

No. 138256

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

RESOLUTIONS

OF

SHEPHERD NEAME LIMITED

(Passed 5 June 2014)

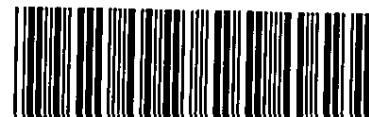
At the General Meeting of Shepherd Neame Limited, duly convened and held at The Brewery, 17 Court Street, Faversham, Kent on 5 June 2014 at 12 noon (the "General Meeting") the following resolution (the "**Resolution**") was passed as a special resolution

**SPECIAL RESOLUTION**

THAT, with effect from the Record Date

- (A) each of the Existing 'A' Shares be subdivided and reclassified into one New 'A' Share having attached thereto the rights and being subject to the restrictions set forth in the Existing Articles in respect of Existing 'A' Shares and one Deferred Share having the rights and subject to the restrictions set out below
- (i) the Deferred Shares shall confer no right to participate in the profits of the Company,
  - (ii) the holders of the Deferred Shares shall not be entitled to any right of participation in the assets of the Company available for distribution save for on a winding-up or a return of capital, in which case the assets of the Company available for distribution shall be applied in paying to the holders of the Deferred Shares the nominal capital paid up or credited as paid up on such Deferred Shares only after paying to the holders of the Ordinary Shares the nominal capital paid up or credited as paid up on the Ordinary Shares held by them respectively, together with the sum of £10,000,000 on each Ordinary Share,
  - (iii) the holders of the Deferred Shares will not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting,
  - (iv) the Deferred Shares shall not be listed on any stock exchange nor shall any share certificate be issued in respect of such shares,

MONDAY



LD1 \*L39PG0QG\* 09/06/2014 #24  
COMPANIES HOUSE

- (v) the Deferred Shares shall not be transferable except in accordance with subparagraph (vii) of this paragraph (A) or with the written consent of the Board,
  - (vi) the Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares. The reduction by the Company of the capital paid up on the Deferred Shares and the cancellation of such shares shall be in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital in accordance with the Companies Act 2006 without obtaining the consent of the holders of the Deferred Shares, and
  - (vii) the Company may at any time (and from time to time), (subject to the provisions of the Companies Act 2006) without obtaining the sanction of the holder or holders of the Deferred Shares appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all of the Deferred Shares or any part thereof (and/or an agreement to transfer the same) to the Company or to such person as the Board may determine (whether or not an officer of the Company), in any case for not more than 1 penny (or for nil consideration) for all the Deferred Shares then being purchased, which payment may be made, if the Board so determines, to charity,
- (B) immediately upon the creation of the Deferred Shares pursuant to paragraph (A) of this Resolution becoming effective, the capital of the Company be reduced by cancelling and extinguishing the 11,457,500 issued Deferred Shares of 50 pence each in the capital of the Company fully paid,
- (C) the Directors be and are hereby authorised to capitalise an amount of £340,000 standing to the credit of the Company's share premium account and to apply such sum in paying up in full 17,000,000 Bonus Issue 'B' Shares each having the rights and restrictions set out in the Existing Articles and are hereby authorised pursuant to section 551 of the Companies Act 2006 to allot and issue the Bonus Issue 'B' Shares credited as fully paid up to the holders of the Existing 'B' Shares on the basis of one Bonus Issue 'B' Share for every 4 Existing 'B' Shares held on the Record Date (or such other time and/or date as the Directors may determine), provided that the authority hereby conferred shall expire at the close of business on 30 June 2014,
- (D) immediately upon the allotment and issue of the Bonus Issue 'B' Shares in accordance with paragraph (C) of this Resolution becoming effective, every 25 'B' Shares (comprising both issued Existing 'B' Shares and Bonus Issue 'B' Shares) shall be and are hereby consolidated into one Consolidated 'B' Share on terms such that any fractional entitlements of 'B' Shareholders to such Consolidated 'B' Share shall be aggregated and consolidated into Consolidated 'B' Shares and the Directors of the Company be authorised in accordance with Article 48 of the New Articles to sell any Ordinary Shares arising from the re-designation of such Consolidated 'B' Shares into Ordinary Shares in accordance with paragraph (E) of this Resolution and the net proceeds of sale be distributed in due proportion amongst those Shareholders entitled thereto (provided that the Company shall be entitled to retain any proceeds of less than £3 00 due to any Shareholder) and that any Director of the Company or any other person appointed by the Company be hereby authorised to execute an instrument of transfer in respect of such Ordinary Shares on behalf of such Shareholders,

- (E) immediately upon the Consolidation pursuant to paragraph (D) of this Resolution becoming effective, each of the Consolidated 'B' Shares and the New 'A' Shares be and are hereby re-designated as Ordinary Shares ranking *pari passu* and having attached thereto the rights and being subject to the restrictions contained in the New Articles,
- (F) the Existing Articles be varied so as to allow, permit and provide for all of the matters set out in paragraphs (A) to (E) of this Resolution and, immediately upon all such matters coming into effect, the New Articles produced to the Meeting be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the Existing Articles (as deemed to be altered by virtue of Section 28 of the Companies Act 2006), and
- (G) the Company be and is hereby generally and unconditionally authorised for the purpose of section 701 of the Companies Act 2006 to make market purchases (as defined in section 693 of the Companies Act 2006) of Ordinary Shares in the capital of the Company provided that
  - (i) the maximum number of Ordinary Shares hereby authorised to be purchased is 1,485,750,
  - (ii) the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 50 pence per share, being the nominal amount thereof,
  - (iii) the maximum price (exclusive of expenses) which may be paid for such Ordinary Shares shall be a sum equal to 105% of the average of the middle market quotations for such shares (as derived from the ISDX website) for the five business days immediately preceding the day on which the purchase is made,
  - (iv) the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the end of the next Annual General Meeting of the Company and the date which is 15 months after the date on which this resolution is passed, and
  - (v) the Company may make a contract to purchase its own Ordinary Shares under the authority conferred by this resolution prior to the expiry of such authority, and such contract will or may be executed wholly or partly after the expiry of such authority, and the Company may make a purchase of its own Ordinary Shares in pursuance of any such contract notwithstanding such expiry,

and this authority shall be in place of, and revoke, any existing authority of the Company to make market purchases of its own shares

The following definitions apply to this resolution

<b>"A' Shares"</b>	the Existing 'A' Shares or the New 'A' Shares, as the context requires,
<b>"A' Shareholders"</b>	holders of 'A' Shares,
<b>"Board" or "Directors"</b>	the board of directors of the Company,
<b>"Bonus Issue 'B' Shares"</b>	the new Existing 'B' Shares to be issued, credited as fully paid, pursuant to the Compensatory Bonus Issue,
<b>"B' Shares"</b>	the Existing 'B' Shares or the Consolidated 'B'

	Shares, as the context requires,
<b>"'B' Shareholders"</b>	holders of 'B' Shares,
<b>"Companies Act 2006"</b>	the Companies Act 2006, as amended from time to time,
<b>"Company" or "Shepherd Neame"</b>	Shepherd Neame Limited, registered in England and Wales with company number 138256,
<b>"Compensatory Bonus Issue"</b>	the proposed issue to 'B' Shareholders of the Bonus Issue 'B' Shares,
<b>"Consolidated 'B' Shares"</b>	following the Consolidation, the 'B' ordinary shares of 50 pence each in the capital of the Company,
<b>"Consolidation"</b>	the consolidation of the Existing 'B' Shares into the Consolidated 'B' Shares,
<b>"Deferred Shares"</b>	following the Subdivision, the deferred shares of 50 pence each in the capital of the Company,
<b>"Existing Articles"</b>	the articles of association of the Company in force immediately prior to the passing of the resolution,
<b>"Existing 'A' Shares"</b>	'A' ordinary shares of £1 00 each in the capital of the Company,
<b>"Existing 'B' Shares"</b>	'B' ordinary shares of 2 pence each in the capital of the Company,
<b>"ISDX"</b>	ICAP Securities & Derivatives Exchange Limited, a recognised investment exchange under section 290 of the Financial Services and Markets Act 2000 (as amended from time to time),
<b>"New 'A' Shares"</b>	following the Subdivision, 'A' ordinary shares of 50 pence each in the capital of the Company,
<b>"New Articles"</b>	the new articles of association of the Company approved by Shareholders at the General Meeting,
<b>"Ordinary Shares"</b>	the ordinary shares of 50 pence each in the capital of the Company following the implementation of the Share Capital Reorganisation,
<b>"Ordinary Shareholders"</b>	holders of the Ordinary Shares,
<b>"Record Date"</b>	the date on which the Share Capital Reorganisation becomes effective, being 6 00 p m on 6 June 2014, or such later date as the Directors may determine,

**"Share Capital Reorganisation "**

the proposed reorganisation of the share capital of the Company such that it has one class of identical Ordinary Shares ranking *pari passu*,

**"Shares"**

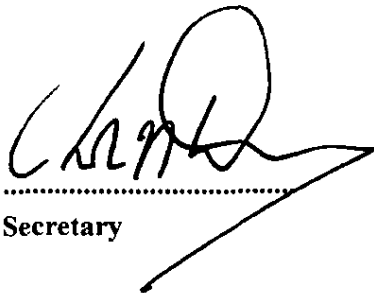
'A' Shares, 'B' Shares and/or Ordinary Shares, as the context requires,

**"Shareholder"**

'A' Shareholders, 'B' Shareholders and/or Ordinary Shareholders, as the context requires, and

**"Subdivision"**

the subdivision of each Existing 'A' Share into one New 'A' Share and one Deferred Share



.....  
Secretary