK Disclosure Rules and Transparency Rules.

13. Further questions and communication

Under section 319A of the 2006 Act, the Company must cause to be answered any question relating to the business being dealt with at the AGM put by a member attending the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or the answer has already been given on a website in the form of an answer to a question, or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Members who have any general queries about the AGM should contact the Company Secretarial Department by email to: companysecretarialdepartment@agbarr.co.uk.

Members may not use any electronic address provided in this report or in any related documents (including the accompanying proxy form) to communicate with the Company for any purpose other than those expressly stated.

14. Documents available for inspection

The following documents will be available for inspection from the date of publication of this report until the conclusion of the AGM at the offices of Dickson Minto W.S., Broadgate Tower, London EC2A 2EW and on the date of the AGM at the offices of KPMG LLP, 191 West George Street, Glasgow G2 2LJ from 9.15 a.m. until the conclusion of the AGM:

- 14.1 a copy of the terms of the 2014 SAYE;
- 14.2 a copy of the terms of the 2014 LTIP;
- 14.3 copies of the service contracts of the Company's executive directors; and
- 14.4 copies of the letters of appointment of the Company's non-executive directors.

Explanatory Note on Adoption of Two New Share Schemes

The principal terms of the 2014 SAYE and the 2014 LTIP are summarised below. A copy of the proposed share schemes may be inspected at the addresses specified in note 14 to the Notice of Annual General Meeting.

2014 SAYE

Adopting a new Save As You Earn (“**SAYE**”) scheme gives the Company an opportunity to ensure the rules are consistent with changes to the governing tax legislation which have been made by Finance Act 2013 and which are expected to be made by Finance Act 2014. The proposed new scheme rules (the “**2014 SAYE**”) reflect these changes. However, the Finance Bill 2014 is currently before Parliament and is not expected to be enacted until July 2014; for that reason the resolution to adopt the 2014 SAYE is conditional on the Finance Act 2014 making the expected changes to the law governing SAYE schemes.

Background and operation

The 2014 SAYE will replace (for new options granted) the Company’s current scheme (the A.G. BARR p.l.c. Share Savings Scheme 2005) (the “**2005 SAYE**”). The last share options granted under the 2005 SAYE were granted on 1 January 2013, and become exercisable on 1 January 2018. The board of directors of the Company (the “**Board**”) has recommended that this is an appropriate time for a new scheme, which will run for ten years, to be adopted.

The Board will supervise the operation of the 2014 SAYE. It is intended that any future option grants will be made under the 2014 SAYE (and not under the 2005 SAYE).

The 2014 SAYE allows the Company to grant U.K. tax-advantaged options under the SAYE legislation. In broad terms, a SAYE scheme allows the Company to grant options to employees and executive directors who enter into a savings arrangement over a number of years (either three or five), with the savings eventually used to fund the option exercise price (which may be set at a permitted discount with no income tax on the gain, provided the terms of the legislation and the scheme are complied with).

Previously, the approval of HM Revenue and Customs (“**HMRC**”) to a SAYE scheme would have been required, however the HMRC approval process no longer exists for schemes adopted on or after 6 April 2014. Any reference in this note or in the 2014 SAYE to “approval” is a reference to approval by the shareholders (and the “approval date” occurs when both of the following have occurred (i) the shareholders have approved the adoption of the 2014 LTIP and (ii) any conditions to which that approval was subject have been met).

Eligibility

Any employee or executive director of the Company (subject to meeting any qualifying period of service set by the Board, not to exceed 5 years) will be eligible to participate in the 2014 SAYE.

Grant of options

The Board may issue invitations to apply for options to acquire ordinary shares in the Company within six weeks following the Company’s announcement of its results for any period. The Board may also issue invitations to apply for options within six weeks of the approval date of the 2014 SAYE.

If at any such time as mentioned above, the Board would be prohibited from granting options due to any statute, regulation or directive, the Company may issue invitations within six weeks of that prohibition ceasing.

In the case of applications exceeding the number of shares the Board has determined will be available shares, the Board will scale back applications following the process in the 2014 SAYE rules before granting options.

Options may not be granted more than 10 years after the approval date of the 2014 SAYE.

No payment is required for the grant of an option. Options are not transferable or pensionable.

Individual participation

An individual’s maximum monthly contribution to all savings contracts cannot exceed the maximum permitted by SAYE legislation from time to time (£500 once Finance Act 2014 is in force) and an individual’s proposed contributions may be scaled back by the Board in the case of applications exceeding available shares.

Option price

The price per ordinary share payable upon exercise of an option is to be set by the Board when invitations are issued and must not be less than 80% of the market value of a share (determined from the average of the middle market quotations of a share on the five dealing days immediately before the invitation date, as derived from the London Stock Exchange Daily Official List). If the option is to be satisfied by way of issue of shares, the exercise price cannot be set at less than the nominal value of a share.

Exercise of options

Options will normally become capable of exercise within six months of the maturity of the three or five year savings contract, and provided the participant remains employed in the Company's group. Options will usually lapse six months after the maturity of the savings contract, or sooner on the occurrence of certain corporate events or in the event that the participant ceases to hold employment within the Company's group (subject to certain exceptions, details of which are set out in the following paragraphs). Options will lapse if a person ceases to (or fails on seven occasions to) make the monthly contributions under the savings contract or is adjudicated bankrupt.

Leaving employment

As a general rule, an option will lapse upon a participant ceasing to hold employment within the Company's group. However, if, after holding the option for at least three years, a participant ceases (for any reason) to be an employee in the Company's group, the participant may exercise the option within six months. If, regardless of how long the option has been held, employment ceases by reason of injury, disability, redundancy, retirement or his or her employing company or the business for which he or she works being sold out of the Company's group, then the option becomes exercisable for a period of six months.

A difference between the 2014 SAYE and the 2005 SAYE is that the 2005 SAYE allowed exercise upon a participant reaching the "specified age". This is no longer permissible under the legislation governing SAYE schemes, instead schemes must provide that retirement (at whatever age) is an exercise trigger.

If the cessation of employment is due to a participant's death, the legal personal representatives of the participant may exercise the option within either (i) twelve months of the date of death or (ii) twelve months of the maturity date of the savings contract (if the savings contract has matured as at the date of death).

Corporate events

On a takeover by way of general offer or scheme of arrangement, reconstruction or amalgamation or voluntary winding up of the Company, options will be exercisable for a period of six months.

The six month period for exercise will be shortened if during the process of a take-over by general offer, a person becomes bound or entitled to acquire shares in the Company; in such a case the option will only be exercisable for the period that the person is so bound or entitled.

An option may be exercised up to seven days before a change of control by way of a general offer occurs. This is a new permitted exercise trigger to be brought in by Finance Act 2014, and therefore the 2005 SAYE does not include this exercise right. Similarly, there is a new permitted exercise trigger which has been included in the 2014 SAYE which allows an option to be exercised if as a result of the change of control of the Company, the shares under option will cease to meet the SAYE legislative requirements; a seven day exercise window is allowed in such cases.

In the event of a takeover by way of general offer or a court-sanctioned scheme of arrangement, reconstruction or amalgamation, options may (at the choice of the option holder and with the agreement of the acquiring company) be replaced by equivalent options over shares in the acquiring company provided this is done within six months.

Any option not exercised (or replaced) on the occurrence of such corporate events will lapse.

Adjustment of options

On a variation in the Company's share capital, the Board may adjust the number or description of shares under option and the price payable per share. Previously, such adjustments to a SAYE scheme would have required the prior approval of HMRC, however the HMRC approval process has now been removed and instead the legislation (under changes to be brought in by the Finance Act 2014) requires the adjustments must be such that the total amount to be paid under the option and the value of the shares to be acquired (judged as at the time of adjustment) is the same before and after the adjustments.

Overall 2014 SAYE limits

The 2014 SAYE may operate over newly issued ordinary shares, treasury shares or ordinary shares purchased in the market or transferred from one of the Company's employee benefit trusts. In practice, the Board currently anticipates that the shares required to satisfy the options will be transferred from a trust.

Explanatory Note on Adoption of Two New Share Schemes

Continued

In any 10 year period, the Company may not grant options giving a right to subscribe for shares which would exceed 10% of the issued shares of the Company (as at the date of option grant) when the total number of shares under those options and under all other share option or share acquisition schemes operated by the Company which have been granted (other than any which have lapsed) are taken into account.

Adjustments to the 2014 SAYE

The Board may amend the rules of the 2014 SAYE, or, as necessary, make regulations for the administration of the 2014 SAYE.

Shareholders in general meeting must give prior approval to amendments to the 2014 SAYE if the amendment would be to the advantage of existing or future participants. However, no such approval is needed for amendments to benefit the administration of the 2014 SAYE, to take account of a change in law or to obtain or maintain favourable tax or regulatory treatment.

Prior consent or sanction of the participants who hold options is required (applying the provisions in the Articles regarding the alteration of class rights to determine the form of the consent or sanction required) for any amendments to the 2014 SAYE if the amendment would materially prejudice their interests.

No consent (of shareholders or participants) is required if the amendment is necessary or desirable to comply with or take account of legislation, a take-over, reconstruction or winding up.

No amendments can be made if they are to key features of the 2014 SAYE and the effect of such amendment would be to cause the 2014 SAYE to cease to qualify under the legislation governing SAYE schemes.

The Board has discretion to decide not to issue any further invitations or options or to terminate the 2014 SAYE at any time, without prejudice to existing options.

2014 LTIP

The Company's previous LTIP (the "**2003 LTIP**") was approved by shareholders in May 2003, and had a ten year life-span for the granting of awards and therefore no further awards can now be granted under it. The Remuneration Committee (the "**Committee**") has undertaken a review of the remuneration policy for the executive directors, and it and the Board recommends the adoption of a new LTIP ("**the 2014 LTIP**").

Background and operation

The 2014 LTIP will have a ten year life-span from the date of adoption (for awards and options to be granted under it).

The Committee will supervise the operation of the 2014 LTIP.

An award may be granted under the 2014 LTIP in conjunction with an option under the Company's tax approved 2010 Executive Share Option Scheme ("**ESOS**") on terms that the 2014 LTIP award will be scaled back at exercise to reflect any gain made on the exercise of the ESOS option. These "**Approved LTIP**" awards enable the participant and the Company to benefit from the favourable tax treatment associated with tax approved options.

Eligibility

Any employee or executive director of the Company or any company in its group is eligible if selected by the Committee.

Grant of awards

The Company (acting on the directions of the Committee) may grant awards as conditional share awards or as options (either of these being an "**Award**"). The Committee anticipates that any such option would usually have a nil (or nominal) exercise price.

Awards may be granted within six weeks following the Company's adoption of the 2014 LTIP, announcement of its results for any period or implementation of a new remuneration policy. The Committee may also grant Awards at any other time when it considers there are exceptional circumstances which justify the granting of Awards.

Awards may not be granted more than 10 years after the date of adoption of the 2014 LTIP.

Awards are not transferable or pensionable.

Individual limit

Ordinarily, Awards will not be granted to a participant in respect of any financial year under the 2014 LTIP over shares with a market value in excess of 125% of the participant's annual base salary. In exceptional circumstances, as determined by the Committee, this limit may be increased to 200% of annual base salary. Where an "Approved LTIP" award is granted as described above, any shares subject to the tax approved option granted under the ESOS will not count towards these limits at grant; at exercise the extent to which the 2014 LTIP Award can be exercised shall be scaled back to reflect any gain made on exercise of the ESOS option so that the total pre-tax value delivered to the participant does not exceed the value of an ordinary 2014 LTIP award granted to him at the relevant level. The limits will not take into account any dividend equivalents awarded (see below as to "dividend equivalents").

Vesting of awards

Awards are to be subject to performance conditions which will be tested in respect of a performance period. The performance conditions shall be determined (together with the respective weighting of each condition if more than one condition applies) by the Committee based on the Company's strategic priorities at the time of grant. The performance conditions for Awards to be granted in 2014 are described in the Company's Directors' Remuneration Report for the year to 26 January 2014.

The performance period will normally be a period of at least three years. Once the performance period has passed, the extent to which an Award vests will be determined by the Committee. Ordinarily, awards will vest on the third anniversary of the date of grant, or such earlier date as the Committee shall determine. Vesting may also occur earlier on certain events such as the individual leaving employment or certain corporate events (as described further under the relevant headings below).

Any performance condition may be amended or substituted if one or more events occur which cause the Committee to consider that an amended or substituted performance condition would be more appropriate. Any amended or substituted performance condition would not be materially less difficult to satisfy.

Awards granted in the form of options will usually be capable of exercise from the date on which they vest until the tenth anniversary of the date of grant (or such earlier date as the Committee shall determine). Awards may also lapse on certain events such as the individual leaving employment or certain corporate events (as described further under the relevant headings below).

Dividend equivalents

The Committee may decide that participants will receive additional shares on vesting/exercise which have a value equivalent to the dividends that have been paid on vested shares over the period from grant until the vesting date.

Cash alternative

The Committee may determine (in its discretion) that participants will receive an amount of cash on the vesting of their Awards which is equivalent to the value of the vested shares and/or equivalent to the value of any dividend equivalents (rather than satisfying either or both of these in shares).

Leaving employment

Awards will normally lapse upon a participant ceasing to hold employment or be a director within the Company's group. However, if a participant ceases to be an employee and/or director (as applicable) because of their death, ill-health, injury, disability, their employing company or the business for which they work being sold out of the Company's group or any other reason determined by the Committee in its discretion as being relevant, then their Award may vest if the Committee so decides. The Committee will decide whether an Award will vest at the date of cessation or will continue and vest on the originally anticipated vesting date. In either case, the number of shares in respect of which the Award vests will ordinarily be determined taking into account the extent to which the performance condition is satisfied (at termination or the end of the performance period as appropriate) and, unless the Committee determines otherwise, the proportion of the performance period that has elapsed at the date of termination. The Committee retains discretion in exceptional circumstances to determine the number of shares in respect of which an Award vests on another basis which it considers reasonable in all the circumstances. If a participant ceases employment as a "good leaver" after an award granted in the form of an option has vested but before it has been exercised, the option may be exercised in the period of six months after the participant ceases employment (or 12 months in the event of death).

Corporate events

In the event of a reconstruction or takeover before the performance period is complete, the Committee will determine the extent to which Awards vest, taking into account the extent to which the performance condition has been met and, unless the Committee determines otherwise, the proportion of the performance period that has elapsed. Alternatively, the Committee may decide to allow or require Awards to be replaced by new awards (which are equivalent in the Committee's opinion) over shares in another company or companies.

Explanatory Note on Adoption of Two New Share Schemes

Continued

Any Award which has not (or to the extent it has not) vested or been replaced on such corporate events will lapse. Any option which has vested but not been exercised (or to the extent it has not) will lapse at the expiry of the time-frame set by the Committee for the participant to exercise their option or accept a replacement award.

If there is a reconstruction or takeover after an award granted in the form of an option has vested but before it has been exercised, the option may be exercised during the period set by the Committee.

If a variation to the share capital of the Company, a demerger, special dividend or other similar corporate event occurs which might affect the current or future value of an Award the Committee may adjust the Award.

Malus

The Committee may decide, up until the Awards have been satisfied (the “**Payment Date**”), that an Award shall be reduced or cancelled or made subject to additional conditions (including amending performance conditions or performance periods or deferring the vesting date) if (i) there has been a material misstatement of the Company’s financial results which has resulted in an overpayment or award to participants (whether under the LTIP or not) or (ii) if the participant has engaged in misconduct between the date of the Award and the Payment Date.

Overall 2014 LTIP limits

The 2014 LTIP may operate over newly issued ordinary shares, treasury shares or ordinary shares purchased in the market or transferred from one of the Company’s employee benefit trusts.

The 2014 LTIP shall be operated so that, in any 10 year period, the Company does not issue (or grant options or other rights to be issued with) shares which (ignoring any options or rights which have lapsed) exceed (i) 10% of the issued ordinary share capital of the Company under all the Company’s share plans; or (ii) 5% of the issued ordinary share capital of the Company under discretionary share plans adopted by the Company. For these purposes, treasury shares shall be counted as newly issued when they are transferred from treasury for so long as the Committee considers it best practice to do so.

Participants’ rights

Awards will not confer any shareholder rights until the Awards have vested (and in the case of options been exercised) and the participants have received their shares. Neither the grant of an Award nor vesting of it will confer any entitlement to dividend equivalents (as this is at the Committee’s discretion).

Amendments to the 2014 LTIP

The Committee may, in its discretion, amend, vary or add to the rules of the 2014 LTIP in any way.

However, shareholders in general meeting must approve proposed changes which are to the advantage of participants and which relate to eligibility, individual and plan limits, the rights attaching to Awards and shares and the amendment powers.

The Committee can, without shareholder approval, make minor changes to benefit the administration of the plan, to comply with or take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

The Committee may also amend, vary or add to the provisions of the rules of the 2014 LTIP as it considers necessary to take account of overseas taxation, securities or exchange control laws.

The Committee has discretion to terminate the 2014 LTIP at any time, without prejudice to subsisting Awards.

Section 519 of the Companies Act 2006 – Statement from KPMG Audit Plc in connection with its ceasing to hold office as auditor

The Directors
A.G. BARR p.l.c.
Westfield House
4 Mollins Road
Cumbernauld
G68 9HD

11 April 2014

Dear Sirs

Statement to A.G. BARR p.l.c. (No SC005653) on ceasing to hold office as auditor pursuant to section 519 of the Companies Act 2006

The circumstances connected with our ceasing to hold office from 27 May 2014 are that our company, KPMG Audit Plc, has instigated an orderly wind down of its business. KPMG LLP, our intermediate parent entity, will accept appointment as statutory auditor subject to, and with effect from, the passing of Resolution 13 at the A.G. BARR p.l.c annual general meeting to be held on 27 May 2014.

We request that any correspondence in relation to this statement be sent to our registered office, 15 Canada Square, London E14 5GL, marked for the attention of the Audit Regulation Department.

Yours faithfully

A handwritten signature in black ink that reads "KPMG Audit Plc." The signature is written in a cursive, flowing style.

KPMG Audit Plc