

Company number
06622199

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
RESOLUTION
OF

MCCARTHY & STONE PLC
(the Company)

(passed on 7 December 2020)

At a general meeting of the Company duly convened and held via the Lumi Virtual Meeting platform at 4.15 p.m. the following resolution was duly passed as a special resolution of the Company:

Special resolution

THAT for the purpose of giving effect to the scheme of arrangement dated 16 November 2020 (as amended or supplemented) between the Company and the holders of Scheme Shares (as defined in the scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification signed by the chairman of this meeting, in its original form or subject to such modification, addition or condition as may be agreed between the Company and Mastiff Bidco Limited (Bidco) and approved or imposed by the Court (the Scheme):

- (i) the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (ii) with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new article 130:

“SCHEME OF ARRANGEMENT

- (a) In this article, references to the Scheme are to the scheme of arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the scheme document dated 16 November 2020 (as amended or supplemented, the Scheme Document)) and as approved by the holders of the Scheme Shares at the meeting convened by the Court (as defined in the Scheme Document) and as may be modified or amended in accordance with its terms, and expressions defined in the Scheme Document (save as defined in this article) shall have the same meanings in this article.
- (b) Notwithstanding either any other provision of these articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues any ordinary shares (other than to Bidco or its nominee(s)) after the adoption of this article and before the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes of the Scheme) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.
- (c) Notwithstanding any other provision of these articles, subject to the Scheme becoming effective, if any ordinary shares are issued (or transferred from treasury) to any person (other

than Bidco or its nominee(s)) (a New Member) at or after the Scheme Record Time (such shares, Post-Scheme Shares), the Post-Scheme Shares shall, subject to the Scheme becoming effective, be immediately transferred to Bidco (or to such other person as Bidco may direct) in consideration of the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration that the New Member would have been entitled to had each Post-Scheme Share been a Scheme Share, provided that any New Member may, prior to the issue of any Post-Scheme Shares to such New Member pursuant to the exercise of an option under any of the McCarthy & Stone Share Plans, give not less than five business days' written notice to the Company in such manner as the board shall prescribe of their intention to transfer some or all of such Post-Scheme Shares to their spouse or civil partner. Any such New Member may, if such notice has been validly given, on such Post-Scheme Shares being issued to such New Member, immediately transfer to their spouse or civil partner any such Post-Scheme Shares, provided that such Post-Scheme Shares shall then be immediately transferred from that spouse or civil partner to Bidco (or to such other person as Bidco may direct) pursuant to this article as if the spouse or civil partner were a New Member. Where a transfer of Post-Scheme Shares to a New Member's spouse or civil partner takes place in accordance with this article, references to "New Member" in this article shall be taken as referring to the spouse or civil partner of the New Member. If notice has been validly given pursuant to this article but the New Member does not immediately transfer to their spouse or civil partner the Post-Scheme Shares in respect of which notice was given, such shares shall be transferred directly to Bidco (or to such other person as Bidco may direct) pursuant to this article.

For the purposes of this article, McCarthy & Stone Share Plans means the McCarthy & Stone Sharesave Plan, the McCarthy & Stone Share Incentive Plan, the McCarthy & Stone Long Term Incentive Plan and the McCarthy & Stone Annual and Deferred Bonus Plan.

- (d) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the Scheme Effective Time, the consideration per Post-Scheme Share to be paid under article 130(c) above shall be adjusted by the board in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this article to ordinary shares shall, following such adjustment, be construed accordingly.
- (e) To give effect to any transfer of Post-Scheme Shares required by this article, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to Bidco (or such other person as Bidco directs), to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member in favour of Bidco (or such other person as Bidco otherwise directs) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney and/or agent be necessary or desirable to vest the Post-Scheme Shares in Bidco (or such other person as Bidco otherwise directs) and, pending such vesting, to exercise all such rights attaching to the Post-Scheme Shares as Bidco may direct. If an attorney and/or agent is so appointed, the New Member or any subsequent holder or any nominee of such New Member or any such subsequent holder shall not thereafter (except to the extent that the attorney and/or agent fails to act in accordance with the directions of Bidco) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by Bidco. The Company may give good receipt for the purchase price of the Post-Scheme Shares and may register Bidco (or such other person as Bidco otherwise directs) as holder of the Post-Scheme Shares and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member or any subsequent holder or any nominee of such New Member or any such subsequent holder for any Post-Scheme Shares. Bidco shall send a cheque drawn

on a UK clearing bank (or shall procure that such a cheque is sent) in favour of the New Member for the purchase price of such Post-Scheme Shares within 14 days of the date on which the Post-Scheme Shares are issued to the New Member.

- (f) If the Scheme shall not have become effective by the date referred to in sub-clause 6.2 of the Scheme (or such later date, if any, as Bidco and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this article shall be of no effect.
- (g) Notwithstanding any other provision of these articles, neither the Company nor the directors of the Company shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Scheme Effective Time.”



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Chairman
McCarthy & Stone plc