

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action that you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Ordinary Shares in the capital of the Company, please immediately forward this document together with the accompanying Form of Proxy as soon as possible to the relevant purchaser or transferee (or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee). However, such documents should not be forwarded to, or transmitted in or into, any jurisdiction where to do so might violate the relevant laws and regulations in that jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The London Stock Exchange has not itself examined or approved the contents of this document. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority and the AIM Rules are less demanding than those of the Official List of the UK Listing Authority. The Ordinary Shares are not dealt on any other recognised investment exchange.

REAL GOOD FOOD PLC

*(Incorporated in England and Wales under the Companies Act 1985
with registered number 4666282)*

Proposed cancellation of the balance standing to the credit of the share premium account (“Capital Cancellation”) and Notice of General Meeting

This document should be read in conjunction with the Notice of General Meeting and the Form of Proxy. Your attention is drawn to the letter from the Chairman of the Company which recommends that you vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company, convened for 10:30 a.m. on 24 March 2016 at Joelson Wilson LLP, 30 Portland Place, London, W1B 1LZ is set out on page 6 of this document. A Form of Proxy for use at the General Meeting is also enclosed. To be valid, the Form of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company’s registrar, Capita Asset Services, at The Registry, 34 Beckenham Road, Kent, BR3 4TU, as soon as possible but in any event no later than 10.30 a.m. on 22 March 2016 (or 48 hours before any adjournment of the General Meeting).

Information regarding forward-looking statements

This document contains certain forward-looking statements relating to the Company with respect to, amongst others, the following: the financial condition, results of operations, economic conditions in which the Company operates, the business of the Company, management plans and objectives. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could” or other words of similar meaning. These statements are based on assumptions and assessments made by the Directors in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, and any of the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document. The Company assumes no obligation to update or correct the information contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company except where expressly stated.

EXPECTED TIMETABLE

Date of this document	29 February 2016
Latest time and date for receipt of Forms of Proxy for use at the General Meeting	10.30 a.m. on 22 March 2016
General Meeting	10.30 a.m. on 24 March 2016

Note:

The expected dates for the hearing of the claim form and the effective date of the Capital Cancellation are dependent upon the dates reserved with the Court at the date hereof. Such dates may be subject to change if, for example, the Court cannot accommodate the Company's application for the Capital Cancellation on time. The timetable also assumes that the General Meeting is not adjourned. If there is an adjournment the date of the hearing of the claim form and all subsequent dates will (or are likely to) be later than those shown.

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“Act”	the Companies Act 2006;
“AIM”	the AIM market of the London Stock Exchange;
“Articles”	the current articles of association of the Company;
“Board” or “Directors”	the board of directors of the Company as set out on page 3 of this document;
“Capital Cancellation”	the cancellation of the share premium account of the Company as at the date of the hearing, further details of which are set out in the Letter from the Chairman on page 5 of this document;
“Form of Proxy”	the form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting;
“General Meeting”	the general meeting of the Company convened for 10.30 a.m. on 24 March 2016 at Joelson Wilson LLP, 30 Portland Place, London, W1B 1LZ, (or any adjournment or postponement thereof);
“Group”	the Company and its subsidiaries;
“London Stock Exchange”	London Stock Exchange plc;
“Notice of General Meeting”	the notice convening the General Meeting which is set out on page 6 of this document;
“Ordinary Shares”	the ordinary shares of 2p each in the capital of the Company;
“Resolution”	the special resolution to approve the capital cancellation set out in the Notice of General Meeting;
“RGF” or “Company”	Real Good Food plc, incorporated in England and Wales with Company Number 4666282 and having its registered office at International House, 1 St Katherine’s Way, London, E1W 1XB;
“Shareholders”	holders of Ordinary Shares.

LETTER FROM THE CHAIRMAN

REAL GOOD FOOD PLC

*(Incorporated in England and Wales under the Companies Act 1985
with registered number 4666282)*

29 February 2016

Directors:

*Pieter Totte (Executive Chairman)
Patrick Ridgwell (Non-Executive)
Peter Salter (Non-Executive)
Christopher Thomas (Non-Executive)
Jacques D'Unienville (Non-Executive)*

c/o Joelson Wilson LLP
30 Portland Place
London W1B1LZ

To all Shareholders

Dear Shareholder

Proposed Capital Cancellation

and

Notice of General Meeting

Introduction

You will find set out at page 6 of this circular, a Notice of General Meeting of the Company to be held at 10.30 a.m. on 24 March 2016 at Joelson Wilson LLP, 30 Portland Place, London, W1B 1LZ. A general meeting had previously been held on 23 September 2015, at which a resolution was passed to approve the restructuring of the balance sheet of the Company by a means of a cancellation of the Company's share premium account. After this general meeting had been held, it was discovered that the notice which had been given for the general meeting was incorrect and therefore another general meeting would be required to pass the resolution. The purpose of this General Meeting therefore, is to ask Shareholders to approve the restructuring of the balance sheet of the Company by means of a cancellation of the Company's share premium account for the purpose of eliminating the current deficit in the Company's profit and loss account and the creation of distributable reserves to facilitate the payment of dividends by the Company in due course.

You will find enclosed with this document a Form of Proxy for use by Shareholders at the General Meeting. Whether or not you intend to be present at the General Meeting you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon to Capita Asset Services, The Registry, 34 Beckenham Road, Kent, BR3 4TU as soon as possible but in any event by no later than 10.30 a.m. on 22 March 2016.

You should read this entire document which contains important information in relation to the Capital Cancellation, and explains why your Board is recommending that you vote in favour of the Resolution.

Background

Following the Company's acquisition of Rainbow Dust Colours Limited in January 2015 and the sale of Napier Brown Sugars Limited in March 2015, the company has significantly reduced its net debt and increased its potential to generate profits and cash. Previous corporate activity had left the Company with a deficit to distributable reserves but a significant positive balance to Share Premium Account.

Until the deficit to the distributable reserves has been eliminated, the Company is precluded by the Act from paying dividends to Shareholders. The Directors propose to eliminate the deficit by the Capital Cancellation and to the extent that the amount of the Capital Cancellation exceeds the deficit, to create distributable reserves.

Capital Cancellation

Under English law, a company may reduce or cancel its share capital (including its share premium account) and apply the reserve arising on the reduction against an accumulated deficit on its profit and loss account provided that it obtains the approval of shareholders in a general meeting by special resolution and the confirmation of the High Court.

Accordingly, subject to the approval of Shareholders at the General Meeting and the confirmation of the High Court, it is intended that the Company cancel the amount standing to the credit of the share premium account, £71.272 million, and apply the reserve arising on the cancellation to eliminate the accumulated deficit on the Company's profit and loss account. To the extent that the sum arising on the Capital Cancellation exceeds the accumulated deficit, the balance will constitute a realised profit in the hands of the Company and, subject to any creditor protection, as referred to below, be available for distribution.

As a condition to approving the Capital Cancellation, the High Court will need to be satisfied that the interests of the Company's creditors are not adversely affected, i.e. that there is no material likelihood of creditors not being paid by reason of the Capital Cancellation. The Company is satisfied that it will be able to demonstrate this to the High Court but, if necessary, the Company will put into place such form of creditor protection as it may be advised is appropriate. The Capital Cancellation will take effect on the registration of the Court Order by the Registrar of Companies.

The Directors reserve the right to abandon or discontinue any application to the High Court if they believe that the terms required to obtain confirmation are unsatisfactory to the Company.

Once the Capital Cancellation has been completed and any creditor protection requirements imposed by the High Court have been satisfied, the Company, provided that it has an accumulated surplus on its profit and loss account, would then be in a position to pay dividends when, and in such amounts, as the Directors determine, subject to the usual shareholder approvals and any conditions imposed by the Court.

General Meeting

To effect the Capital Cancellation, Shareholders must approve the cancellation of the share premium account by way of a special resolution at the General Meeting. Notice convening the General Meeting is set out at the end of this document. Subject to Shareholders passing the Resolution, approval of the High Court will be sought as soon as reasonably practicable after the General Meeting and it is anticipated that the process shall be completed before the end of May 2016.

Action to be taken

Shareholders will find enclosed a Form of Proxy for use in connection with the General Meeting. Whether or not Shareholders intend to be present at the General Meeting, they are requested to complete the Form of Proxy in accordance with the instructions printed thereon and return it so as to be received by the Company's registrar, Capita Asset Services, The Registry, 34 Beckenham Road, Kent, BR3 4TU as soon as possible but in any event by no later than 10.30 a.m. on 22 March 2016. Completion and return of a form of proxy will not preclude a Shareholder from attending, speaking and voting in person at the meeting, should the Shareholder so wish.

Recommendation

Your Directors consider the passing of the Resolution and the proposed Capital Cancellation to be fair and reasonable and in the best interests of the Shareholders and the Company as a whole. Accordingly, your Directors recommend that all Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

Yours faithfully

Pieter Totte
Executive Chairman

REAL GOOD FOOD PLC

(Incorporated in England and Wales under the Companies Act 1985
with registered number 4666282)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Real Good Food plc (the “**Company**”) will be held at Joelson Wilson LLP, 30 Portland Place, London, W1B 1LZ, on 24 March 2016 at 10.30 a.m. (the “**Meeting**”) for the purpose of considering and, if thought fit, passing the following resolution:

Special Resolution

THAT the entire balance standing to the credit of the share premium account of the Company be and is hereby cancelled.

BY ORDER OF THE BOARD

c/o Joelson Wilson LLP
30 Portland Place
London W1B 1LZ

Pieter Totté
Executive Chairman

26 February 2016

Notes:

1. As a member, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise the rights attached to any one share.
2. A form of proxy is enclosed. To be valid, your proxy form and any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority should be sent to Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Kent, BR3 4TU so as to arrive no later than 48 hours before the time of the General Meeting or any adjournment thereof.
3. If you appoint a proxy, this will not prevent you attending the General Meeting and voting in person if you wish to do so.
4. In accordance with Regulation 41 of the Uncertified Securities Regulations 2001, to have the right to attend and vote at the General Meeting a member must first have his or her name entered in the Company's register of members by no later than 6.00 p.m. on 22 March 2016 or, if this General Meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned General Meeting. Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the General Meeting.
5. Except as provided above, members who have general queries about the General Meeting should use the following means of communication (no other methods of communication will be accepted):
 - **Telephone:** 0871 664 0300; or
 - **In writing to:** Capita Asset Services at The Registry, 34 Beckenham Road, Kent, BR3 4TU.

Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the chairman's letter and proxy form) to communicate with the Company for any purpose other than those expressly stated.

In order for a proxy appointment made by means of CREST 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 instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Capita Asset Services (ID RA10) not later than 48 hours before the time fixed for the GM. 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 Applications Host) from which Capita Asset Services is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. 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.