

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART III OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT. If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is authorised pursuant to the FSMA or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you sell or otherwise transfer or have sold or otherwise transferred all of your Old MJ Gleeson Shares, you should immediately forward this document (but not any personalised Forms of Proxy) to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted (in whole or in part) in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you sell or otherwise transfer or you have sold or otherwise transferred only part of your holding of Old MJ Gleeson Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this document and/or any accompanying documents in or into jurisdictions other than the United Kingdom may be restricted by law and therefore this document and/or the accompanying documents may not be distributed or published in any jurisdiction except under circumstances which result in compliance with any applicable laws and regulations. Persons into whose possession this document and/or the accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

M J Gleeson Group Public Limited Company

(Incorporated and registered in England and Wales with registered no. 00479529)

Recommended Proposals to establish a new parent company of the MJ Gleeson Group

MJ Gleeson PLC

by means of a Scheme of Arrangement under Part 26 of the Companies Act

– and –

Notice of Court Meeting

– and –

Notice of General Meeting

Nplus1 Singer Advisory LLP ("**N+1 Singer**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively for Old MJ Gleeson and New MJ Gleeson and no-one else in connection with the Proposals described in this document and Admission and will not regard any other person (whether or not a recipient of this document) as its client in relation to the Proposals or Admission and will not be responsible to anyone (whether or not a recipient of this document) other than Old MJ Gleeson and New MJ Gleeson for providing the protections afforded to clients of N+1 Singer or for providing advice in connection with the Proposals or any transaction or arrangement referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on N+1 Singer by the FSMA or by the regulatory regime established thereunder, N+1 Singer does not accept any responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Proposals. N+1 Singer accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have to any recipient in respect of this document or any such statement.

Shareholders should read the whole of this document and the accompanying Forms of Proxy. Capitalised terms in this document have the meanings ascribed to them in Part VII of this document headed 'Definitions'. References to times are to London time unless otherwise stated.

Your attention is drawn to the letter from the Chairman of Old MJ Gleeson in Part I of this document, which contains the unanimous recommendation of the Board that you vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolutions to be proposed at the General Meeting. A letter from N+1 Singer explaining the Scheme, which constitutes an Explanatory Statement in compliance with section 897 of the Companies Act, appears in Part III of this document.

Meetings to consider the Proposals contained in this document will be held on 26 November 2014. The Court Meeting will start at 11.00 a.m. on that date and the General Meeting at 11.15 a.m. (or as soon thereafter as the Court Meeting concludes or is adjourned). Notices of the Court Meeting and the General Meeting, each of which will be held at the offices of Instinctif Partners, 65 Gresham Street, London EC2V 7NQ, are set out in Part VIII of this document.

The action to be taken by Old MJ Gleeson Shareholders in respect of the Meetings is set out in paragraph 18 of Part III of this document.

Old MJ Gleeson Shareholders will find enclosed with this document a blue Form of Proxy for use in connection with the Court Meeting and a white Form of Proxy for use in connection with the General Meeting. Whether or not you intend to be present at the Meetings in person, both Forms of Proxy must be duly executed and deposited with the Company at the offices of the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF during normal business hours and as soon as possible and in any event not later than 11.00 a.m. in the case of the blue Form of Proxy and 11.15 a.m. in the case of the white Form of Proxy, in both cases on 24 November 2014. Forms of Proxy returned by fax will not be accepted. If you wish you may use an envelope and address it to FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham BR3 4TU.

Electronic proxy appointment is also available for the General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the Company's registrars, Capita Asset Services, Shareholder solutions: www.capitashareportal.com. From there, enter 'M J Gleeson Group Plc'. You can log in to your Capita Shareportal account or register for the Capita share portal, if you have not already done so, by following the link to the registration section and entering your details as required. You will be able to vote immediately by selecting 'Proxy Voting' from the menu. In order to be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by 11.00 a.m. in the case of the blue Form of Proxy and 11.15 a.m. in the case of the white Form of Proxy, both on 24 November 2014. The proxy appointment will not be accepted if found to contain a computer virus. If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the Chairman of the Court Meeting or to the Company's registrars (on behalf of the Chairman), Capita Asset Services, immediately prior to the start of the Court Meeting. However, in the case of the General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed on it, it will be invalid. The completion and return of the relevant Form of Proxy will not prevent you from attending and voting in person at the Court Meeting or the General Meeting or any adjournment thereof, if you so wish and are so entitled.

Old MJ Gleeson Shareholders who hold their shares through CREST and who wish to appoint a proxy or proxies for the Meetings or any adjournment(s) by using the CREST electronic proxy appointment service may do so by using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to that CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Further details are set out in Part III of this document.

If you have any questions about this document, the Court Meeting, the General Meeting or the Proposals or are in any doubt as to how to complete the Forms of Proxy, please call the Capita Asset Services Shareholder helpline on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

Applications will be made to the FCA for New MJ Gleeson Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New MJ Gleeson Shares to be admitted to trading on the London Stock Exchange's main market. If the Scheme proceeds as presently envisaged, it is expected that trading in the Old MJ Gleeson Shares will continue until 7.30 a.m. on 18 December 2014 (when such trading shall be suspended) and that listing of the Old MJ Gleeson Shares will be cancelled, and Admission of the New MJ Gleeson Shares will become effective, and that dealings in the New MJ Gleeson Shares on the London Stock Exchange's main market will commence, at 8.00 a.m. on 19 December 2014.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his own independent legal, financial or tax adviser for legal, financial or tax advice.

The New MJ Gleeson Shares have neither been marketed to, nor are available for purchase or exchange, in whole or in part, by, the public in the United Kingdom or elsewhere in connection with the introduction of the New MJ Gleeson Shares to the premium listing segment of the Official List. This document is not a prospectus but a shareholder circular and does not constitute an invitation or offer to sell or the solicitation of an invitation or offer to buy any security. None of the securities referred to in this document shall be sold, issued, subscribed for, purchased, exchanged or transferred in any jurisdiction in contravention of applicable law.

Securities may not be offered or sold in the United States unless they are registered under the US Securities Act or are exempt from such registration. **The New MJ Gleeson Shares have not been and will not be registered under the US Securities Act and such securities will be issued in reliance upon the exemption from registration provided by Section 3(a)(10) thereof. The New MJ Gleeson Shares to be issued pursuant to the Scheme have not been approved or disapproved by the SEC or the securities regulatory authority of any state of the United States, nor has the SEC or any securities regulatory authority of any state of the United States passed on the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.** The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no prospectus in relation to

Admission has been, or will be, lodged with, or registered by The Australian Securities and Investments Commission; and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to Admission of the New MJ Gleeson Shares. Accordingly, subject to certain exceptions, the New MJ Gleeson Shares may not, directly or indirectly, be offered or sold within Canada, Australia or Japan or offered or sold to a resident of Canada, Australia or Japan.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'plans', 'annualised', 'goal', 'target', 'aim', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and they include statements regarding the intentions, beliefs or current expectations of the Directors, the Company, New MJ Gleeson or the MJ Gleeson Group concerning, amongst other things, the results of operations, expectations in respect of the Proposals, financial condition, liquidity, prospects, growth, strategies and dividend policy of the MJ Gleeson Group and the industries and markets in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the MJ Gleeson Group's ability to control or predict. Forward-looking statements are not guarantees of future performance. The MJ Gleeson Group's actual results of operations, financial condition, liquidity, dividend policy and the development of the industries and markets in which it operates may differ materially from the impression created by the forward-looking statements contained in this document. In addition, even if the results of operations, financial condition, liquidity and dividend policy of the MJ Gleeson Group, and the development of the industries and markets in which it operates, are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to: changes in general economic conditions; changes in operational factors (such as any increase in the strictness of any environmental and health and safety regimes, any increase in potential liabilities and compliance costs, any loss of key senior management or employees, any potential shortages in skilled labour, any potential increases in labour costs, any changes in revenues received from customer contracts, the effect of the implementation of the MJ Gleeson Group's disaster recovery and business continuity plans and any loss of the MJ Gleeson Group's market share or key clients to competitors); changes in external factors outside the MJ Gleeson Group's control (such as changes to law); risks relating to the MJ Gleeson Group's funding structure and leverage; factors related to the MJ Gleeson Group's strategy; the ability of the MJ Gleeson Group to manage its growth; actions of competitors and suppliers; risks related to litigation involving the MJ Gleeson Group; the ability of the MJ Gleeson Group to identify, finance and successfully integrate acquisitions; the ability of the MJ Gleeson Group to retain and attract personnel; and other factors discussed elsewhere in this document and in the Prospectus, particularly in the section of the Prospectus titled 'Risk Factors' (all such factors, and cautionary statements with respect thereto, collectively, the **"Cautionary Statements"**). All subsequent written and oral forward-looking statements attributable to the MJ Gleeson Group or persons acting on behalf of the MJ Gleeson Group are expressly qualified in their entirety by such Cautionary Statements.

Except as required by the Listing Rules, the Disclosure and Transparency Rules, the Prospectus Rules, the London Stock Exchange or otherwise required by law or regulation, Old MJ Gleeson expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in Old MJ Gleeson's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

You are advised to read this document and the accompanying documents in their entirety for a further discussion of the factors that could affect the MJ Gleeson Group's future performance and the industries and markets in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document and the Prospectus may not occur.

OTHER IMPORTANT INFORMATION

Rounding

Some financial and other numerical information in this document has been rounded and, as a result, the numerical figures shown as totals in this document may vary slightly from the exact arithmetic aggregation of the figures that precede them.

No profit forecast

No statement in this document is intended as a profit forecast or a profit estimate and no statement in this document should be interpreted to mean that earnings per share for the current or future financial years would necessarily match or exceed the historical published earnings per share.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS 2014/2015

Publication of Prospectus	on or prior to 19 November 2014
Latest time for receipt by Old MJ Gleeson's Registrars of blue Forms of Proxy from Old MJ Gleeson Shareholders for the Court Meeting⁽¹⁾	11.00 a.m. on 24 November 2014
Latest time for receipt by Old MJ Gleeson's Registrars of white Forms of Proxy from Old MJ Gleeson Shareholders for the General Meeting⁽¹⁾	11.15 a.m. on 24 November 2014
Voting record time for the Court Meeting and the General Meeting ⁽²⁾	6.00 p.m. on 24 November 2014
Court Meeting	11.00 a.m. on 26 November 2014
General Meeting⁽³⁾	11.15 a.m. on 26 November 2014
Old MJ Gleeson Annual General Meeting	11.30 a.m. on 12 December 2014
The following dates are subject to change:	
Last day of trading in, and for registration of transfers of, Old MJ Gleeson Shares	17 December 2014
Scheme Record Time	6.00 p.m. on 17 December 2014
Old MJ Gleeson Shares suspended	7.30 a.m. on 18 December 2014
Court Hearing to sanction the Scheme and to confirm the Old MJ Gleeson Capital Reduction	18 December 2014
Scheme Effective Date	18 December 2014
Cancellation and delisting of Old MJ Gleeson Shares	8.00 a.m. on 19 December 2014
Admission and listing of New MJ Gleeson Shares and commencement of dealings in New MJ Gleeson Shares on the London Stock Exchange	8.00 a.m. on 19 December 2014
Credit of New MJ Gleeson Shares in Uncertificated form to CREST accounts	19 December 2014
Expected date for Dividend in Specie and cash dividend	23 December 2014
Court hearing to confirm the New MJ Gleeson Capital Reduction	21 January 2015
New MJ Gleeson Capital Reduction expected to become effective	22 January 2015
Despatch of share certificates in respect of New MJ Gleeson Shares in Certificated form	within 10 Business Days of Admission

Unless otherwise stated, all references to times in this document are to London time. The times and dates given are based on the Directors' expectations and may be subject to change. These times and dates are indicative only and will depend, amongst other things, on the date on which the High Court sanctions the Scheme (and confirms the Old MJ Gleeson Capital Reduction). In particular, certain Court dates are subject to confirmation by the High Court. If the scheduled date of the Court Hearing is changed, Old MJ Gleeson will give adequate notice of the change by issuing an announcement through an RIS. Any changes to other times or dates indicated above may, in Old MJ Gleeson's discretion, be notified in the same manner. All Old MJ Gleeson Shareholders have the right to attend the Court Hearing.

Notes:

- (1) Blue Forms of Proxy for the Court Meeting not returned by this time may be handed to the Chairman of the Meeting or Old MJ Gleeson's Registrars (on behalf of the Chairman) at the Court Meeting prior to the vote being taken. To be valid, white Forms of Proxy for the General Meeting must be lodged by 11.15 a.m. on 24 November 2014.
- (2) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the adjourned Meeting will be 6.00 p.m. on the date falling two days before the adjourned Meeting.
- (3) To commence at the time fixed or as soon thereafter as the Court Meeting concludes or is adjourned, whichever is the later.

SUMMARY

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document tells you about:

- (a) the proposals for a reorganisation of the MJ Gleeson Group which will result in a new company, incorporated in England and Wales, becoming the parent company of the MJ Gleeson Group;
- (b) the proposals for New MJ Gleeson to reduce its share capital to create a reserve of profit in the accounts of New MJ Gleeson (as more fully explained in Question 6 in Part II of this document);
- (c) the proposals in respect of the employee share incentive plans currently operated by the MJ Gleeson Group and the New MJ Gleeson Employee Share Plans to be adopted by New MJ Gleeson.

Here is what you need to do now:

- Read this summary.
- Read the Chairman's letter set out at Part I of this document. This explains what is happening and why your Board recommends that you should vote in favour of the Proposals.
- Read the frequently asked questions set out at Part II of this document.
- Read the remainder of this document.
- If you have any further queries, please call the Capita Asset Services Shareholder helpline, the number of which is on the following page.

Old MJ Gleeson Shareholders should read the whole of this document and not just rely on this summary. This summary should not be regarded as a substitute for reading the whole document.

Action to be taken

Please refer to paragraph 18 of Part III of this document, in respect of action to be taken.

In order that the High Court can be satisfied that the votes cast fairly represent the views of Old MJ Gleeson Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Old MJ Gleeson Shareholders are therefore urged to attend the Court Meeting in person or by proxy. Separate Forms of Proxy for use at the Court Meeting (blue) and the General Meeting (white) are enclosed. Whether or not you propose to attend in person at the meeting in question, you are encouraged to complete, sign and return the appropriate Forms of Proxy, electronic proxy appointment is also available, as explained in paragraph 18 of Part III of this document.

CAPITA ASSET SERVICES SHAREHOLDER HELPLINE

0871 664 0321 from within the UK or **+44 20 8639 3399** if calling from outside the UK.

Calls to the 0871 664 0321 number cost 10 pence per minute (including VAT), plus your service provider's network extras.

Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday.

Calls to the helpline from outside the UK will be charged at the applicable international rate.

Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

PART I

LETTER FROM THE CHAIRMAN

M J Gleeson Group Public Limited Company

(Incorporated and registered in England and Wales with registered no. 00479529)

Directors:

Dermot Gleeson (*Chairman*)
Jolyon Harrison (*Chief Executive*)
Alan Martin (*Chief Financial Officer*)
Ross Ancell (*Non-Executive Director*)
Colin Dearlove (*Non-Executive Director*)
Christopher Mills (*Non-Executive Director*)

Registered Office:

Sentinel House
Harvest Crescent
Ancells Business Park
Fleet
Hampshire
GU51 2UZ

4 November 2014

To the holders of the Old MJ Gleeson Shares and, for information only, to holders of options and awards granted under the Old MJ Gleeson Employee Share Plans and persons with information rights in Old MJ Gleeson

Dear Shareholder,

RECOMMENDED PROPOSALS TO ESTABLISH A NEW PARENT COMPANY AND RELATED MATTERS

1. INTRODUCTION

On 17 February 2014, the Board first announced the possibility of a restructuring of the MJ Gleeson Group, and on 28 October 2014, Old MJ Gleeson announced its intention to put in place a new parent company for the MJ Gleeson Group, New MJ Gleeson, in order to best support the MJ Gleeson Group's ongoing businesses and as the first element of the restructuring. New MJ Gleeson is a new company incorporated in England and Wales. It is intended that this new corporate structure will be implemented by means of a scheme of arrangement under Part 26 of the Companies Act involving a capital reduction.

If the Scheme is approved and becomes effective, it will result in Old MJ Gleeson Shareholders holding New MJ Gleeson Shares and in Old MJ Gleeson becoming a wholly-owned subsidiary of New MJ Gleeson.

If the Scheme is implemented, Old MJ Gleeson Shareholders at the Scheme Record Time (expected to be 6.00 p.m. on 17 December 2014) will receive, in exchange for their Old MJ Gleeson Shares, New MJ Gleeson Shares on the following basis:

for every one Old MJ Gleeson Share

one New MJ Gleeson Share

With effect from the Scheme Effective Date, the rights attaching to the New MJ Gleeson Shares will be the same as those attaching to the Old MJ Gleeson Shares. Upon the implementation of the Scheme, New MJ Gleeson Shareholders will have the same voting rights and the same proportionate interest in the profits, net assets and dividends of New MJ Gleeson as they currently have as an Old MJ Gleeson Shareholder.

The purpose of this document is to explain the Proposals and why your Board considers the Scheme to be on fair and reasonable terms and all of the Proposals to be in the best interests of Old MJ Gleeson and its shareholders as a whole. Your Board is unanimously recommending that you vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolutions at the General Meeting. **A summary of the actions recommended to be taken is set out in paragraph 6 of this Part I and on the Forms of Proxy accompanying this document.**

2. BACKGROUND TO AND REASONS FOR THE PROPOSALS

2.1 Reasons for and background to the Proposals

The Board, together with its advisers, has closely examined the corporate structure of the MJ Gleeson Group. This review has concluded that the interests of the Old MJ Gleeson Group's business and those of its Shareholders are best served by establishing a new parent company, and carrying out a reorganisation of the Old MJ Gleeson Group, in such a way that the Legacy Businesses are separated from the MJ Gleeson Group's core on-going and future operations in the MJ Gleeson Group corporate structure.

The Board believes that the Proposals will facilitate the Board's objective of seeking to ensure that potential future creditors of the Legacy Businesses are provided for on a prudent and reasonable basis, whilst separating the Legacy Businesses from the MJ Gleeson Group's on-going business.

The MJ Gleeson Group now operates as a housing regeneration specialist, building homes for people on low incomes on brownfield land in the North of England through its Gleeson Homes division and as a land promoter that enhances the value of land by securing residential planning consents with a primary focus on sites in the South of England likely to be attractive to volume housebuilders through its Gleeson Strategic Land division.

The Proposals involve the insertion of a new parent company, New MJ Gleeson, above the current parent company, Old MJ Gleeson, through a scheme of arrangement under Part 26 of the Companies Act and involving a capital reduction. New MJ Gleeson will become the listed entity and the ownership of Old MJ Gleeson at the Scheme Record Time would be mirrored in New MJ Gleeson at the Scheme Effective Time.

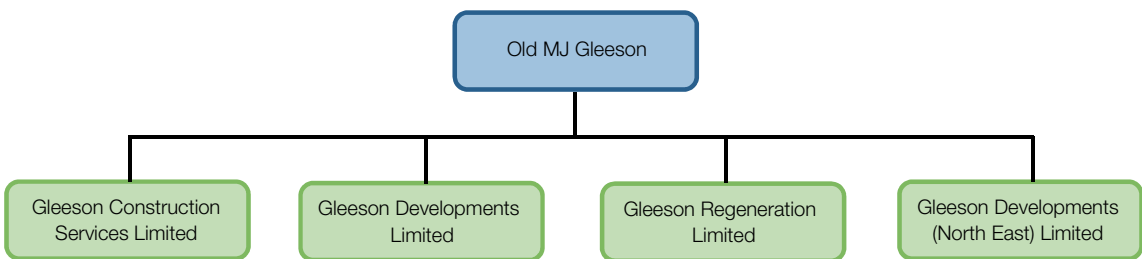
It is proposed that following the insertion of New MJ Gleeson as the MJ Gleeson Group's parent company, a capital reduction will be carried out in New MJ Gleeson, in order to create distributable reserves in New MJ Gleeson. Further information in respect of this can be found in paragraph 3.4 of this Part I.

Old MJ Gleeson intends, following the insertion of New MJ Gleeson as the MJ Gleeson Group's new holding company, to declare and pay a cash dividend and a dividend in specie of its interests in the MJ Gleeson Group's Non-Legacy Businesses, comprising both shares in companies and a limited number of assets to New MJ Gleeson ("**Dividend in Specie**"), so that Old MJ Gleeson's remaining assets would be its investment in GCSL, a deferred tax asset, any legacy construction contracts in its own name and the Intercompany Loan to New MJ Gleeson from Old MJ Gleeson which Old MJ Gleeson can require repayment of, in whole or in part, to enable it to cover potential liabilities. Old MJ Gleeson will also retain any liabilities for the latent defect claims and other liabilities as a result of its various contracts, along with the GCSL Intercompany Loan, which GCSL can require repayment of, to enable it to meet any liabilities for the latent defect claims made against GCSL and other expenses.

The Proposals have been designed to mitigate risks to the on-going operations of the MJ Gleeson Group which might result from potential liabilities in respect of the Legacy Businesses.

Old MJ Gleeson and GCSL have a number of years of experience of handling latent defect claims relating to the Legacy Businesses and have monitored these claims. The Board is mindful of the need to provide for possible future creditors of GCSL and Old MJ Gleeson and the need to balance this with the need to promote the success of the MJ Gleeson Group's on-going businesses.

Organisational Structure Prior to the Implementation of the Proposals



The Legacy Businesses

As described above, Old MJ Gleeson intends to insert a new parent company, New MJ Gleeson, above the current parent company, Old MJ Gleeson, through the Scheme. As part of the Proposals, Old MJ Gleeson will dispose of its interests in Non-Legacy Businesses comprising both shares in companies and a limited number of assets so that Old MJ Gleeson's remaining assets will be its investment in GCSL, a deferred tax asset, any legacy contracts in its own name and the Intercompany Loan. The liabilities of Old MJ Gleeson comprise the GCSL Intercompany Loan and any liabilities for any latent defect claims as a result of contracts in its own name or guarantees relating to the Legacy Businesses.

The Legacy Businesses' activities are now limited to dealing with occasional contractual claims. The majority of Old MJ Gleeson's live contracts from its legacy building contracting division were sold in August 2005 and the majority of live contracts from the engineering division were sold in 2006. In both cases the latent defect liability for all completed contracts was retained by the Old MJ Gleeson Group. There remain a significant number of contracts under which latent defect claims could be brought. Any claims relating to defects arising on a project can extend, depending on the relevant contractual or statutory provisions, for a period of up to 12 years for contracts governed by English law and 20 years for contracts governed by Scottish law, in each case, from practical completion of the relevant contract. Construction defects can occur on projects and only come to light some time after completion of that project. Although subcontractors will normally resolve such defects at the relevant subcontractor's cost, the MJ Gleeson Group could become liable if the subcontractor is no longer trading or if a significant claim against a subcontractor causes the subcontractor to become insolvent.

Prior to GCSL commencing trading in 2002, contracts for the Legacy Businesses were principally entered into by Old MJ Gleeson. After July 2002, the majority of contracts relating to the Legacy Businesses were entered into by GCSL. However, a number of such contracts were still entered into by Old MJ Gleeson and Old MJ Gleeson also provided parent company guarantees in respect of certain contracts entered into by GCSL.

The Directors estimate, following an internal review, that, as at 1 January 2015 there will be 800 contracts under which latent defect claims could still be brought against the MJ Gleeson Group. The turnover value of these contracts was approximately £1.7 billion. All of these building contracts and engineering contracts have been completed, with the final building and engineering contracts both completing in 2008. 276 of these contracts were entered into by Old MJ Gleeson. The remainder were entered into by GCSL, with GCSL's obligations and liabilities under three of these contracts having been guaranteed by Old MJ Gleeson.

Providing for future claims

As part of the strategic review of the Old MJ Gleeson Group's structure and potential liabilities from the Legacy Businesses, a detailed review and analysis was carried out by the Directors of Old MJ Gleeson and GCSL to assess what the future potential latent defect claims may be, as further described below.

In 2013, GCSL reduced its share capital from £20.0 million to £1,000. As part of that process the GCSL Directors considered what level of assets GCSL would require to provide for potential future claims. The GCSL Directors considered that as latent defect claims had been made against GCSL in the past, it was possible that such claims could occur in the future and appropriate provision should be made for potential creditors of GCSL arising from such claims. In addition, some of the subcontractors contracted by the Old MJ Gleeson Group in respect of which latent defect claims may arise were known by the GCSL Directors to have ceased trading, which would mean that any related latent defect claim would revert back to the main contractor, GCSL. In addition, a significant claim against any such subcontractor that was still trading could expose that subcontractor to liabilities which could cause the subcontractor to become insolvent, resulting in the latent defect claim reverting to GCSL. The GCSL Directors considered that the provisioning level should take into account claims incurred and the percentage of claims incurred against the accumulated turnover still within the defect liability period, categorised between total turnover and then sub-categories of region, sector and size of contract. Based upon this review, with the addition of a material contingency, the GCSL Directors considered that net assets of £3.8 million should be retained within GCSL to meet potential future liabilities. Therefore, GCSL retained this amount together with a further amount to cover specific liabilities, in the form of the GCSL Intercompany Loan.

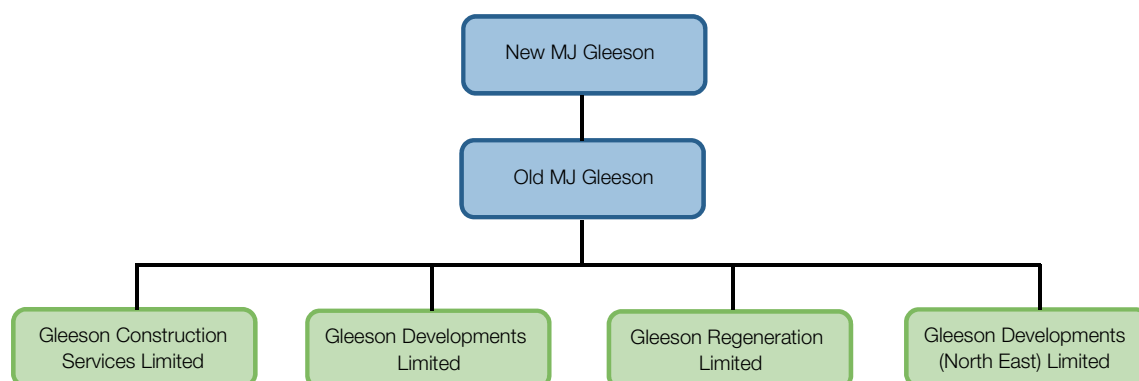
As noted above, until 2002 the majority of the Old MJ Gleeson Group's contracts relating to the Legacy Businesses were entered into by Old MJ Gleeson. From 2002 Old MJ Gleeson entered into a small number of contracts and provided parent company guarantees in relation to some contracts entered into by GCSL. Accordingly, similarly to the process in relation to GCSL described above, the Directors have considered the level of assets which should be retained in Old MJ Gleeson in order to cover any potential future claims against Old MJ Gleeson under these contracts and parent company guarantees. The Directors have carried out a similar review to that undertaken by the GCSL Directors, considering the claims incurred since the disposal of the contracting businesses and the claims incurred as a percentage against the accumulated turnover still within the defect liability period, categorised between total turnover and then sub-categories of region, sector and size of contract. Based upon this review and with the information available to them at the time of the review, with the addition of a material contingency, the Directors considered that net assets of £3.7 million would need to be retained within Old MJ Gleeson to meet Old MJ Gleeson's exposure to potential latent defects claims and other costs and expenses. These assets would be retained in the form of the Intercompany Loan, which Old MJ Gleeson can require repayment of to meet these potential liabilities and Old MJ Gleeson's liabilities under the GCSL intercompany Loan.

Impact of the Proposals

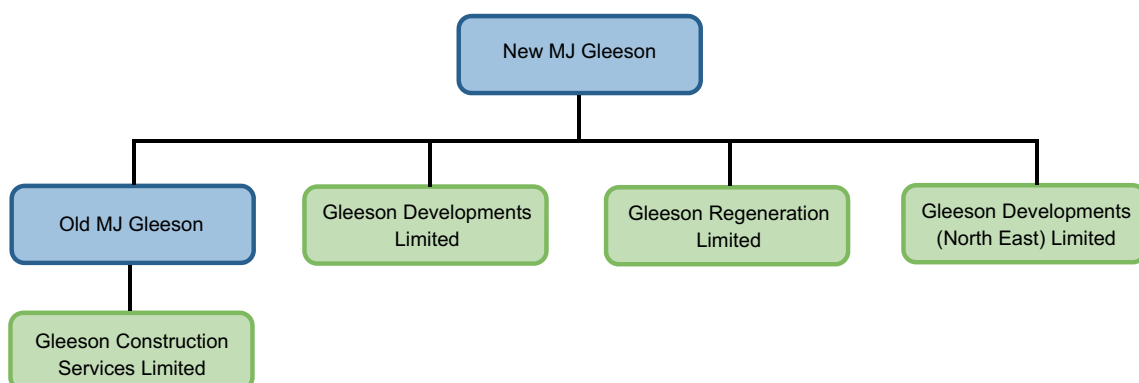
New MJ Gleeson will have the same Board of Directors and management team as Old MJ Gleeson with effect from Admission of New MJ Gleeson. As a company listed on the premium listing segment of the Official List, New MJ Gleeson will be required to comply with the UK Corporate Governance Code or explain any departures therefrom.

The MJ Gleeson Group will have the same business and operations after the Scheme Effective Date as before the Scheme Effective Date.

MJ Gleeson Group Structure at the Scheme Effective Time



MJ Gleeson Group Structure Post Proposed Dividend in Specie



3. IMPACT OF THE PROPOSALS

3.1 Business and operations

The New MJ Gleeson Group will have the same on-going businesses and operations after the Scheme Effective Date as the Old MJ Gleeson Group had before the Scheme Effective Date. However, following the proposed cash dividend and Dividend in Specie the MJ Gleeson Group will hold the Legacy Businesses separately from its other businesses.

The Proposals will not result in any immediate changes in the day-to-day operations of the business of the MJ Gleeson Group or its strategy. New MJ Gleeson will continue to report the MJ Gleeson Group's financial results in pounds sterling.

The provision of the Intercompany Loan will be neutral from an accounting perspective. Any claims or expenses relating to claims, which give rise to a repayment of all or part of the Intercompany Loan, could have a material effect on earnings, depending on the quantum of such claims and expenses.

3.2 Corporate governance and Board of Directors

With effect from Admission, New MJ Gleeson will have the same Board and management as Old MJ Gleeson. New MJ Gleeson will comply with the UK Corporate Governance Code, and will be subject to the City Code on Takeovers and Mergers. As such, the Proposals will retain the MJ Gleeson Group's commitment to high standards of governance and corporate responsibility.

Each of the Executive Directors will enter into a new service agreement with New MJ Gleeson which takes effect from the Scheme Effective Date (and is therefore conditional on the Scheme becoming effective), the terms of which are to be substantially the same as the terms of his existing service agreement with Old MJ Gleeson (which will terminate on the Scheme becoming effective), save for New MJ Gleeson being the employer and including general updates to reflect changes in applicable law. Each service agreement will be terminable subject to 12 months' notice by the employer or six months' notice by the employee. The overall remuneration of each of the Executive Directors will remain unchanged as a result of the Scheme.

Each Non-Executive Director will enter into a letter of appointment with New MJ Gleeson which takes effect from Admission (and is therefore conditional on the Scheme becoming effective) the terms of which are to be substantially the same as the terms of his existing letter of appointment with Old MJ Gleeson (which will terminate on the Scheme becoming effective, other than in the case of Dermot Gleeson) save for including general updates to reflect changes in applicable law. Each letter of appointment will be terminable by either party on one month's written notice, except the Chairman, where the written notice by either party is six months. On the Scheme becoming effective, the Non-Executive Directors' appointments as directors of Old MJ Gleeson will terminate (other than in the case of Dermot Gleeson) and the Non-Executive Directors will, from the date of Admission, receive their fees from New MJ Gleeson. The total fees payable to each of the Non-Executive Directors will not be varied as a result of the Scheme.

Further details on the specific effects of the Proposals on the Directors are set out in paragraph 8 of Part III of this document.

3.3 Admission

Application will be made to the FCA for the New MJ Gleeson Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New MJ Gleeson Shares to be admitted to trading on the Main Market. A Prospectus relating to New MJ Gleeson and Admission, prepared in accordance with the Prospectus Rules, is expected to be made available in electronic form on the MJ Gleeson Group's website at www.mjgleeson.com, following approval by, and filing with the UK Listing Authority (expected to be on or before 19 November 2014).

The last day of trading in Old MJ Gleeson Shares is expected to be 17 December 2014. It is expected that Admission of the New MJ Gleeson Shares will become effective, and that dealings in New MJ Gleeson Shares on the Main Market will commence, at 8.00 a.m. on 19 December 2014.

3.4 New MJ Gleeson Capital Reduction

The Directors also intend that New MJ Gleeson will undertake the New MJ Gleeson Capital Reduction in January 2015 which will create a reserve of profits in the accounts of New MJ Gleeson. Distributions paid out of this reserve should then be regarded for UK tax purposes as a dividend on receipt by UK shareholders.

3.5 Old MJ Gleeson Employee Share Plans and New MJ Gleeson Employee Share Plans

Details of proposals to be made to holders of awards granted under the Old MJ Gleeson Employee Share Plans as a result of the Scheme are set out in paragraph 11.1 of Part IV of this document. Details of the New MJ Gleeson Employee Share Plans expected to be adopted by New MJ Gleeson, subject to the approval of such adoption by the Old MJ Gleeson Shareholders at the General Meeting and the Scheme becoming effective, are set out in paragraph 11.2 of Part IV of this document.

4. DIVIDEND POLICY

The Directors intend to maintain a progressive dividend policy, with an appropriate level of cover, which is consistent with their views of the MJ Gleeson Group's cash flows and growth prospects.

Against the background of the MJ Gleeson Group's strong financial performance in the year to 30 June 2014 and the promising prospects for the current year and beyond, the Board recommended a final dividend for the year of 4.9 pence per share (2013: 2.0 pence per share). Combined with the interim dividend, this will give a total dividend for the year of 6.0 pence per share, an increase compared to the previous year of 140 per cent. (2013: 2.5 pence per share).

Subject to Shareholders' approval at the Company's annual general meeting, the final dividend will be paid on 17 December 2014 to shareholders on the register at close of business on 21 November 2014 and will be unaffected by the Scheme.

5. TAXATION

Your attention is drawn to Part V of this document for further information about the taxation consequences of the Scheme.

The summary information on taxation in this document is intended as a guide only and holders of Old MJ Gleeson Shares who are in any doubt about their tax position, or who are resident for tax purposes outside the UK are strongly advised to contact an appropriate independent professional adviser immediately.

6. ACTION TO BE TAKEN

The Scheme is conditional upon a number of matters which are set out in full in the explanatory letter from N+1 Singer contained in Part III of this document, including approval by the Old MJ Gleeson Shareholders of the Scheme at the Court Meeting and of the Resolutions at the General Meeting. Full particulars of the Court Meeting and the General Meeting are also contained in Part III of this document, including the action to be taken by Old MJ Gleeson Shareholders.

In order that the High Court can be satisfied that the votes cast fairly represent the views of Old MJ Gleeson Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Old MJ Gleeson Shareholders are therefore urged to attend the Court Meeting in person or by proxy. Separate Forms of Proxy for use at the Court Meeting (blue) and the General Meeting (white) are enclosed. Whether or not you propose to attend in person at the meeting in question, you are encouraged to complete, sign and return the appropriate Forms of Proxy by 11.00 a.m. in the case of the blue Form of Proxy and 11.15 a.m. in the case of the white Form of Proxy, both on 24 November 2014. Electronic proxy appointment is also available, as explained in paragraph 18 of the explanatory letter from N+1 Singer, contained in Part III of this document.

If you have any questions about this document, the Court Meeting, the General Meeting or the Proposals or are in any doubt as to how to complete the Forms of Proxy, please call the Capita Asset Services

Shareholder helpline on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

7. OVERSEAS SHAREHOLDERS

If you are a citizen, resident or national of a jurisdiction outside the United Kingdom, your attention is drawn to paragraph 11 of Part III of this document for further details concerning the Scheme.

8. FINANCIAL ADVICE

The Directors have received financial advice in relation to the Scheme from N+1 Singer. In providing such advice to the Directors, N+1 Singer has relied on the Directors' commercial assessments of the terms of the Scheme.

9. RECOMMENDATION

The Board considers the Proposals and their terms to be fair and reasonable and in the best interests of Old MJ Gleeson and Old MJ Gleeson Shareholders as a whole.

Accordingly, the Board unanimously recommends Old MJ Gleeson Shareholders to vote:

- (i) in favour of the Scheme at the Court Meeting; and
- (ii) in favour of all of the Resolutions to be proposed at the General Meeting;

as the Directors intend to do in respect of their own beneficial holdings of Old MJ Gleeson Shares. As at 31 October 2014 (being the latest practicable date prior to the publication of this document), the Directors are beneficial holders of in aggregate 16,208,141 Old MJ Gleeson Shares, which represent approximately 30.18 per cent. of Old MJ Gleeson's issued ordinary share capital and of the votes that could be cast at the Court Meeting and the General Meeting.

The Directors urge you to complete, sign and return the enclosed Forms of Proxy as soon as possible, and, in any event, by no later than 11.00 a.m. in the case of the blue Form of Proxy and 11.15 a.m. in the case of the white Form of Proxy, both on 24 November 2014.

Yours faithfully,

Dermot Gleeson

Chairman

PART II

UNDERSTANDING THE PROPOSALS

1. WHY IS MJ GLEESON PROPOSING THE SCHEME?

The Board, together with its advisers, has closely examined the corporate structure of the Old MJ Gleeson Group. This review has concluded that the interests of the Old MJ Gleeson Group's business and those of its Shareholders are best served by establishing a new parent company, and carrying out a reorganisation of the Old MJ Gleeson Group, in such a way that the Legacy Businesses are separated from the MJ Gleeson Group's core on-going and future operations in the MJ Gleeson Group's corporate structure.

The MJ Gleeson Group now operates as a housing regeneration specialist building homes for people on low incomes on brownfield land in the North of England through its Gleeson Homes division and as a land promoter that enhances the value of land by securing residential planning consents with a primary focus on sites in the South of England likely to be attractive to volume housebuilders through its Gleeson Strategic Land division.

The Board believes that the Proposals will facilitate the Board's objective of seeking to ensure that potential future creditors of the Legacy Businesses are provided for on a prudent and reasonable basis, whilst separating the Legacy Businesses from the MJ Gleeson Group's ongoing business.

The Proposals involve the insertion of a new parent company, New MJ Gleeson, above the current parent company, Old MJ Gleeson, through a scheme of arrangement under Part 26 of the Companies Act 2006. New MJ Gleeson will become the listed entity and the voting share ownership of Old MJ Gleeson at the Scheme Record Time effectively would be mirrored in New MJ Gleeson at the Scheme Effective Time. It is proposed that following the insertion of New MJ Gleeson as the MJ Gleeson Group's parent company, a capital reduction will be carried out in New MJ Gleeson, in order to create distributable reserves in New MJ Gleeson.

Old MJ Gleeson intends, at the appropriate time and following the insertion of New MJ Gleeson as the Group's parent company, to declare and pay a cash dividend and a dividend in specie of its interests in the Group Non-Legacy Businesses comprising both shares in companies and a limited number of assets to New MJ Gleeson, so that Old MJ Gleeson's remaining assets would be its investment in GCSL, a deferred tax asset, any legacy construction contracts in its own name, and the Intercompany Loan. Old MJ Gleeson would also retain any liabilities for the latent defect claims and other liabilities as a result of various contracts, along with the GCSL Intercompany Loan, which GCSL can require repayment of, to enable it to meet any liabilities for the latent defect claims made against GCSL and other expenses.

The Proposals have been designed to mitigate risks to the on-going operations of the MJ Gleeson Group which might result from potential liabilities in respect of the Legacy Businesses.

Old MJ Gleeson and GCSL have a number of years of experience of handling latent defect claims relating to the Legacy Businesses and have monitored these claims. The Board is mindful of the need to provide for possible future creditors of GCSL and Old MJ Gleeson and the need to balance this with promoting the success of the MJ Gleeson Group's on-going businesses.

2. WHY IS MJ GLEESON GROUP IMPLEMENTING THE PROPOSALS BY WAY OF A SCHEME OF ARRANGEMENT?

The Scheme is a formal procedure under the Companies Act which is commonly used to carry out corporate reorganisations and is, in view of the Board, the best way of achieving the proposed reorganisation of the MJ Gleeson Group. The Scheme requires the approval of Old MJ Gleeson Shareholders and the subsequent approval of the High Court. If the relevant approvals are obtained, all Old MJ Gleeson Shareholders will be bound by the Scheme regardless of whether or how they voted.

3. WHAT WILL I END UP WITH AFTER THE SCHEME COMES INTO EFFECT?

When the Scheme becomes effective, you will receive one New MJ Gleeson Share in place of each Old MJ Gleeson Share held at the Scheme Record Time (which is expected to be 6.00 p.m. on 17 December

2014). The register of members of New MJ Gleeson will be updated to reflect your shareholding on the Scheme becoming effective. If you hold your Old MJ Gleeson Shares in a CREST account, the New MJ Gleeson Shares will be credited to your CREST account and if you hold your Old MJ Gleeson Shares in Certificated form, share certificates for the New MJ Gleeson Shares will be sent to you within 10 Business Days of Admission.

4. DO I HAVE TO PAY ANYTHING UNDER THE SCHEME?

No. All New MJ Gleeson Shares arising as a result of the Scheme are being issued to Old MJ Gleeson Shareholders in return for their existing Old MJ Gleeson Shares. No additional payment is required.

5. WHAT WILL HAPPEN TO OLD MJ GLEESON IF THE SCHEME DOES NOT PROCEED FOR ANY REASON?

Old MJ Gleeson will remain the ultimate parent company of the MJ Gleeson Group and the Old M J Gleeson Shares will continue to be admitted to the premium listing segment of the Official List and to trading on the Main Market.

6. WHAT IS THE NEW MJ GLEESON CAPITAL REDUCTION AND WHY IS IT PROPOSED?

The purpose of the New MJ Gleeson Capital Reduction is the creation of distributable reserves in the accounts of New MJ Gleeson to support the payment of future dividends.

It is anticipated that the nominal value of a New MJ Gleeson Share prior to the New MJ Gleeson Capital Reduction will be 146 pence. Pursuant to the New MJ Gleeson Capital Reduction, such nominal value will be reduced from 146 pence to 2 pence. It is intended that this will create a distributable reserve of approximately £77,324,371.20, which will be available to New MJ Gleeson to be applied towards any lawful purpose including distribution of dividends as appropriate.

The New MJ Gleeson Capital Reduction will require the approval of the holders of the New MJ Gleeson Subscriber Shares prior to the Scheme Effective Date and, as the Old MJ Gleeson Shareholders will become New MJ Gleeson Shareholders following the Scheme becoming effective, the confirmatory approval of the Old MJ Gleeson Shareholders (this confirmatory approval is one of the resolutions included in the notice of the General Meeting). The New MJ Gleeson Capital Reduction will also require confirmation by the High Court.

Subject to the Scheme becoming effective on 18 December 2014, the New MJ Gleeson Capital Reduction is expected to become effective on 22 January 2015.

Please see paragraph 5 of Part III of this document for further details.

7. WHAT WILL THE SHARE CAPITAL OF OLD MJ GLEESON BE FOLLOWING THE SCHEME TAKING EFFECT?

Under the Scheme, all of the existing Old MJ Gleeson Shares (save for one Old MJ Gleeson Share which will be acquired by New MJ Gleeson after the date of this document but prior to the Scheme Effective Date) will be cancelled. The reserve arising from this cancellation will be used in paying up the same number of New Shares to be issued to New MJ Gleeson so as to ensure that following the Scheme Effective Date, New MJ Gleeson is the sole holder of the entire issued share capital of Old MJ Gleeson.

8. WHAT EFFECT WILL THE SCHEME HAVE ON THE OLD MJ GLEESON EMPLOYEE SHARE PLANS?

It is the Board's intention that awards under the Old MJ Gleeson Employee Share Plans will not vest early as a result of the Scheme but will continue on the same basis under the New MJ Gleeson Employee Share Plans, other than that they will ultimately deliver New MJ Gleeson Shares rather than Old MJ Gleeson Shares.

A summary of the proposals in relation to the Old MJ Gleeson Employee Share Plans is set out in paragraph 11.1 of Part IV of this document. Old MJ Gleeson will write to participants in the Old MJ Gleeson Employee Share Plans in due course to explain the effect on their participation in more detail. No further awards will be granted under the Old MJ Gleeson Employee Share Plans after the Scheme becomes effective.

New MJ Gleeson will adopt the New MJ Gleeson Employee Share Plans, conditional on the approval of Old MJ Gleeson Shareholders of their adoption and the Scheme becoming effective. The Old MJ Gleeson Shareholders (who will become shareholders of New MJ Gleeson pursuant to the Scheme) are being asked to approve the adoption by New MJ Gleeson of the New MJ Gleeson Employee Share Plans at the General Meeting. The New MJ Gleeson Employee Share Plans are to be adopted as part of the New MJ Gleeson Group's arrangements to incentivise employees following the introduction of New MJ Gleeson as the new parent company of the MJ Gleeson Group.

The New MJ Gleeson Employee Share Plans will relate to New MJ Gleeson Shares but will otherwise be substantially the same as the Old MJ Gleeson Employee Share Plans. Details of the New MJ Gleeson Employee Share Plans are set out in paragraph 11.2 of Part IV of this document.

9. WHY AM I BEING SENT THIS DOCUMENT?

The Scheme and the other Proposals require Old MJ Gleeson Shareholders to vote on certain matters at both the Court Meeting and the General Meeting. This document contains information to assist you in your voting decision for both the Court Meeting and the General Meeting in relation to the Proposals.

10. IS THERE A PROSPECTUS RELATING TO THE NEW MJ GLEESON SHARES THAT IS BEING ISSUED?

Yes. A Prospectus, which contains prescribed information relating to New MJ Gleeson and New MJ Gleeson Shares, is expected to be available on or before 19 November 2014, following approval and filing with the FCA, and once available can be obtained, on request, free of charge by writing to the registered office of Old MJ Gleeson at Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire GU51 2UZ. The Prospectus will also be made available in electronic form on the MJ Gleeson Group's website at www.mjgleeson.com. Old MJ Gleeson will make an appropriate announcement through an RIS upon the publication of the Prospectus.

11. WHY ARE THERE TWO MEETINGS AND DO I NEED TO ATTEND BOTH?

The two Old MJ Gleeson Shareholder meetings, being the Court Meeting and the subsequent General Meeting, are being called for different purposes and will be held on 26 November 2014. The Court Meeting will start at 11.00 a.m. on that date and the General Meeting at 11.15 a.m. (or as soon thereafter as the Court Meeting concludes or is adjourned).

The sole purpose of the Court Meeting is to seek the Old MJ Gleeson Shareholders' approval of the Scheme. In order for the Scheme to be approved, a majority in number representing 75 per cent. in value of the shares held by shareholders voting (in person or by proxy) will need to support the Scheme.

The subsequent General Meeting, which will be held immediately after the Court Meeting, is being called to enable Old MJ Gleeson Shareholders to approve elements of the Scheme, various matters in connection with the Scheme, the New MJ Gleeson Capital Reduction, the New MJ Gleeson Employee Share Plans and the delisting of Old MJ Gleeson Shares, each as described in full in the Notice of General Meeting in Part VIII of this document.

If you hold Old MJ Gleeson Shares, you are entitled and encouraged to attend the Meetings. If you do not attend, you are still entitled to vote at the Meetings by appointing a proxy – see question 13 below.

12. WHERE ARE THE TWO MEETINGS BEING HELD?

The Court Meeting and the General Meeting will take place on 26 November 2014 at the offices of Instinctif Partners, 65 Gresham Street, London EC2V 7NQ at 11.00 a.m. and 11.15 a.m. respectively.

13. DO I NEED TO VOTE?

It is important that as many Old MJ Gleeson Shareholders as possible cast their votes (whether in person or by proxy). This applies to both the Court Meeting and the General Meeting. **In particular, it is important**

that as many votes as possible are cast at the Court Meeting so as to demonstrate to the High Court that there is a fair representation of Old MJ Gleeson Shareholder opinion.

If you do not wish, or are unable, to attend the Court Meeting and/or the General Meeting, you may appoint someone (known as a 'proxy') to act on your behalf and vote at the Court Meeting and/or the General Meeting. You may appoint your proxy by completing the blue Form of Proxy (in relation to the Court Meeting) and the white Form of Proxy (in relation to the General Meeting) and deposit these with the Company at the offices of the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, during normal business hours and as soon as possible and in any event not later than 11.00 a.m. in the case of the white Form of Proxy and 11.15 a.m. in the case of the blue Form of Proxy, both on 24 November 2014. Forms of Proxy returned by fax will not be accepted. If you wish you may use an envelope and address it to FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham BR3 4TU. Electronic proxy appointment is also available for the General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the Company's registrars, Capita Asset Services, Shareholder solutions: www.capitashareportal.com. From there, enter 'M J Gleeson Group Plc'. You can log in to your Capita Shareportal account or register for the Capita share portal, if you have not already done so, by following the link to the registration section and entering your details as required. You will be able to vote immediately by selecting 'Proxy Voting' from the menu. In order to be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by 11.00 a.m. in the case of the blue Form of Proxy and 11.15 a.m. in the case of the white Form of Proxy, both on 24 November 2014. The proxy appointment will not be accepted if found to contain a computer virus.

You are therefore strongly encouraged to complete, sign and return your blue Form of Proxy and white Form of Proxy as soon as possible.

If you hold Old MJ Gleeson Shares in Uncertificated form you may also appoint a proxy by completing and transmitting a CREST proxy instruction in accordance with the procedures set out in the CREST Manual ensuring that it is received by Old MJ Gleeson's Registrars (under CREST participant ID RA10) by no later than 11.00 a.m. on 24 November 2014 in the case of the blue Form of Proxy and 11.15 a.m. on 24 November 2014 in the case of the white Form of Proxy.

Should you later change your mind and decide to attend the Meetings in person, having returned the Forms of Proxy will not preclude you from doing so.

14. IF I VOTE AGAINST THE SCHEME, HOW CAN IT STILL GO AHEAD?

The Scheme requires the approval of Old MJ Gleeson Shareholders as detailed in paragraph 3.1 of Part III of this document and the Court under the Companies Act. If the relevant approvals are obtained, all Old MJ Gleeson Shareholders will be bound by the Scheme regardless of whether or how they voted.

15. WHAT WILL HAPPEN TO THE OLD MJ GLEESON PROPOSED FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014?

The Board is recommending a final dividend for the year ending 30 June 2014 of 4.9 pence per share (2013: 2.0 pence per share). Combined with the interim dividend, this will give a total dividend for the year of 6.0 pence per share, an increase compared to the previous year of 140% (2013: 2.5 pence per share). Subject to Shareholders' approval at Old MJ Gleeson's annual general meeting, the final dividend will be paid on 17 December 2014 to shareholders on the register at close of business on 21 November 2014 and will be unaffected by the Scheme.

16. WHAT ABOUT FUTURE DIVIDENDS? DO I NEED TO CHANGE MY EXISTING INSTRUCTIONS SO FAR AS THE PAYMENT OF DIVIDENDS IS CONCERNED?

The Directors expect that your present dividend instructions will be continued for New MJ Gleeson after the Scheme becomes effective, unless and until you revoke them. If you wish to change your instructions, you should contact Capita Asset Services on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time)

Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

17. WHAT DO I DO WITH MY OLD SHARE CERTIFICATES?

If the Scheme becomes effective, your holding of Old MJ Gleeson Shares will be replaced by an equivalent holding of New MJ Gleeson Shares. **Thus, all your certificates for Old MJ Gleeson Shares held in Certificated form will cease to be valid. Upon receipt of your share certificates for New MJ Gleeson Shares, your share certificates for Old MJ Gleeson Shares should be destroyed.**

18. WHEN WILL I RECEIVE SHARE CERTIFICATES FOR MY NEW MJ GLEESON SHARES?

It is expected that share certificates for New MJ Gleeson Shares held in Certificated form will be despatched to you within 10 Business Days of Admission. If you hold your Old MJ Gleeson Shares in a CREST account, it is expected that the New MJ Gleeson Shares will be credited to your CREST account on 19 December 2014.

19. WILL I HAVE TO PAY ANY TAX AS A RESULT OF THE SCHEME?

There should generally be no tax liabilities for UK resident Old MJ Gleeson Shareholders arising from the Scheme. Details of the UK tax treatment of Old MJ Gleeson Shareholders arising under the Scheme are set out in Part V of this document.

If you are in any doubt about your tax position, you should consult a professional adviser.

20. WILL I BE ABLE TO HOLD MY NEW MJ GLEESON SHARES IN A NISA?

Yes. New MJ Gleeson Shares will be eligible to be held in the stocks and shares component of a NISA once they are admitted to the Official List. If you hold your Old MJ Gleeson Shares in a NISA you should be able to hold your replacement New MJ Gleeson Shares in the NISA, dependant on the NISA terms and conditions. If you require more details you should contact your NISA manager.

21. WILL I BE ABLE TO TRADE MY OLD MJ GLEESON SHARES WHILE THE PROPOSALS ARE BEING CONSIDERED?

Yes, you will be able to trade your Old MJ Gleeson Shares.

The last day of trading in Old MJ Gleeson Shares is expected to be 17 December 2014. The last time for registration of transfers of Old MJ Gleeson Shares is expected to be 6.00 p.m. on 17 December 2014. It is expected that the Old MJ Gleeson Shares will be suspended at 7.30 a.m. on 18 December 2014, being the date of the Court Hearing to sanction the Scheme.

It is expected that Admission of the New MJ Gleeson Shares will become effective and that dealings in the New MJ Gleeson Shares will commence at 8.00 a.m. on 19 December 2014 (the day after the Scheme Effective Date). It is expected that the listing and admission of the Old MJ Gleeson Shares to trading will be cancelled at 8.00 a.m. on 19 December 2014.

22. DO I NEED TO TAKE FURTHER ACTION?

It is important that you vote at the Court Meeting and the General Meeting. You are strongly encouraged to complete, sign and return your Forms of Proxy as soon as possible. See question 13 above and the instructions set out in paragraph 6 of Part I and paragraph 18 of Part III of this document and on the relevant Form of Proxy.

23. WHAT IF I STILL HAVE QUESTIONS?

If you have read this document and still have questions, please call the Capita Asset Services Shareholder helpline, further details of which are included on page 7 of this document.

Note: For legal reasons this helpline will only be able to provide practical information and will not provide advice on the merits of any of the Proposals or give any financial, legal or taxation advice. For financial, legal or taxation advice, you will need to consult an independent financial or legal adviser.

PART III

EXPLANATION OF THE SCHEME AND ITS EFFECTS (EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006)

4 November 2014

To the holders of the Old MJ Gleeson Shares and, for information only, to the holders of options and awards granted under the Old MJ Gleeson Employee Share Plans and persons with information rights in Old MJ Gleeson

Dear Shareholder,

RECOMMENDED PROPOSALS TO ESTABLISH A NEW PARENT COMPANY AND RELATED MATTERS

1. INTRODUCTION

On 17 February 2014, the Board first announced the possibility of a restructuring of the MJ Gleeson Group, and on 28 October 2014, Old MJ Gleeson announced its intention to put in place a new parent company for the MJ Gleeson Group, New MJ Gleeson, in order to best support the MJ Gleeson Group's on-going businesses. New MJ Gleeson is a new company incorporated in England and Wales. It is intended that this new corporate structure will be implemented by means of the Scheme, which is a scheme of arrangement under Part 26 of the Companies Act involving a reduction of capital.

The insertion of New MJ Gleeson as a new parent company for the MJ Gleeson Group will enable a further reorganisation which is intended to segregate the Legacy Businesses from its on-going businesses. At an appropriate time, following the Scheme becoming effective, it is intended that Old MJ Gleeson declare and pay a cash dividend and the Dividend in Specie of its interests in the MJ Gleeson Group's Non-Legacy Businesses, comprising both shares in companies and a limited number of assets to New MJ Gleeson, so that Old MJ Gleeson's remaining assets would be its investment in GCSL, a deferred tax asset, any legacy construction contracts in its own name and the Intercompany Loan to New MJ Gleeson from Old MJ Gleeson which Old MJ Gleeson can require repayment of, in whole or in part, to enable it to cover potential liabilities. In addition, it is proposed that the New MJ Gleeson Capital Reduction will be carried out in order to create distributable reserves in New MJ Gleeson.

The New MJ Gleeson Group will have the same ongoing businesses and operations after the Scheme Effective Date as the Old MJ Gleeson Group had before the Scheme Effective Date. The Proposals will not result in any immediate changes in the day-to-day operations of the business of the MJ Gleeson Group or its strategy. The Scheme will require the approval of Old MJ Gleeson Shareholders at the Court Meeting and the passing of the Resolutions at the separate General Meeting of Old MJ Gleeson Shareholders, as explained under the heading 'Meetings and consents for implementation of the Scheme' in paragraph 13 of this Part III.

Your attention is drawn to the letter from the Chairman of Old MJ Gleeson set out in Part I of this document, which forms part of this Explanatory Statement. That letter contains, amongst other things, the unanimous recommendation by the Directors to Old MJ Gleeson Shareholders to vote in favour of the Scheme at the Court Meeting and to vote in favour of all the Resolutions at the General Meeting. The Directors intend to vote in favour of the Scheme and all the Resolutions at the General Meeting in respect of their own beneficial holdings of Old MJ Gleeson Shares. As at 31 October 2014 (being the latest practicable date prior to the publication of this document), the Directors are the beneficial holders of in aggregate 16,208,141 Old MJ Gleeson Shares, which represent approximately 30.18 per cent. of Old MJ Gleeson's issued ordinary share capital.

The letter from the Chairman also states that the Directors consider the Proposals and their terms to be fair and reasonable and in the best interests of Old MJ Gleeson and Old MJ Gleeson Shareholders as a whole.

We have been authorised by the Directors to write to you to set out the terms of the Proposals and to provide you with other relevant information. Statements made in this letter which refer to the background to the recommendation of the Directors reflect the views of the Directors.

A description of the action recommended to be taken by Old MJ Gleeson Shareholders in relation to the Court Meeting and the General Meeting is set out in paragraph 18 of this Part III of this document. The full text of the Scheme is set out in Part VI. The full text of each of the resolutions to be proposed at the Court Meeting and the General Meeting is set out in the notices of the Meetings set out in Part VIII.

It is expected that, if the conditions to the Scheme have been satisfied, the Scheme will become effective on 18 December 2014 and Trading Cancellation and Admission will take place on 19 December 2014.

2. SUMMARY OF THE PROPOSALS

2.1 The Scheme

The principal steps involved in the Scheme are as follows:

2.1.1 Cancellation of Scheme Shares

Under the Scheme, all the Scheme Shares will be cancelled on the Scheme Effective Date.

In consideration of the cancellation of the Scheme Shares, the Scheme Shareholders will receive, in respect of any Scheme Shares held as at the Scheme Record Time:

for every one Scheme Share cancelled one New MJ Gleeson Share

After the General Meeting and before the Scheme Effective Date, New MJ Gleeson will acquire an Old MJ Gleeson Share. This share will not be a Scheme Share and will not therefore be cancelled pursuant to the Scheme. The purpose of this share is to facilitate the allotment of new shares in Old MJ Gleeson to New MJ Gleeson in accordance with section 593(2) of the Companies Act.

With effect from the Scheme Effective Date, the rights attaching to the New MJ Gleeson Shares will be the same as those attaching to the Old MJ Gleeson Shares immediately prior to the Scheme Effective Date. Upon the implementation of the Scheme, a New MJ Gleeson Shareholder will have the same voting rights and the same proportionate interests in the profits, net assets and dividends of New MJ Gleeson as they currently have as an Old MJ Gleeson Shareholder. A summary of the rights attaching to the New MJ Gleeson Shares is set out in paragraph 10 of Part IV of this document.

In order to reflect the book value of Old MJ Gleeson, the New MJ Gleeson Shares issued under the Scheme will have a nominal value of 146 pence each, while the Old MJ Gleeson Shares have a nominal value of 2 pence each. However, on the New MJ Gleeson Capital Reduction becoming effective (which is expected to be in January 2015), the nominal value of the New MJ Gleeson Shares will be reduced to 2 pence. These changes in nominal value are of a technical nature and do not affect the value of your shareholding.

2.1.2 Establishing New MJ Gleeson as the new parent company of the MJ Gleeson Group

Following the cancellation of the Scheme Shares, the credit arising in the books of Old MJ Gleeson as a result of the cancellation will be applied in paying up in full New Shares in Old MJ Gleeson such that the aggregate nominal value of those New Shares equals the aggregate nominal value of the Scheme Shares cancelled. The New Shares in Old MJ Gleeson will be issued to New MJ Gleeson which will, as a result, become the parent company of Old MJ Gleeson and MJ Gleeson Group.

2.1.3 Amendments to Old MJ Gleeson's Articles of Association

In some cases, Old MJ Gleeson Shares may need to be allotted before the Scheme Record Time (for example, because of the exercise of rights granted by Old MJ Gleeson under the Old MJ Gleeson Employee Share Plans) but the timing of their allotment could mean that they are

not classified as Scheme Shares and are therefore outside the scope of the Scheme. In addition, Old MJ Gleeson Shares may be issued after the Scheme Record Time which would also put them outside the scope of the Scheme. It is proposed that the Old MJ Gleeson Articles be amended in such a way as to ensure that: (i) any Old MJ Gleeson Shares which are issued after the Voting Record Time and before the Scheme Record Time are allotted subject to the terms of the Scheme and the holders of such shares will be bound by the Scheme accordingly; and (ii) any Old MJ Gleeson Shares which are allotted after the Scheme Record Time will be immediately transferred to New MJ Gleeson in exchange for the issue or transfer to the relevant allottees of one New MJ Gleeson Share for every Old MJ Gleeson Share transferred. The Old MJ Gleeson Articles will also be amended so as to provide that if any Old MJ Gleeson Shares are allotted to any person within (ii) above following any variation in the share capital of either Old MJ Gleeson or New MJ Gleeson after the Scheme Effective Date or such other event as the New MJ Gleeson Directors consider fair and reasonable, the number of New MJ Gleeson Shares to be issued or transferred to that person will be adjusted in an appropriate manner, provided Old MJ Gleeson's auditors have confirmed the adjustment is fair and reasonable.

These measures will avoid any person other than New MJ Gleeson being left with Old MJ Gleeson Shares after Trading Cancellation of the Old MJ Gleeson Shares and will further ensure that Old MJ Gleeson will remain a wholly-owned subsidiary of New MJ Gleeson notwithstanding any issue of Old MJ Gleeson Shares.

2.2 Approval of the cash dividend and Dividend in Specie

Old MJ Gleeson intends, following the insertion of New MJ Gleeson as the MJ Gleeson Group's new parent company, to declare and pay a cash dividend and a dividend in specie of its interests in the MJ Gleeson Group's Non-Legacy Businesses, comprising both shares in companies and a limited number of assets to New MJ Gleeson, so that Old MJ Gleeson's remaining assets would be its investment in GCSL, a deferred tax asset, any legacy construction contracts in its own name and the Intercompany Loan to New MJ Gleeson from Old MJ Gleeson which Old MJ Gleeson can require repayment of, in whole or in part, to enable it to cover potential liabilities. Old MJ Gleeson will also retain any liabilities for the latent defect claims and other liabilities as a result of its various contracts, along with the GCSL Intercompany Loan, which GCSL can require repayment of, to enable it to meet any liabilities for the latent defect claims made against GCSL and other expenses.

3. CONDITIONS FOR THE IMPLEMENTATION OF THE PROPOSALS

3.1 The Scheme

The implementation of the Scheme is conditional upon:

- 3.1.1 the approval of the Scheme by a majority in number, representing at least 75 per cent. in value, of the Old MJ Gleeson Shareholders present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);
- 3.1.2 the passing of the Resolutions set out in the notice of the General Meeting to approve the Scheme and various matters in connection with the Scheme including: (A) the cancellation of the Scheme Shares; (B) the issue and allotment of New Shares; (C) the changes to the Old MJ Gleeson Articles; (D) the delisting of the Old MJ Gleeson Shares from the Official List and the removal of the Old MJ Gleeson Shares from trading on the Main Market; (E) the New MJ Gleeson Capital Reduction and (F) the adoption of the New MJ Gleeson Employee Share Plans, in each case at the General Meeting (or any adjournment of such meeting);
- 3.1.3 the sanction of the Scheme by the High Court and the confirmation by the High Court of the Old MJ Gleeson Capital Reduction;
- 3.1.4 a copy of the Court Order and Statement of Capital having been delivered to the Registrar of Companies in England and Wales for registration; and
- 3.1.5 permission having been granted by the FCA to admit the New MJ Gleeson Shares to the Official List and by the London Stock Exchange to admit the New MJ Gleeson Shares to trading on the Main Market.

The Court Hearing (at which it is proposed that the High Court sanction the Scheme and confirm the Old MJ Gleeson Capital Reduction) is expected to be held on 18 December 2014. Old MJ Gleeson Shareholders or creditors who wish to support or oppose the Scheme will be informed by advertisement in a newspaper with national distribution in the United Kingdom of their right to appear in person, or be represented by Counsel, at the Court Hearing. The Court Hearing will be held at The Rolls Building, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL.

The Directors will not take the necessary steps to implement the Scheme or to enable the Scheme to become effective unless the above conditions have been satisfied (or waived) and, at the relevant time, they consider that it continues to be in Old MJ Gleeson's best interests and that of Old MJ Gleeson Shareholders that the Scheme should be implemented.

If the Scheme is sanctioned by the High Court and the other conditions to the Scheme are satisfied or waived, the Scheme is expected to become effective on 18 December 2014, the anticipated Scheme Effective Date, with dealings in New MJ Gleeson Shares to be issued pursuant to the Scheme expected to commence on 19 December 2014.

If the Scheme has not become effective by 31 January 2015 (or such later date as Old MJ Gleeson and New MJ Gleeson may agree and the High Court may allow), it will lapse, in which event the Scheme will not proceed, Old MJ Gleeson Shareholders will remain shareholders of Old MJ Gleeson and the Old MJ Gleeson Shares will continue to be listed on the premium listing segment or the Official List and to trading on the Main Market.

The Scheme contains a provision for Old MJ Gleeson and New MJ Gleeson jointly to consent, on behalf of all persons concerned, to any modification of or addition to the Scheme, or to any condition that the High Court may think fit to approve or impose. Old MJ Gleeson has been advised that the High Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be materially prejudicial to the interests of Old MJ Gleeson Shareholders unless Old MJ Gleeson Shareholders were informed of any such modification, addition or condition. It will be a matter for the High Court to decide, in its discretion, whether or not further meetings of Old MJ Gleeson Shareholders should be held. If the High Court does approve or impose a modification of, or addition or condition to, the Scheme which, in the opinion of the Directors, is such as to require the consent of the Old MJ Gleeson Shareholders, the Directors will not take the necessary steps to enable the Scheme to become effective unless and until such consent is obtained. In order to ensure that no Old MJ Gleeson Shares fall outside the Scheme inadvertently, it is proposed that no issues of Old MJ Gleeson Shares take place between the Voting Record Time and closing of the General Meeting.

The full text of the Scheme and of the Resolutions are set out in Parts VI and VIII, respectively, of this document.

4. EFFECT OF THE SCHEME

The effect of implementation of the Scheme will be as follows:

- 4.1 instead of having its ordinary share capital owned by the Old MJ Gleeson Shareholders, Old MJ Gleeson will become a subsidiary of New MJ Gleeson;
- 4.2 instead of owning a given number of Old MJ Gleeson Shares, each Old MJ Gleeson Shareholder will own the same number of New MJ Gleeson Shares; and
- 4.3 New MJ Gleeson, a new company incorporated in England and Wales, will be the parent company of the MJ Gleeson Group.

Immediately following the Scheme becoming effective, the holder(s) of the New MJ Gleeson Subscriber Shares will gift such shares to a nominee of New MJ Gleeson, following which such shares will be cancelled. This is to ensure that New MJ Gleeson only has one class of ordinary shares in issue on Admission and to ensure that following the Scheme the number of New MJ Gleeson Shares which are subject to Admission will equal the number of Old MJ Gleeson Shares admitted to Listing at the Scheme Record Time (less one). The New MJ Gleeson Redeemable Shares will still be in existence at this time.

The respective proportions of New MJ Gleeson Shares which will be held by the Old MJ Gleeson Shareholders may nevertheless be affected by the vesting of outstanding awards in respect of Old MJ Gleeson Shares pursuant to the Old MJ Gleeson Employee Share Plans. However, were the Scheme not to become effective, the proportions in which Old MJ Gleeson Shareholders would have held Old MJ Gleeson Shares would have been affected to the same extent by the exercise or vesting of equivalent rights over Old MJ Gleeson Shares, in any case.

Immediately following the Scheme becoming effective, New MJ Gleeson will own no assets other than the ordinary share capital of Old MJ Gleeson and nominal cash balances. It is expected that after the Scheme becomes effective Old MJ Gleeson will be re-registered as a private limited company.

5. THE NEW MJ GLEESON CAPITAL REDUCTION

It is intended that the New MJ Gleeson Capital Reduction will be carried out to create a reserve of distributable profits in New MJ Gleeson that will be available to be distributed as dividends or applied towards any other lawful purpose. The necessary shareholder resolution required by the Companies Act for New MJ Gleeson to implement the New MJ Gleeson Capital Reduction is expected to be passed prior to the Scheme Effective Date by the then current shareholders of New MJ Gleeson, on the basis that it will be conditional upon confirmation of the High Court, the Scheme becoming effective, the New MJ Gleeson Shares having been allotted and issued pursuant to the Scheme and Old MJ Gleeson Shareholders approving, by special resolution, the New MJ Gleeson Capital Reduction at the General Meeting (the Scheme is conditional, amongst other matters, upon the passing of such special resolution).

Subject to the Scheme becoming effective and all of the other conditions above being satisfied, the Directors expect that the New MJ Gleeson Capital Reduction will become effective in January 2015.

6. TAXATION

Your attention is drawn to Part V of this document for further information about the taxation consequences of the Scheme.

The summary information on taxation in this document is intended as a guide only and holders of Old MJ Gleeson Shares who are in any doubt about their tax position, or who are resident for tax purposes outside the UK are strongly advised to contact an appropriate professional, independent adviser immediately.

7. ARTICLES OF ASSOCIATION OF NEW MJ GLEESON

A summary of the New MJ Gleeson Articles is set out in paragraph 10 of Part IV of this document.

8. DIRECTORS' AND OTHER INTERESTS

With effect from Admission, New MJ Gleeson will have the same Board and Management as Old MJ Gleeson.

Both of the Executive Directors are currently employed by Old MJ Gleeson pursuant to service agreements with Old MJ Gleeson, details of which are set out in paragraph 6.1 of Part IV of this document. Each of the Executive Directors will enter into a new service agreement with New MJ Gleeson which will take effect from the Scheme Effective Date (and is therefore conditional on the Scheme becoming effective), the terms of which are to be substantially the same as their existing service agreements with Old MJ Gleeson (save for New MJ Gleeson being the employing company and including general updates to reflect changes in applicable law).

Each service agreement will be subject to termination upon 12 months' notice by the employer or six months' notice by the employee.

After the Scheme Effective Date, the Executive Directors and Dermot Gleeson will be the only Directors of Old MJ Gleeson.

The overall level of remuneration of Executive Directors will remain unchanged as a result of the Scheme.

Each of the Non-Executive Directors has a letter of appointment with Old MJ Gleeson, details of which are set out in paragraph 6.2 of Part IV of this document. Each Non-Executive Director will enter into a new letter of appointment with New MJ Gleeson, which will take effect from Admission (and is therefore conditional on the Scheme becoming effective), the terms of which are to be substantially the same as the terms of his existing letter of appointment with Old MJ Gleeson save for New MJ Gleeson being the appointing company and including general updates to reflect changes in applicable law.

Each letter of appointment will be terminable by either party on one month's written notice, except the Chairman, where the written notice by either party is six months. On the Scheme becoming effective, the Non-Executive Directors' appointments as directors of Old MJ Gleeson will terminate (other than Dermot Gleeson's) and the Non-Executive Directors, from the date of Admission, will receive their fees from New MJ Gleeson. The total fees payable to each of the Non-Executive Directors will not be varied as a result of the Scheme.

The interests of the Directors in the existing share capital of Old MJ Gleeson as at 31 October 2014 (being the latest practicable date prior to the publication of this document) are set out in paragraph 5 of Part IV of this document. The Executive Directors are also eligible to participate in the New MJ Gleeson Employee Share Plans.

Save as described above, the effect of the Scheme on the interests of the Directors (details of which are set out in paragraphs 5 and 6 of Part IV of this document) does not differ from its effect on the like interests of other Old MJ Gleeson Shareholders. Shareholders are, however, referred to the matters described in paragraph 10 of Part IV of this document in relation to the effect on Directors arising from the differences between the Old MJ Gleeson Articles and the New MJ Gleeson Articles.

9. EMPLOYEE SHARE PLANS

9.1 Old MJ Gleeson Employee Share Plans

Participants in the Old MJ Gleeson Employee Share Plans will be written to separately to explain the impact of the Scheme on their participation in more detail. The implications of the Scheme for the Old MJ Gleeson Employee Share Plans are summarised at paragraph 11.1 of Part IV of this document.

It is the Board's intention that awards under the Old MJ Gleeson Employee Share Plans will not vest early as a result of the Scheme but will continue on the same basis under the New MJ Gleeson Share Plans, other than that they will ultimately deliver New MJ Gleeson Shares rather than Old MJ Gleeson Shares. No further awards will be granted under the Old MJ Gleeson Employee Share Plans after the Scheme becomes effective.

9.2 New MJ Gleeson Employee Share Plans

In order to continue to provide share based incentives to employees within the MJ Gleeson Group, the Directors expect that New MJ Gleeson will operate the New MJ Gleeson 2014 Performance Share Plan and the New MJ Gleeson 2014 Group Share Purchase Plan which will, other than the fact that they relate to New MJ Gleeson Shares, be substantially the same as to the Old MJ Gleeson Employee Share Plans currently operated by Old MJ Gleeson.

Subject to Old MJ Gleeson Shareholder approval of the relevant Ordinary Resolution set out in the Notice of General Meeting in Part VIII, it is expected that New MJ Gleeson will adopt each of the New MJ Gleeson Employee Share Plans conditional on the Scheme becoming effective. Further information in relation to the New MJ Gleeson Employee Share Plans is set out in paragraph 11.2 of Part IV of this document.

10. CREST

It is proposed that the New MJ Gleeson Shares be made eligible for settlement in CREST, the paperless system for settlement of securities listed by the UK Listing Authority, and traded on the Main Market. Euroclear requires New MJ Gleeson to confirm to it that certain conditions imposed by the CREST Regulations are satisfied before Euroclear will admit any security to CREST. It is expected that these conditions will be satisfied in respect of the New MJ Gleeson Shares on Admission of the New MJ Gleeson

Shares. As soon as practicable after satisfaction of the conditions to the Scheme, it is expected that New MJ Gleeson will confirm this to Euroclear.

Further information on the CREST settlement system will be set out in the Prospectus, which is expected to be made available on or prior to 19 November 2014.

Information on listing, dealings, share certificates and settlement is set out in paragraph 12 below of this Part III.

11. OVERSEAS SHAREHOLDERS

The implications of the Scheme for, and the distribution of this document to, Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this document comes to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme and the distribution of this document and/or the accompanying documents, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

If, in respect of any Overseas Shareholder, New MJ Gleeson is advised that the allotment and issue of New MJ Gleeson Shares would or might infringe the laws of any jurisdiction outside the United Kingdom, or would or might require New MJ Gleeson to obtain any governmental or other consent or effect any registration, filing or other formality, New MJ Gleeson may determine that no New MJ Gleeson Shares shall be allotted and issued to such shareholder but instead those New MJ Gleeson Shares shall be allotted and issued to a nominee appointed by New MJ Gleeson as trustee for such shareholder, on terms that they shall be sold on behalf of such shareholder as soon as reasonably practicable after the Scheme becomes effective, with the net proceeds of sale being remitted to the Overseas Shareholder concerned at the risk of such shareholder. Alternatively, New MJ Gleeson may determine that the New MJ Gleeson Shares shall be issued to that shareholder and sold on his behalf, with the net proceeds of sale being remitted to the Overseas Shareholder at the Overseas Shareholder's risk.

Overseas Shareholders should consult their own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the Scheme in their particular circumstances.

THIS DOCUMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY ANY SECURITY. NONE OF THE SECURITIES REFERRED TO IN THIS DOCUMENT SHALL BE SOLD, ISSUED, SUBSCRIBED FOR, PURCHASED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

12. LISTING, DEALINGS, SHARE CERTIFICATES AND SETTLEMENT

Application will be made to the FCA for New MJ Gleeson Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New MJ Gleeson Shares to be admitted to trading on the Main Market. The ISIN number of the New MJ Gleeson Shares will be GB00BRKD9Z53.

If all the conditions to the Scheme are satisfied, Old MJ Gleeson intends to seek Trading Cancellation with effect from the day after the Scheme Effective Date (or as soon as practicable thereafter).

The last day of trading in Old MJ Gleeson Shares is expected to be 17 December 2014. The last time for registration of transfers of Old MJ Gleeson Shares is expected to be 6.00 p.m. on 17 December 2014.

It is expected that the New MJ Gleeson Shares will be issued on 18 December 2014 (the Scheme Effective Date), their Admission will become effective and that dealings in the New MJ Gleeson Shares will commence at, 8.00 a.m. on 19 December 2014. It is expected that the admission of the Old MJ Gleeson Shares to trading will be cancelled at 8.00 a.m. on 19 December 2014.

These dates may be deferred if it is necessary to adjourn any meeting required to approve the arrangements described in this document or if there is any delay in obtaining the High Court's sanction of the Scheme or confirmation of the Old MJ Gleeson Capital Reduction. In the event of a delay, the application for Trading Cancellation of the Old MJ Gleeson Shares will be deferred as will the Admission of the New MJ Gleeson Shares, so that such admission of the Old MJ Gleeson Shares to the premium listing segment of the Official List and to trading on the Main Market will not be cancelled until the Scheme has become effective.

With effect from (and including) the Scheme Effective Date, share certificates representing the Old MJ Gleeson Shares will cease to be valid and binding in respect of such holdings and should be destroyed. With respect to the Old MJ Gleeson Shares held in Uncertificated form, Euroclear will be instructed to cancel the entitlements of the relevant Old MJ Gleeson Shareholders in respect of those Old MJ Gleeson Shares. Admission of the New MJ Gleeson Shares to the Official List is expected to become effective, and dealings in the New MJ Gleeson Shares is expected to commence, at 8.00 a.m. on 19 December 2014.

No New MJ Gleeson Shares have been marketed to, nor are any available for purchase or exchange, in whole or in part, by the public in the United Kingdom or elsewhere in connection with the admission to the Official List.

New MJ Gleeson Shares can be held in Certificated or Uncertificated form. It is expected that certificates for New MJ Gleeson Shares in Certificated form will be dispatched within ten (10) Business Days after the Scheme Effective Date.

Pending the despatch of certificates for New MJ Gleeson Shares, transfers of New MJ Gleeson Shares in Certificated form will be certified against the share register of New MJ Gleeson. Temporary documents of title have not been, and will not be, issued in respect of New MJ Gleeson Shares in Certificated form.

It is expected that New MJ Gleeson Shares in Uncertificated form will be credited to CREST accounts on 19 December 2014.

All documents, certificates or other communications sent by or to any shareholders will be sent at their own risk and may be sent by post.

Notwithstanding anything above or any other provision of this document or any other document relating to the New MJ Gleeson Shares, Old MJ Gleeson and New MJ Gleeson reserve the right to issue New MJ Gleeson Shares to all shareholders in Certificated form if, for any reason, they wish to do so.

All instructions given to Old MJ Gleeson in relation to notices and other communications in force immediately prior to the Scheme Effective Date will be, unless and until revoked or varied, deemed as from the Scheme Effective Date to be valid and effective instructions to New MJ Gleeson in relation to the corresponding holdings of New MJ Gleeson Shares.

13. MEETINGS AND CONSENTS FOR IMPLEMENTATION OF THE SCHEME

The Scheme will require the approval of the Old MJ Gleeson Shareholders at the Court Meeting, convened pursuant to an order of the High Court and the passing of the Resolutions set out in the Notice of the General Meeting. Both of the Meetings have been convened for 26 November 2014.

The Scheme also requires a separate sanction from the High Court.

New MJ Gleeson has agreed to appear by Counsel on the hearing of the claim form to sanction the Scheme and to undertake to be bound by the Scheme.

Notices of the Court Meeting and the General Meeting are contained in Part VIII of this document. Entitlement to attend and vote at these Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Old MJ Gleeson at the Voting Record Time. All Old MJ Gleeson Shareholders whose names appear on the register of members of Old MJ Gleeson at the Voting Record Time, will be entitled to attend and speak and vote at the relevant Meeting in respect of the number of Old MJ Gleeson Shares registered in their names at that time.

13.1 Court Meeting

The Court Meeting has been convened for 11.00 a.m. on 26 November 2014 pursuant to an order of the High Court granted on 3 November 2014. At the Court Meeting, or at any adjournment thereof, the Old MJ Gleeson Shareholders will consider and, if thought fit, approve the Scheme.

Voting will be by poll and not on a show of hands at the Court Meeting and each Old MJ Gleeson Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote for each Old MJ Gleeson Share held. The statutory majority required to approve the Scheme at the Court Meeting is a simple majority in number of the Old MJ Gleeson Shareholders present and voting (either in person or by proxy) at the Court Meeting representing not less than 75 per cent. of the nominal value of the Old MJ Gleeson Shares voted (either in person or by proxy) by such Old MJ Gleeson Shareholders.

In order that the High Court can be satisfied that the votes cast constitute a fair representation of the views of the Old MJ Gleeson Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Old MJ Gleeson Shareholders are therefore urged to take the action referred to in paragraph 18 of this Part III.

It is also particularly important for Shareholders to be aware that if the Scheme becomes effective, it will be binding on all Scheme Shareholders irrespective of whether they attended the Court Meeting and irrespective of the manner in which they voted.

13.2 General Meeting

The General Meeting has been convened for 11.15 a.m. on 26 November 2014 (or as soon thereafter as the Court Meeting has been concluded). At the General Meeting or at any adjournment thereof, Old MJ Gleeson Shareholders will consider and, if thought fit, pass the Resolutions set out in the notice of the General Meeting contained in Part VIII of this document.

(i) **Special Resolutions**

The Special Resolutions set out in the notice of the General Meeting are being proposed as follows:

- (a) Resolution no. 1 – to approve:
 - (i) the Scheme;
 - (ii) the Old MJ Gleeson Capital Reduction;
 - (iii) the increase in the share capital of Old MJ Gleeson to its former amount by the creation of New Shares to be issued to New MJ Gleeson in accordance with the Scheme;
 - (iv) the allotment of such New Shares by the Directors pursuant to the Scheme (such authority to allot will (unless previously revoked, varied or renewed) lapse on 31 January 2015); and
 - (v) the amendments to the Old MJ Gleeson Articles to ensure that the holders of any Old MJ Gleeson Shares allotted before the Scheme Record Time are bound by the Scheme and that any Old MJ Gleeson Shares transferred or allotted after the Scheme Record Time are transferred to New MJ Gleeson in consideration for the issue or transfer of New MJ Gleeson Shares on a one-for-one basis;
- (b) Resolution no. 2 – to approve the New MJ Gleeson Capital Reduction; and
- (c) Resolution no. 3 – to approve the delisting of the Old MJ Gleeson Shares and their removal from trading on the Main Market.

The majority required for the passing of the Special Resolutions is not less than 75 per cent. of the votes cast (in person or by proxy) at the General Meeting. Voting on each of the Special Resolutions will be by poll and not on a show of hands. Each Old MJ Gleeson Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote for each Old MJ Gleeson Share held.

(ii) **Ordinary Resolution**

The Ordinary Resolution set out in the notice of the General Meeting is being proposed as follows:

Resolution no. 4 – to approve the adoption by New MJ Gleeson of the New MJ Gleeson Employee Share Plans described in paragraph 11 of Part IV of this document.

The majority required for the passing of the Ordinary Resolution is a simple majority of the votes cast (in person or by proxy) at the General Meeting. Voting on the Ordinary Resolution will be by poll and not on a show of hands. Each Old MJ Gleeson Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote for each Old MJ Gleeson Share held.

13.3 Proxy Forms

For your convenience, the Form of Proxy is pre-paid (no stamp required if posted within the UK) and addressed to the Company's registrars, Capita Asset Services. No envelope is necessary but if you wish you may use an envelope and address it to Capita Asset Services, FREEPOST RSBH-UXKS-LRBC, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, as soon as possible and, in any event, so as to be received no later than 11.15 a.m. on 24 November 2014 in the case of the white Form of Proxy and 11.00 a.m. in the case of the blue Form of Proxy. If the blue Form of Proxy for use at the Court Meeting is not returned by the above time, it may be handed to the Company's registrars, Capita Asset Services, or the Chairman of the Court Meeting, before the start of that Meeting. However, in the case of the General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed on it, it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the General Meeting, or at any adjournment thereof, if you so wish and are so entitled.

13.4 Sanction of the Scheme by the High Court and confirmation of the Old MJ Gleeson Capital Reduction

Under the Companies Act, the Scheme requires the sanction of the High Court and the confirmation by the High Court of the associated Old MJ Gleeson Capital Reduction. The Court Hearing to sanction the Scheme and to confirm the Old MJ Gleeson Capital Reduction is expected to be held on 18 December 2014 at The Rolls Building, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL. All Old MJ Gleeson Shareholders are entitled to attend the Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme.

The Scheme will become effective as soon as office copies of the Court Orders and accompanying Statement of Capital have been duly delivered to the Registrar of Companies for registration. This is expected to occur on 18 December 2014.

If the Scheme becomes effective, it will be binding on all Old MJ Gleeson Shareholders, including those who do not vote to approve the Scheme and those who vote against the Scheme at the Court Meeting and/or at the General Meeting.

Unless the Scheme becomes effective by no later than 31 January 2015, or such later date imposed by the High Court and/or agreed by Old MJ Gleeson and New MJ Gleeson, the Scheme will not become effective.

On the Scheme Effective Date, share certificates in respect of Old MJ Gleeson Shares will cease to be valid and should be returned to Capita Asset Services. In addition, on the Scheme Effective Date, entitlements to Old MJ Gleeson Shares held within the CREST system will be cancelled.

14. AUTHORITIES RELATING TO NEW MJ GLEESON'S SHARE CAPITAL

It is expected that, the holders of the New MJ Gleeson Subscriber Shares and the Board of New MJ Gleeson will pass certain resolutions (conditional upon, amongst other things, the Scheme becoming effective) in order to, amongst other things, authorise New MJ Gleeson to carry out the actions required of it in relation to the Proposals, including approval of:

- 14.1 the allotment of the New MJ Gleeson Shares to the Old MJ Gleeson Shareholders pursuant to the Scheme, and in addition an authority to allot New MJ Gleeson shares on a non-preemptive basis for cash;

- 14.2 the New MJ Gleeson Capital Reduction; and
- 14.3 the adoption by New MJ Gleeson Employee Share Plans.

15. CITY CODE ON TAKEOVERS AND MERGERS

New MJ Gleeson will be subject to the provisions of the City Code on Takeovers and Mergers as Old MJ Gleeson currently is.

16. PROSPECTUS

A Prospectus relating to New MJ Gleeson and Admission, prepared in accordance with the Prospectus Rules made under Part VI of the FSMA, is expected to be made available to the public on or before 19 November 2014 in accordance with Rule 3.2 of the Prospectus Rules in electronic form on the MJ Gleeson Group's website at www.mjgleeson.com and at the National Storage Mechanism's website at www.hemscott.com/nsm.do once approved by and filed with the FCA. It is expected that once available, copies may also be obtained on request, free of charge by writing to the registered office of New MJ Gleeson (Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire GU51 2UZ up until Admission). A copy of the Prospectus will also be available upon request from the Capita Asset Services Shareholder helpline further details of which are included on page 7 of this document.

The information in the Prospectus will include financial information and an operating and financial review in relation to the MJ Gleeson Group, a business overview of the MJ Gleeson Group and a section of additional information, including details of the remuneration and interests of the Directors, material contracts and capital resources of the MJ Gleeson Group and details of litigation concerning the MJ Gleeson Group, all of which will be relevant to New MJ Gleeson as the new parent company of the MJ Gleeson Group. Certain of this information will be incorporated into the Prospectus by reference.

17. FURTHER INFORMATION

You should read the whole of this document.

Your attention is drawn, in particular, to the summary set out at the front of this document, to the letter from your Chairman in Part I, to the Scheme set out in Part VI and to the notices of Meetings in Part VIII.

Copies of:

- (A) the Old MJ Gleeson Articles in their present form;
- (B) the memorandum of association of New MJ Gleeson and the New MJ Gleeson Articles;
- (C) a document showing the differences between the Old MJ Gleeson Articles in their present form and the New MJ Gleeson Articles;
- (D) the service agreements of the Executive Directors with Old MJ Gleeson and the letters of appointment of the Non-Executive Directors with Old MJ Gleeson referred to in paragraphs 6 and 7 of Part IV of this document;
- (E) the proposed new service agreements of the Executive Directors with New MJ Gleeson and the new letters of appointment of the Non-Executive Directors with New MJ Gleeson referred to in paragraphs 6 and 7 of Part IV of this document;
- (F) the annual reports and accounts of Old MJ Gleeson for the financial years ended 30 June 2012, 30 June 2013 and 30 June 2014, including the audited consolidated accounts and the independent auditors' reports for each of those financial years;
- (G) the consent letter referred to in paragraph 13 of Part IV of this document;
- (H) the rules of each of the Old MJ Gleeson Employee Share Plans and the draft rules of the New MJ Gleeson Employee Share Plans referred to in paragraph 11 of Part IV of this document; and
- (I) this document,

can be inspected at the corporate office of New MJ Gleeson at Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire GU51 2UZ and at the offices of Simmons & Simmons LLP, CityPoint, One

Ropemaker Street, London EC2Y 9SS during normal business hours on any day (Saturdays, Sundays and public holidays excepted) until close of business on the Scheme Effective Date and will also be available for inspection for 15 minutes before and during the Court Meeting and the General Meeting at the location of the Meeting. This document is also available in electronic form on the MJ Gleeson Group's website at www.mjgleeson.com from the date of this document and the Prospectus is expected to be made available in electronic form on the same website and at the National Storage Mechanism's website at www.hemscott.com/nsm.do, once approved by and filed with the FCA on or before 19 November 2014.

In the case of joint holders of Old MJ Gleeson Shares, one copy of this document is being delivered to the first registered joint holder. Further copies of this document may be requested by joint holders other than the first registered joint holder by application in writing to the Company Secretariat at Old MJ Gleeson, Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire GU51 2UZ, or by telephone on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

18. ACTION TO BE TAKEN

Old MJ Gleeson Shareholders will find enclosed with this document:

- (a) a blue Form of Proxy for use at the Court Meeting; and
- (b) a white Form of Proxy for use at the General Meeting.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the High Court may be satisfied that there is a fair and reasonable representation of Old MJ Gleeson Shareholder opinion. Whether or not you plan to attend the meetings in person, you are strongly encouraged to sign and return your Forms of Proxy or to appoint a proxy electronically as referred to below, as soon as possible and in any event so as to be received by the Company's registrars, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF. Forms of Proxy returned by fax will not be accepted. If you wish, you may use an envelope and address it to FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham BR3 4TU:

Blue Forms of Proxy for the Court Meeting by 11.00 a.m. on 24 November 2014

White Forms of Proxy for the General Meeting by 11.15 a.m. on 24 November 2014

(or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

Electronic proxy appointment is also available for the General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the Company's registrars, Capita Asset Services, Shareholder solutions: www.capitashareportal.com. From there, enter 'M J Gleeson Group Plc'. You can log in to your Capita Shareportal account or register for the Capita share portal, if you have not already done so, by following the link to the registration section and entering your details as required. You will be able to vote immediately by selecting 'Proxy Voting' from the menu. In order to be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by 11.00 a.m. in the case of the blue Form of Proxy and 11.15 a.m. in the case of the white Form of Proxy, both on 24 November 2014. The proxy appointment will not be accepted if found to contain a computer virus.

An Old MJ Gleeson Shareholder may appoint one or more persons to attend, speak and vote on his/her behalf at the Court Meeting or General Meeting (as appropriate) by inserting the proxy's name(s) in the 'Name of Proxy' box set out in the Form of Proxy along with the number of shares in respect of which such Old MJ Gleeson Shareholder wishes to cast votes (in the 'Number of Shares proxy appointed over' box, as the case may be, in the Form of Proxy). If no name is inserted in the 'Name of Proxy' box, the Chairman of the Meeting will be deemed appointed as the proxy. If no share number is inserted in the 'Number of Shares proxy appointed over' box, the total holding represented by the Form of Proxy will apply to the first named proxy in attendance at the Court Meeting or General Meeting (as relevant).

Old MJ Gleeson Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact Capita Asset Services for further Forms of Proxy or photocopy the Forms of Proxy as required. Such shareholders should also read the section included in the Forms of Proxy headed 'Notes' and note the principles that will be applied in relation to the appointment of multiple proxies. Please ensure that all of the multiple Forms of Proxy in respect of one registered holding are sent to Capita Asset Services in the same envelope if possible.

If you hold your Old MJ Gleeson Shares in Uncertificated form (i.e. in CREST), you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes for the notice of the General Meeting set out at the end of Part VIII of this document). Proxies submitted via CREST (under CREST participant ID RA10) must be received by the Company's registrars, Capita Asset Services, not later than 11.00 a.m. on 24 November 2014 in the case of the Court Meeting and by 11.15 a.m. on 24 November 2014 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

The return of the Forms of Proxy will not prevent you from attending either of the Meetings and voting in person if you wish. In each case, the Forms of Proxy should be completed in accordance with the instructions printed on them.

The blue Form of Proxy in respect of the Court Meeting may also be handed to the Chairman of the Meeting or to the Company's registrars (on behalf of the Chairman), Capita Asset Services at the Court Meeting before the start of the Meeting. However, in the case of the General Meeting, the white Form of Proxy will be invalid unless it is lodged so as to be received by 11.15 a.m. on 24 November 2014.

Yours faithfully,

Shaun Dobson

Head of Corporate Finance

for and on behalf of

Nplus1 Singer Advisory LLP

PART IV

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors, whose names appear in paragraph 4 of this Part IV, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. INFORMATION ON OLD MJ GLEESON

Old MJ Gleeson is a public limited company incorporated and domiciled in, and operating under the legislation of, England and Wales with company number 00479529. Its registered office is at Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire, GU51 2UZ, United Kingdom.

3. INFORMATION ON NEW MJ GLEESON

New MJ Gleeson is a public limited company incorporated and domiciled in, and operating under the legislation of, England and Wales with company number 09268016. Its registered office is at Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire, GU51 2UZ, United Kingdom.

4. DIRECTORS AND NEW MJ GLEESON DIRECTORS

4.1 The Directors of Old MJ Gleeson and their functions are as follows:

Dermot Gleeson	<i>Chairman</i>
Jolyon Harrison	<i>Chief Executive</i>
Alan Martin	<i>Chief Financial Officer</i>
Ross Ancell	<i>Non-Executive Director</i>
Colin Dearlove	<i>Non-Executive Director</i>
Christopher Mills	<i>Non-Executive Director</i>

4.2 The service address of Alan Martin as Director of New MJ Gleeson is Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire, GU51 2UZ, United Kingdom, the service address of Jolyon Harrison as Director of New MJ Gleeson is 6 Europa Court, Sheffield Business Park, Sheffield, Yorkshire, S9 1XE, United Kingdom.

4.3 The New MJ Gleeson Directors with effect from Admission and their functions will be as follows:

Dermot Gleeson	<i>Chairman</i>
Jolyon Harrison	<i>Chief Executive</i>
Alan Martin	<i>Chief Financial Officer</i>
Ross Ancell	<i>Non-Executive Director</i>
Colin Dearlove	<i>Non-Executive Director</i>
Christopher Mills	<i>Non-Executive Director</i>

Mr Martin and Mr Harrison were appointed as New MJ Gleeson Directors on 16 October 2014, and the other Directors will be appointed with effect from Admission.

4.4 The appointment of all the Non-Executive Directors of Old MJ Gleeson (other than Dermot Gleeson) will terminate with effect from the Scheme Effective Date. As a non-listed company from Admission, Old MJ Gleeson will not require a large board of executive and non-executive directors.

5. DIRECTORS' INTERESTS

- 5.1 On the Scheme becoming effective, assuming that no Old MJ Gleeson Shares have been sold and that no further Old MJ Gleeson Shares have been purchased or issued in any such case after 31 October 2014 (being the latest practicable date prior to the publication of this document), the Directors (who will also be the New MJ Gleeson Directors) will have the following beneficial interests in New MJ Gleeson Shares by virtue of the effect of the Scheme on their Old MJ Gleeson Shares. These figures include any interests that such Directors may have as a result of their participation in the Old MJ Gleeson Group Share Purchase Plan.

	<i>Number of Old MJ Gleeson Shares held prior to Admission</i>	<i>Percentage of Old MJ Gleeson Shares held prior to Admission</i>	<i>Number of New MJ Gleeson Shares held upon Admission</i>	<i>Percentage of New MJ Gleeson Shares held upon Admission</i>
Dermot Gleeson	1,053,086	1.96	1,053,086	1.96
Jolyon Harrison	1,444,955	2.69	1,444,955	2.69
Alan Martin	55,100	0.10	55,100	0.10
Ross Ancell	—	—	—	—
Colin Dearlove	—	—	—	—
Christopher Mills	13,655,000*	25.43	13,655,000*	25.43

* Shares are held in name of Harwood Capital LLP, of which Christopher Mills is a beneficiary.

The beneficial interests of the Directors together of 16,208,141 Old MJ Gleeson Shares represent approximately 30.18 per cent. of the issued ordinary share capital of Old MJ Gleeson in existence as at 31 October 2014, the latest practicable date prior to the publication of this document.

In addition to their having an interest in Old MJ Gleeson Shares as detailed in this paragraph 5, as at 31 October 2014 (being that latest possible date prior to the publication of this document) the following Directors hold the following Share Awards granted pursuant to the Old MJ Gleeson Performance Share Plan, which will be replicated on the same terms in respect of New MJ Gleeson Shares under the New MJ Gleeson 2014 Performance Share Plan (as set out in paragraph 11.2 of Part IV of this document):

<i>Director</i>	<i>Grant date</i>	<i>Options held</i>	<i>Share price at date of this Award (£)</i>	<i>Total shareholder return Target (£)</i>	<i>Date from which option may be exercised</i>
Jolyon Harrison	5 November 2012	423,015	1.52	3.50	5 November 2015
Jolyon Harrison	30 September 2014	290,769	3.90	6.00	30 September 2017
Alan Martin	30 September 2014	59,231	3.90	6.00	30 September 2017

The Executive Directors will also be eligible to participate in the New MJ Gleeson Employee Share Plans.

- 5.2 The interests in paragraph 5.1 above (which include interests of the Directors held as a result of their participation in the Old MJ Gleeson Performance Share Plan) are based upon the interests of the Directors in Old MJ Gleeson Shares which: (a) have been notified by the relevant Director to Old MJ Gleeson pursuant to Chapter 3 of the Disclosure and Transparency Rules before 31 October 2014 (the latest practicable date prior to the publication of this document); or (b) are interests of a 'connected person' (within the meaning of the Disclosure and Transparency Rules) of a Director which have been notified to Old MJ Gleeson by each connected person (within the meaning of the Disclosure and Transparency Rules) pursuant to Chapter 3 of the Disclosure and Transparency Rules.

- 5.3 Save as set out above, no Director of Old MJ Gleeson (nor any person connected with them) has any interests (beneficial or non-beneficial) in the share capital of Old MJ Gleeson. Save as set out above, no Director (nor any person connected with them) holds any interest in any other securities of the MJ Gleeson Group.
- 5.4 Save as set out in paragraph 7 below, Old MJ Gleeson has not entered into any material transactions with related parties in the period from 30 June 2014 to 31 October 2014 (being the latest practicable date prior to the publication of this document) and none of the Directors has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of New MJ Gleeson or Old MJ Gleeson which was effected by New MJ Gleeson or any member of the MJ Gleeson Group during Old MJ Gleeson's current or immediately preceding financial year, or which was effected during an earlier financial year and remains in any respect outstanding or unperformed.
- 5.5 Save as disclosed in this Part IV, none of the Directors had a beneficial interest in any contract to which Old MJ Gleeson or New MJ Gleeson or a subsidiary of either of them was a party during the current financial year.
- 5.6 There are no outstanding loans or guarantees granted or provided by Old MJ Gleeson or New MJ Gleeson or any of their respective subsidiaries for the benefit of any of the Directors.

6. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

6.1 Executive Directors

The Executive Directors are currently employed by Old MJ Gleeson pursuant to service agreements with Old MJ Gleeson, details of which are set out in paragraph 7.1 below of this Part IV. Each of the Executive Directors will enter into a new service agreement with New MJ Gleeson which takes effect from the Scheme Effective Date (and is therefore conditional on the Scheme becoming effective), the terms of which are to be substantially the same as their existing service agreements (save for New MJ Gleeson being the employing company and including general updates to reflect changes in applicable law).

Each service agreement will be subject to termination upon 12 months' notice by the employer or six months' notice by the employee. On the Scheme becoming effective, the Executive Directors' existing service agreements with Old MJ Gleeson will terminate, and the Executive Directors will be paid by New MJ Gleeson.

The overall level of remuneration of Executive Directors will remain unchanged as a result of the Scheme.

6.2 Non-Executive Directors

Each of the Non-Executive Directors have letters of appointment with Old MJ Gleeson which set out the specific terms of engagement, details of which are set out in paragraph 7.2 below of this Part IV. Each Non-Executive Director will enter into a letter of appointment with New MJ Gleeson, which takes effect from Admission (and is therefore conditional on the Scheme becoming effective), the terms of which are to be substantially the same as the terms of his existing letter of appointment with Old MJ Gleeson save for New MJ Gleeson being the appointing company and general updates to reflect changes in applicable law.

Each letter of appointment will be terminable by either party on one month's written notice, except for the Chairman, where the written notice by either party is six months. On the Scheme becoming effective, the Non-Executive Directors' appointments as directors of Old MJ Gleeson will terminate (other than Dermot Gleeson's) all of the Non-Executive Directors will from the date of Admission, receive their fees from New MJ Gleeson.

The total fees payable to each of those Non-Executive Directors will not be varied as a result of the Scheme.

7. DIRECTORS' REMUNERATION

7.1 Executive Directors

7.1.1 Jolyon Harrison

Jolyon Harrison has entered into a service agreement with Old MJ Gleeson dated 1 July 2012, with an effective date of 1 July 2012 (continuous service dates from 2 November 2009) and shall continue to be employed under the agreement, subject to termination upon 12 months' notice by the employer or six months' notice by the employee. Under the service agreement (as so varied), Jolyon Harrison is entitled to an annual salary of currently £378,000 plus a performance-related bonus and benefits in kind of £19,000 per annum, comprising family medical insurance, a fuel card and a company car or a car allowance. Under the service agreement, Jolyon Harrison may, and has joined, the Group's staff stakeholder pension scheme where Old MJ Gleeson will contribute an amount equal to 15 per cent. of his base salary, on a monthly basis, into the plan. Jolyon is entitled to 32 days annual holiday.

7.1.2 Alan Martin

Alan Martin has entered into a service agreement with Old MJ Gleeson dated 11 December 2008 in respect of his appointment as Group Finance Director (now Chief Financial Officer) of Old MJ Gleeson, with an effective date of 1 January 2009 (continuous service dates from November 2006) and shall continue to be so employed, subject to termination upon not less than 12 months' notice by the employer or six months' notice by the employee. Under the service agreement, Alan Martin is entitled to an annual salary of currently £231,000 plus a performance-related bonus, and benefits in kind of £19,000 per annum, comprising family medical insurance, a fuel card and a company car or a car allowance. Under the service agreement, Alan Martin may, and has, joined the Group's staff stakeholder pension scheme where Old MJ Gleeson will contribute an amount equal to 25 per cent. of his base salary, on a monthly basis, to the plan. Alan Martin is entitled to 32 days annual holiday.

7.1.3 Bonus arrangements

Executive Directors are eligible to participate in an annual bonus scheme under which they may potentially receive 150 per cent. of their respective base salaries for achieving target performance. The targets and range over which the bonus vests are set by the Remuneration Committee and are designed to be challenging and to produce an equitable distribution of additional profits earned by superior performance between the executive team and shareholders.

7.2 Non-Executive Directors

7.2.1 Dermot Gleeson

The services of Dermot Gleeson as Non-Executive Director and Chairman of Old MJ Gleeson are provided under the terms of a letter of appointment with Old MJ Gleeson dated 17 September 2014. His appointment is for one year, effective from 1 October 2014 and continues unless terminated by either party on six months' notice. The appointment letter provides for the payment to him by Old MJ Gleeson of directors fees of £90,000 per annum in respect of his appointment.

7.2.2 Ross Ancell

The services of Ross Ancell as a Non-Executive Director of Old MJ Gleeson are provided under the terms of a letter of appointment with Old MJ Gleeson dated 17 September 2014. His appointment is for one year, effective from 1 October 2014 and continues unless terminated by either party on one months' notice. The appointment letter provides for the payment to him by Old MJ Gleeson of a current fee of £40,000 per annum in respect of his appointment (comprising a Board membership fee of £30,000 per annum and a fee of £10,000 per annum for his appointment as Chairman of the Remuneration Committee).

7.2.3 Colin Dearlove

The services of Colin Dearlove as a Non-Executive Director of Old MJ Gleeson are provided under the terms of a letter of appointment with Old MJ Gleeson dated 8 October 2014. His appointment is for one year, effective from 3 December 2013 and continues unless terminated by either party on one months' notice. The appointment letter provides for the payment to him

by Old MJ Gleeson of a current fee of £40,000 per annum in respect of his appointment (comprising a Board membership fee of £30,000 per annum, a fee of £10,000 per annum for his appointment as Chairman of the Audit Committee).

7.2.4 **Christopher Mills**

The services of Christopher Mills as a Non-Executive Director of Old MJ Gleeson are provided under the terms of a letter of appointment with Old MJ Gleeson dated 10 January 2014. His appointment is for one year, effective from 1 January 2014 and continues unless terminated by either party on one months' notice. The appointment letter provides for the payment to him by Old MJ Gleeson of a current fee of £30,000 per annum in respect of his appointment.

Each Non-Executive Director is also entitled to reimbursement of reasonable expenses incurred in the course of his duties.

Save as set out above, none of the Non-Executive Directors is entitled to any benefit upon the termination of his appointment.

8. **DIRECTORS' INTERESTS IN TRANSACTIONS**

Save in respect of Old MJ Gleeson related party transactions as set out below, no Director of Old MJ Gleeson has or has had any interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of Old MJ Gleeson or any members of the MJ Gleeson Group and which were effected by Old MJ Gleeson or any member of the MJ Gleeson Group during the current or immediately preceding financial year and which remain in any respect outstanding or unperformed.

Gleeson Developments Limited has an ongoing arrangement with JDP Contracting Services Ltd ("**JDP Limited**"), of which Jolyon Harrison is a director. Pursuant to this arrangement, JDP Limited supplies plastic fascia units to Gleeson Developments Limited.

Related party transactions requiring disclosure under IAS 24 being the compensation of key management personnel:

Old MJ Gleeson has taken advantage of the exemption available under IAS 24 not to disclose any transactions or balances between Group entities that have been eliminated on consolidation.

9. **INTERESTS OF MAJOR SHAREHOLDERS**

9.1 As at 31 October 2014 (being the latest practicable date prior to the publication of this document), in so far as it has been notified to Old MJ Gleeson pursuant to the Disclosure and Transparency Rules, the name of each person, other than a Director who, directly or indirectly, has a notifiable interest in 3 per cent. or more of Old MJ Gleeson's issued ordinary share capital, and the amount of such person's interest, are set out below:

<i>Name of Shareholder</i>	<i>Percentage of voting rights in respect of Old MJ Gleeson</i>		<i>Percentage of voting rights in respect of New MJ Gleeson</i>	
	<i>Number of Old MJ Gleeson Shares</i>	<i>Percentage of voting rights in respect of Old MJ Gleeson</i>	<i>Number of New MJ Gleeson Shares</i>	<i>Percentage of voting rights in respect of New MJ Gleeson</i>
Harwood Capital LLP	13,655,00*	25.43	13,655,00*	25.43
Schroder Investment Management Ltd.	7,306,010	13.61	7,306,010	13.61
J C Cooper	2,815,365	5.24	2,815,365	5.24

* of these shares, 10,000,000 are held by North Atlantic Smaller Companies Investment Trust, 3,400,000 are held by Oryx International Growth Fund, 200,000 are held by Saudi National Commercial Bank, 300,000 are held by JO Hambro Capital Clients and 25,000 are held by JO Hambro Capital, all pursuant to trust arrangements of which Christopher Mills is a beneficiary.

- 9.2 None of the shareholders listed above will have voting rights that are different to those of any other holder of New MJ Gleeson Shares.
- 9.3 Save as disclosed in paragraph 9.1 above, Old MJ Gleeson is not aware of any person who is, or will be, immediately following the Scheme becoming effective, directly or indirectly, interested in 3 per cent. or more of the New MJ Gleeson Shares.
- 9.4 Old MJ Gleeson is not aware of any person who, following implementation of the Scheme, directly or indirectly, acting jointly or with others or acting alone, could exercise control over New MJ Gleeson.

10. SUMMARY OF THE NEW MJ GLEESON ARTICLES AND SUMMARY OF KEY DIFFERENCES BETWEEN THE NEW MJ GLEESON ARTICLES AND OLD MJ GLEESON ARTICLES

Copies of the Old MJ Gleeson Articles and the New MJ Gleeson Articles are also available for inspection as described in paragraph 17 of Part III.

At present, New MJ Gleeson has one class of ordinary shares, having a nominal value of £1.00 per share (the New MJ Gleeson Subscriber Shares). It is intended that the shareholders of New MJ Gleeson pass a special resolution to adopt amended articles of association for New MJ Gleeson prior to the Scheme Effective Date to create a second class of ordinary shares having a nominal value of 146 pence per share (the New MJ Gleeson Shares), which rank *pari passu* with the New MJ Gleeson Subscriber Shares. Following the Scheme becoming effective, New MJ Gleeson will have two classes of ordinary shares, one having a nominal value of £1.00 and one a nominal value of 146 pence and which will rank *pari passu*.

However, as a result of the intended cancellation of the New MJ Gleeson Subscriber Shares, it is intended that with effect from Admission only ordinary shares of 146 pence each will be in issue (together with the Redeemable Shares).

The current New MJ Gleeson Articles include provisions to the following effect:

10.1 Share rights general

Subject to the provisions of the Companies Acts (as defined in the New MJ Gleeson Articles, with such definition applying for the rest of this paragraph 10) and without prejudice to any rights attached to any shares or class of shares, any share in New MJ Gleeson may be issued with or have attached thereto such preferred, deferred, qualified or other rights or such restrictions, as New MJ Gleeson may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.

The rights and restrictions attached to the ordinary shares of New MJ Gleeson, which rank equally, shall be as follows:

- (A) the holders of the ordinary shares shall be entitled to receive notice of and attend, speak and vote at any general meeting of New MJ Gleeson in accordance with the New MJ Gleeson Articles and each ordinary share shall carry one vote per share;
- (B) the ordinary shares shall have rights to receive any of the profits of New MJ Gleeson available for distribution by way of dividend or otherwise;
- (C) if there is a return of capital on winding-up or otherwise, the assets of New MJ Gleeson available for distribution among the members shall be applied first in repaying in full the holder of the redeemable non-voting preference shares the amount paid up on such shares; second in repaying in full to the holders of the ordinary shares the amount paid up on such shares; and thereafter the holders of the ordinary shares shall be entitled to participate in the profits and assets of New MJ Gleeson equally; and
- (D) the ordinary shares are non-redeemable.

10.1.1 Voting rights

1. Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a show of hands:

- (A) every member who is present in person (or, in the case of a corporate member, present by a duly authorised representative) shall have one vote;
- (B) subject to paragraph (C), every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote; and
- (C) a proxy has one vote for and one vote against the resolution if:
 - (1) the proxy has been duly appointed by more than one member entitled to vote on the resolution; and
 - (2) the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it.

For the purposes of this paragraph, if a duly appointed proxy has received instructions from a shareholder to vote either for or against a resolution, that proxy will not be restricted from casting a second vote the other way under any discretionary voting authority he has been given by another shareholder.

2. Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a poll every member who is present in person or by proxy or by corporate representative has one vote for every share of which he is the holder.
3. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
4. A member in respect of whom an order has been made by any court or other authority having jurisdiction (anywhere in the world) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised for that purpose appointed by any such court or other authority or pursuant to any such law. Such receiver, curator bonis or other person may vote by proxy, and may otherwise act and be treated as such member for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Registered Office (as defined in the New MJ Gleeson Articles, with such definition applying for the rest of this paragraph 10) (or at such other place in the United Kingdom as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.
5. No member shall, unless the Board otherwise determines, be entitled to be present or to vote, either personally or by proxy or by corporate representative, or to be counted in a quorum, at any general meeting unless all calls or other sums presently payable by him in respect of shares in New MJ Gleeson have been paid.
6. For the purposes of determining which persons are entitled to attend and vote at general meetings (or at a separate general meeting of the holders of any class of shares), and how many votes such persons may cast, New MJ Gleeson must specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register of members of New MJ Gleeson in order to have the right to attend and vote at the meeting. In calculating this period, no account shall be taken of any part of a day that is not a working day. Changes to the Register after the time so specified shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. If (i) any objection shall be raised to the qualification of any voter; or (ii) any votes have been counted that ought not to have been counted or that might have been rejected; or (iii) any votes are not counted that ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned

meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection raised or error pointed out in time shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

8. New MJ Gleeson shall not be bound to enquire whether any proxy or corporate representative has voted in accordance with the instructions given to him by the Member he represents and if a proxy or corporate representative does not vote in accordance with the instructions of the member he represents, the vote or votes cast shall nevertheless be valid for all purposes.
9. On a poll, votes may be given either personally or by proxy or (in the case of a corporate member) a duly authorised representative. A person entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.
10. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of New MJ Gleeson. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the appointing member. A proxy need not be a member.

10.1.2 **Variation of rights**

Subject to the provisions of the Companies Acts, all or any of the rights for the time being attached to any class of shares may (whether or not New MJ Gleeson is being wound up) be varied or abrogated either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

All the provisions of the New MJ Gleeson's Articles as to general meetings shall apply with any necessary changes to a separate general meeting of the holders of any class of share (including the proceedings thereat) of New MJ Gleeson, but so that (i) the necessary quorum shall be two persons present holding or representing by proxy or representative (in the case of corporate members) not less than one-third in nominal value of the issued shares of the class in question (excluding any treasury shares); (ii) that any holder of shares of the class in question who is present in person or by proxy or representative (in the case of corporate members) may demand a poll; and (iii) that at any adjourned meeting the quorum shall be one person present in person or by proxy or representative (in the case of corporate members) (whatever the number of shares held by him).

The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to, or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

10.1.3 **Authority to Allot Shares**

- (1) Subject to the provisions of the Companies Acts and the New MJ Gleeson Articles and any authorising resolutions of New MJ Gleeson which are for the time being in force, the shares of New MJ Gleeson shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and upon such terms and conditions as the Board may determine.
- (2)
 - (a) The Board is generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**") to exercise for each prescribed period all the powers of New MJ Gleeson to allot shares in New MJ Gleeson or to grant rights to subscribe for or to convert any security into shares in New MJ Gleeson up to an aggregate nominal amount equal to the Section 551 Amount.
 - (b) The Board shall be empowered during each prescribed period to allot equity securities (as defined in section 560(1) of the 2006 Act) wholly for cash in

accordance with the said authority and independently of such authority to sell treasury shares (within the meaning of section 724(5) of the 2006 Act) wholly for cash as if section 561(1) of the 2006 Act did not apply to such allotment or sale provided that such powers shall be limited to the allotment or sale of equity securities:

- (i) in connection with a pre-emptive issue; and
- (ii) otherwise than in connection with a pre-emptive issue, up to an aggregate nominal amount equal to the section 561 Amount.

(3) For the purposes of paragraph 10.1.3:

- “pre-emptive issue” means an offer of equity securities (whether by way of rights issue, open offer or other pre-emptive basis) which is open for acceptance for a period fixed by the Board to holders of equity securities on the register of members of New MJ Gleeson on a date fixed by the Board in proportion (as nearly as may be) to their respective holdings of those securities (or which would be held by them if other shares or securities held by them are deemed to have been converted into equity securities in calculating the extent of their holdings or in accordance with the rights attached thereto) but subject to such exclusions or other arrangements as the Board considers necessary or expedient to deal with fractional entitlements; or directions from any holders of shares to deal in some other manner with their respective entitlements; or legal, regulatory or practical problems arising in any overseas territory; or under the laws or requirements of any regulatory body or stock exchange or other authority, in any territory.
- “prescribed period” means any period (not exceeding five years on any occasion) for which (i) any authority conferred pursuant to paragraph (2)(a) is conferred or renewed by ordinary or special resolution stating the Section 551 Amount, and (ii) the power conferred pursuant to paragraph (2)(b) is conferred or renewed by special resolution stating the Section 561 Amount;
- the “Section 551 Amount” means for any prescribed period the amount stated in the relevant ordinary or special resolution of New MJ Gleeson or any increased amount fixed by ordinary or special resolution;
- the “Section 561 Amount” means for any prescribed period the amount stated in the relevant special resolution;
- the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of New MJ Gleeson, the nominal amount of such shares which may be allotted pursuant to such rights;
- New MJ Gleeson may before the expiry of any prescribed period or before any revocation or amendment of such authority make an offer or agreement which would or might require shares to be allotted or rights to be granted to subscribe for or convert any security into shares or treasury shares to be sold after expiry of the prescribed period or any such revocation or amendment and the Board may allot or grant such rights or sell such shares in pursuance of any such offer or agreement as if the power to do so had not expired or been revoked or varied;
- any authority conferred pursuant to paragraph 2(a) shall be capable of revocation or variation by ordinary or special resolution and of renewal by ordinary or special resolution for a period not exceeding five years; and
- any power conferred pursuant to paragraph 2(b) shall be capable of revocation or variation by special resolution and of renewal by special resolution for a period not exceeding five years.

10.1.4 **Redeemable Shares**

Subject to the provisions of the Companies Acts, any shares may be issued on terms that they are, or at the option of New MJ Gleeson or the member are, liable to be redeemed. The Board may determine the terms, conditions and manner of redemption of any such shares provided it does so before the shares are allotted.

The rights and restrictions attached to the 50,000 redeemable non-voting preference shares of £1.00 each, issued at the date of incorporation of New MJ Gleeson, are as follows:

- (A) the redeemable non-voting preference shares shall carry no rights to receive any of the profits of New MJ Gleeson available for distribution by way of dividend or otherwise;
- (B) if there is a return of capital on winding-up or otherwise, the assets of New MJ Gleeson available for distribution among the members shall be applied first in repaying in full the holder of the redeemable non-voting preference shares the amount paid up on such shares;
- (C) except as provided above, the redeemable non-voting preference shares shall not carry any right to participate in profits or assets of New MJ Gleeson;
- (D) subject to the provisions of the Companies Acts, New MJ Gleeson may redeem the redeemable non-voting preference shares at their nominal amount at any time specified by either the Directors or the holders of the redeemable non-voting preference shares, provided always that if New MJ Gleeson shall at any time be unable in compliance with the provisions of the Companies Acts to redeem the redeemable non-voting preference shares on the date specified by the Directors of New MJ Gleeson or by the holders of the redeemable non-voting preference shares, then New MJ Gleeson shall redeem such shares as soon as it is able to comply with such provisions of the Companies Acts, and provided that the redeemable non-voting preference shares are redeemed no later than 19 December 2015;
- (E) on the redemption of any redeemable non-voting preference shares such redeemable non-voting preference shares shall be cancelled;
- (F) subject to the provisions of the Companies Acts, any notice of redemption served shall specify the date fixed for redemption and upon such date the holders of the redeemable non-voting preference shares shall be bound to present the certificate in respect thereof in order that the same may be cancelled. Upon such delivery New MJ Gleeson shall pay to such holders the amount due to them in respect of such redemption; and
- (G) the holders of the redeemable non-voting preference shares shall not be entitled to receive notice of or attend and vote at any general meeting of New MJ Gleeson unless a resolution is to be proposed:
 - (i) to wind up New MJ Gleeson; or
 - (ii) which varies, modifies, alters or abrogates any of the rights attaching to the redeemable non-voting preference shares.

10.1.5 **Transfer of shares**

Subject to such of the restrictions of the New MJ Gleeson Articles as may be applicable, any member may transfer all or any of his shares held in certificated form by an instrument of transfer in the usual or common form or in any other form which the Board may approve.

The instrument of transfer of a share held in a certificated form shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of New MJ Gleeson in respect thereof. All instruments of transfer, when registered, may be retained by New MJ Gleeson.

The transfer of a share in uncertificated form must be made in accordance with and subject to the Uncertificated Securities Regulations (as defined in the New MJ Gleeson Articles) and the facilities and arrangements of the relevant system and in accordance with any arrangements made by the Board pursuant to the New MJ Gleeson Articles.

The Board may, in its absolute discretion, decline to register any transfer of a share in certificated form that is not a fully paid up share or on which New MJ Gleeson has a lien provided that in the case of shares admitted to the Official List of the UK Listing Authority, or AIM, a market operated by London Stock Exchange plc, such discretion may not be exercised

in such a way as to prevent dealings in the shares from taking place on an open and proper basis.

No transfer of any share shall be made to a bankrupt or person who is mentally disordered or a patient for any purpose of any statute relating to mental health.

The Board may also refuse to register any transfer unless:

- (A) in the case of a share in certificated form, the instrument of transfer, duly stamped, if required, is lodged at the Registered Office (or at such other place as the Board may decide) accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (B) in the case of a share in certificated form, the instrument of transfer is in respect of only one class of share;
- (C) in the case of a transfer to joint holders of a share in certificated or uncertificated form, the number of joint holders to whom the share is to be transferred does not exceed four; and
- (D) in the case of a share in uncertificated form, the Uncertificated Securities Regulations do not allow it.

If the Board refuse to register a transfer it shall send to the transferee notice of the refusal together with reasons for the refusal:

- (A) in the case of a share in certificated form, as soon as reasonably practicable but in any event by such time as is the earlier of (1) the time required by the rules of the London Stock Exchange in force for the time being or (2) the expiration of two months after the date upon which the instrument of transfer was lodged; and
- (B) in the case of a share in uncertificated form, as soon as reasonably practicable but in any event within two months of New MJ Gleeson receiving properly authenticated “dematerialised instructions” attributable to Euroclear UK & Ireland Limited (previously named CRESTCo Limited) to update the register of members of New MJ Gleeson to show the transferee as the holder thereof.

No fee shall be charged by New MJ Gleeson for registering any transfer or any document relating to or affecting the title to any share, or otherwise making any entry in the register of members of New MJ Gleeson affecting the title to any share.

10.1.6 **Dividends**

Subject to the Companies Acts, New MJ Gleeson may by ordinary resolution declare dividends to be paid to the members according to their rights and interests in the profits available for distribution but no dividend shall be declared in excess of the amount recommended by the Board.

The Board may pay such interim dividends as appear to the Board to be justified by the financial position of New MJ Gleeson. The Board may also pay any dividends on any class of shares payable at a fixed rate on dates determined by the Board whenever the financial position of New MJ Gleeson justifies payment. If the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred, or deferred, rights.

Unless, and to the extent that, the rights attached to any shares, or the terms of issue thereof, otherwise provide all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this paragraph no amount paid up on a share in advance of calls shall be treated as paid up on the share.

New MJ Gleeson may, upon the recommendation of the Board, by ordinary resolution direct that payment of a dividend shall be satisfied in whole or in part by the distribution of specific

assets (and in particular of paid up shares or debentures of any other company) and the Board shall give effect to such resolution.

No dividend or other moneys payable on, or in respect of, a share shall bear interest as against New MJ Gleeson, unless otherwise provided by the rights attaching to the shares.

Any dividend unclaimed after a period of 12 years from the date on which such dividend is payable shall be forfeited and shall revert to New MJ Gleeson. The Board may pay any unclaimed dividend or other moneys payable on or in respect of a share into a separate account but this shall not constitute New MJ Gleeson a trustee in respect of those dividends or monies.

The Board may, with the sanction of an ordinary resolution of New MJ Gleeson, offer members the right to elect to receive shares, credited as fully paid, in instead of cash in respect of all or some part of the dividend specified in the resolution. In those circumstances specific provisions within the New MJ Gleeson Articles apply.

10.1.7 *Disclosure of shareholdings*

Where a member or any person appearing to be interested in any shares in New MJ Gleeson has been served with a notice under section 793 of the 2006 Act (a "793 Notice") and New MJ Gleeson has not, within the period specified in the 793 Notice, which shall not be less than 14 days from service or deemed service of the notice, (or such further period as the Board may in its discretion allow), received the information required by the 793 Notice in respect of any shares (in this paragraph, the "Relevant Shares") the Board may by notice in writing impose on the registered holder of the Relevant Shares, any or all of the sanctions set out in, and in accordance with, the relevant provisions of the New MJ Gleeson Articles.

10.2 General meetings

The Board shall convene and New MJ Gleeson shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. Any general meeting of New MJ Gleeson other than an annual general meeting shall be called a general meeting.

The Board may, whenever it thinks fit, and in accordance with the Companies Acts, convene a general meeting and, on the requisition of members under the Companies Acts, shall promptly convene a general meeting in accordance with the Companies Acts and if it shall fail to do so within the time allowed by the Companies Acts, any of the requisitionists may do so. If sufficient Directors are not within the United Kingdom to call a general meeting, any Director or member may call a general meeting.

An annual general meeting shall be called by not less than 21 clear days' notice. Subject to the Companies Act, all other general meetings shall be called by not less than 14 clear days' notice.

10.3 Directors

10.3.1 *Appointment and removal of directors*

Subject to the New MJ Gleeson Articles, New MJ Gleeson may by ordinary resolution appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board.

Subject to the New MJ Gleeson Articles, the Board shall have power from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting and shall then be eligible for reappointment but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

New MJ Gleeson may by special resolution, or by ordinary resolution of which special notice has been given in accordance with the provisions of the Companies Acts, remove any Director before the expiration of his period of office and may (subject to the provisions of the

New MJ Gleeson Articles) by ordinary resolution appoint another person in his place. Any person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director.

No person other than a Director retiring at the meeting shall, unless recommended by the Board, be appointed a Director at any general meeting unless, not less than 7 and not more than 42 clear days before the day appointed for the meeting, there has been given to New MJ Gleeson notice by some member entitled to attend and vote at the meeting (not being the person to be proposed) of his intention to propose such person for appointment and also notice signed by the person to be proposed of his willingness to be appointed.

10.3.2 ***Number of directors and shareholding qualification***

Unless and until otherwise determined by ordinary resolution of New MJ Gleeson, the number of Directors (disregarding alternate Directors) shall be not less than 2 and not more than 15 in number.

No shareholding qualification for Directors shall be required.

10.3.3 ***Retirement of directors by rotation***

Subject to the provisions of the New MJ Gleeson Articles at every annual general meeting all Directors holding office at the start of business on the day of the notice convening such meeting and who also held office at the time of both of the two immediately preceding annual general meetings and did not retire at either such meeting, shall retire from office.

If the number of Directors due to retire at any annual general meeting by virtue of the paragraph above, when added to the number of other Directors (if any) who wish to retire and not to offer themselves for re-appointment at such meeting, is less than that number which is one third of the total number of the Directors, or if such total number is not divisible by three that number which is nearest to but does not exceed one third (the "Minimum Retirement Number"), then such number of additional Directors shall retire at such meeting as will increase the total number of Directors so retiring to the Minimum Retirement Number. In calculating the total number of the Directors and the Minimum Retirement Number there shall be disregarded any Director who is in any case due to retire at such meeting by virtue of their appointment by the Board (see 'Appointment and removal of directors' section above), who shall retire accordingly. Such additional Directors shall be those who, apart from those otherwise retiring at such meeting, have been longest in office since their last appointment, but as between persons who became or were last appointed Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The Directors to retire on each occasion under this provision (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting and no such Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after such date but before the close of the meeting.

A Director who retires at an annual general meeting shall be eligible for re-appointment. If he is not appointed, or deemed to have been appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting. There shall be circulated with the notice of a resolution to re-appoint a retiring Director details of any committees of the Board upon which such Director has previously served.

Subject to the provisions of the New MJ Gleeson Articles, at the meeting at which a Director retires by rotation, New MJ Gleeson may fill the vacated office by appointing a person thereto and in default the retiring Director shall, if willing to continue to act, be deemed to have been reappointed unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the reappointment of such Director shall have been put to the meeting and lost.

10.3.4 **Remuneration of directors**

The remuneration of the Directors for their services as such (excluding amounts payable under other provisions of the New MJ Gleeson Articles) shall be determined by the Board. Such sum (unless otherwise directed by the resolution of New MJ Gleeson) shall be divided amongst the directors in such proportions and in such manner as the Board may determine or, failing such determination, equally.

10.3.5 **Appointment of executive directors**

The Board may from time to time appoint one or more of its body to be an Executive Director (as defined in the New MJ Gleeson Articles) for such period (subject to the provisions of the Companies Acts) and upon such terms as the Board may determine and may revoke or terminate any such appointment. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against New MJ Gleeson or New MJ Gleeson may have against such Director for any breach of any contract of service between him and New MJ Gleeson that may be involved in such revocation or termination.

10.3.6 **Permitted interests of directors**

- (1) The Board may, subject to the quorum and voting requirements in the relevant provision of the New MJ Gleeson Articles, authorise any matter which relates to a situation in which a Director (the “relevant Director”) has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of New MJ Gleeson and which would, if not so authorised or otherwise permitted under the 2006 Act or the New MJ Gleeson Articles, result in a breach of duty by the relevant Director under section 175 of the 2006 Act (a “Conflict”).

Any Director (including the relevant Director) may propose that a Conflict be authorised by the Board. Such proposal and any authorisation given by the Board shall be effected in accordance with the provisions of the New MJ Gleeson Articles.

A Director must disclose to the Board: (i) the nature and extent of any Conflict, including the nature and extent of the interest of the relevant Director; (ii) such additional information known to the relevant Director in relation to the Conflict as is necessary to enable the Board to decide whether or not to authorise the Conflict; and (iii) such additional information known to the relevant Director in relation to the Conflict as the Board may request in connection with the decision of the Board whether or not to authorise the Conflict.

Where the Board authorises a Conflict:

- (1) the relevant Director and any other interested Director will not count towards the quorum nor vote on any resolution giving such authorisation (and if he does vote his vote will not be counted);
- (2) the Board may (in connection with giving the authorisation or subsequently):
 - (a) require that the relevant Director is excluded from the receipt of information, participation in discussions (whether at meetings of the Board or otherwise) relating to the Conflict;
 - (b) impose upon the relevant Director such other terms for the purpose of dealing with the Conflict as it may determine; and
 - (c) decide that each relevant director may or may not vote or may or may not be counted in the quorum at any future meeting of directors in relating to any resolution relating to the Conflict(together “Relevant Terms”);
- (3) each relevant Director will be obliged to comply with any Relevant Terms and any failure to comply with Relevant Terms by the relevant Director will, unless such failure is authorised by the Board, result in the cessation of any authorisation by the Board of the Conflict on the Relevant Terms;

- (4) the Board may decide that where the relevant Director obtains or has obtained (in connection with the Conflict and otherwise than through his position as a Director) information that is confidential to a third party, the Director will not be obliged to disclose that information to New MJ Gleeson, or to use or apply the information in relation to the New MJ Gleeson's affairs in circumstances where to do so would be a breach of that confidence;
 - (5) the authorisation may extend to any actual or potential Conflict which can reasonably be expected to arise out of the Conflict which has been authorised;
 - (6) the Relevant Terms must be recorded in writing and notified to the relevant Director (but the authority will be effective whether or not the Relevant Terms are so recorded and notified); and
 - (7) the Board may revoke or vary the authorisation at any time but this will not affect anything done by the relevant Director in accordance with the Relevant Terms prior to such revocation or variation and notice of any such revocation or variation will be given to the relevant Director (but such revocation or variation shall be effective whether or not such notice is given).
- (2) Subject to paragraph (5) below, a Director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with New MJ Gleeson must declare the nature and extent of that interest.
- (3) Subject to paragraph (5) below, a Director who is in any way, directly or indirectly, interested in an existing transaction or arrangement with New MJ Gleeson must declare the nature and extent of that interest save to the extent that the interest has already been declared under paragraph (2).
- (4) A declaration of interest shall be made at a meeting of the Board or by notice in writing to the Directors in accordance with section 184 of the 2006 Act or by general notice in accordance with section 185 of the 2006 Act.
- (5) A Director need not declare an interest under paragraph (2) or (3) above:
- (a) of which the Director is not aware, or where the Director is not aware of the transaction or arrangement in question, and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware;
 - (b) to the extent that the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware);
 - (c) to the extent that it concerns terms of a service contract that have been or are to be considered by a Board meeting or a committee of the Directors appointed for the purpose under the New MJ Gleeson Articles;
 - (d) to the extent that it has been the subject of authorisation under the relevant provision of the New MJ Gleeson Articles; or
 - (e) to the extent that where the relevant matter falls within Chapter 4 of Part 10 of the 2006 Act, approval is given under that Chapter or the matter is one as to which it is provided in that Chapter that approval is not needed.
- (6) Subject to the provisions of the Companies Acts and to the relevant provisions of the New MJ Gleeson Articles, a Director or proposed or intending director of New MJ Gleeson shall not be disqualified by such office from contracting with New MJ Gleeson, either with regard to any office or place of profit or employment or as vendor, purchaser or in any other manner whatsoever. A Director shall not, by reason of his office or of the fiduciary relationship established by reason of his being a director, be accountable to New MJ Gleeson for any remuneration, profit or other benefit which he (or any connected person as defined in the relevant provision of the New MJ Gleeson Articles) or any firm with which he is associated) derives from or in connection with any Conflict authorised above or any

matter permitted under paragraph (7) below and no such contract, transaction or arrangement shall be liable to be set aside on such grounds.

- (7) Provided that a Director has declared his interest in accordance with and subject to the New MJ Gleeson Articles, and, where relevant, subject to compliance by the Director with the provisions of the 2006 Act, notwithstanding his office the Director may:
- (a) be a party to or in any other way, directly or indirectly, interested in any transaction or arrangement to which New MJ Gleeson is a party or in which New MJ Gleeson is interested, directly or indirectly;
 - (b) hold any other office or place of profit with New MJ Gleeson (except that of auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration, as the Board may decide;
 - (c) act by himself or through a firm with which he is associated in a professional capacity for New MJ Gleeson or any other body corporate in which New MJ Gleeson may be interested (otherwise than as auditor) and if acting for New MJ Gleeson, he or his firms shall be entitled to remuneration for professional services as if he were not a director;
 - (d) be or become a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate promoted by New MJ Gleeson or in which New MJ Gleeson may be interested or as regards which it has any power of appointment; and
 - (e) be or become a director or other officer of any body corporate in which New MJ Gleeson does not have a direct or indirect interest in circumstances where his being or becoming a director or other officer of such body corporate cannot reasonably be regarded as giving rise to a conflict of interest at the time of or during his appointment as such a director or other officer.
- (8) Without prejudice to any other provision of the New MJ Gleeson Articles, a Director shall not be counted in the quorum nor vote on any resolution of the Board in respect of any matter in which he is directly or indirectly interested (and if he does vote his vote will not be counted). Subject to the provisions of the Companies Acts and the New MJ Gleeson Articles, this prohibition shall not apply to the following matters:
- (1) a matter where his interest cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - (2) a matter to the extent that it has been authorised under the New MJ Gleeson Articles as above; or
 - (3) a matter where the interest arises only from one or more of a number of specific circumstances outlined within the New MJ Gleeson Articles.
- (9) A Director shall not be counted in the quorum nor vote (and if he does vote his vote will not be counted) on any resolution of the Board concerning his own appointment (including the terms thereof) or removal as the holder of any office or place of profit with New MJ Gleeson or any other body corporate in which New MJ Gleeson is interested.
- (10) Where arrangements are under consideration by the Board concerning the appointment (including the terms thereof) or removal of two or more Directors to offices or places of profit with New MJ Gleeson or any other body corporate in which New MJ Gleeson is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to be counted in the quorum and to vote in respect of each resolution except that concerning his own appointment and except (in the case of an office or place of profit with any such other body corporate as aforesaid) where the other body corporate is a body corporate in which the Director owns one per cent. or more within the meaning of the relevant provision of the New MJ Gleeson Articles.

- (11) If any question shall arise at any meeting of the Board as to the interest of a Director or as to the entitlement of any Director to be counted in the quorum or to vote and such question is not resolved by the Director voluntarily agreeing to abstain from voting and not to be counted in the quorum, such question shall be decided by a resolution of the Board (for which purpose the Director shall not be counted in the quorum and shall not vote thereon and, if he does vote, his vote will not be counted) and such resolution shall be final and conclusive.
- (12) Subject to the provisions of the Companies Acts New MJ Gleeson may by ordinary resolution suspend or relax the relevant provisions of the New MJ Gleeson Articles relating to Director's interests to any extent or ratify any matter not properly authorised by reason of a contravention of the article of the New MJ Gleeson Articles relating to Director's interests.

10.4 Indemnity of officers

Subject to the Companies Acts, but without prejudice to any indemnity to which any person referred to in this section may otherwise be entitled, New MJ Gleeson may indemnify a relevant director or other officer (excluding any auditor) of New MJ Gleeson or of an associated company out of the New MJ Gleeson's assets against:

- (A) any liability incurred by such a person in connection with any negligence, default, breach of duty or breach of trust or otherwise in relation to New MJ Gleeson or an associated company;
- (B) any liability incurred by such a person in connection with the activities of New MJ Gleeson or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act); and
- (C) any other liability incurred by such a person as an officer of New MJ Gleeson or of an associated company.

Subject to the Companies Acts, New MJ Gleeson may provide any relevant director or other officer (excluding any auditor) of New MJ Gleeson or of an associated company with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application relating to a liability referred to above and otherwise may take any action to enable any such person to avoid incurring such expenditure. Definitions regarding when companies are associated and the meaning of 'relevant director' are contained in the New MJ Gleeson Articles.

10.5 Borrowing Powers

- 10.5.1 Subject to paragraph 10.5.2 and to the provisions of the Companies Acts the Board may exercise all the powers of New MJ Gleeson to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of New MJ Gleeson and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of New MJ Gleeson or of any third party.
- 10.5.2 The Board shall restrict the borrowings of New MJ Gleeson and exercise all voting and other rights or powers of control exercisable by New MJ Gleeson in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Board can secure) that the aggregate principal amount from time to time outstanding of all borrowings by the Group (defined as New MJ Gleeson and its subsidiary undertakings (if any) and a member of the Group shall mean New MJ Gleeson and each of such undertakings) exclusive of borrowings owing by one member of the Group to another member of the Group, other than amounts to be taken into account under specific provisions of the New MJ Gleeson Articles, shall not, without the previous sanction of an ordinary resolution of New MJ Gleeson, at any time exceed an amount equal to 5 times the Adjusted Capital and Reserves (as defined in the New MJ Gleeson Articles).

10.6 Summary of the principal differences between the New MJ Gleeson Articles and the Old MJ Gleeson Articles

The principal differences between the New MJ Gleeson Articles and the Old MJ Gleeson Articles are:

- (a) the inclusion of share rights in relation to the New MJ Gleeson Subscriber Shares and the Redeemable Shares;
- (b) the inclusion of new pre-emption rights language which means that shorter resolutions can be proposed in relation to authorities to allot shares;
- (c) the removal of provisions relating to the holding of satellite meetings;
- (d) the removal of provisions relating to special business at general meetings;
- (e) the inclusion of provisions relating to the declaration of Director's interests generally, and a provision that the Company may by ordinary resolution suspend or relax the provisions relating to Directors' interests or ratify any matter not properly authorised;
- (f) the removal of a provision relating to auditors which is already prescribed in statute; and
- (g) changing the minimum number of directors to two directors.

11. MJ GLEESON GROUP EMPLOYEE SHARE PLANS

11.1 Old MJ Gleeson Employee Share Plans

It is the Board's intention that awards under the Old MJ Gleeson Employee Share Plans will not vest early as a result of the Scheme but will continue on the same basis under the New MJ Gleeson Shares Plans, other than that they will ultimately deliver New MJ Gleeson Shares rather than Old MJ Gleeson Shares. Participants in the Old MJ Gleeson Employee Share Plans will be written to separately to explain the impact of the Scheme on their participation in more detail.

11.2 New MJ Gleeson Employee Share Plans

The following is a summary of the main provisions of the New MJ Gleeson Employee Share Plans which are to be adopted by New MJ Gleeson conditional upon the Old MJ Gleeson Shareholders approving their adoption by New MJ Gleeson at the General Meeting, and subject to the Scheme becoming effective. The New MJ Gleeson Employee Share Plans are substantially the same as the Old MJ Gleeson Share Plans which they replace.

It is expected that, going forward for employees (including the Executive Directors), New MJ Gleeson will operate the New MJ Gleeson 2014 Performance Share Plan and the New MJ Gleeson 2014 Group Share Purchase Plan.

The following summarises the main provisions of the New MJ Gleeson Employee Share Plans:

11.2.1 New MJ Gleeson 2014 Performance Share Plan

Administration

Awards will be granted, and the New MJ Gleeson 2014 Performance Share Plan will be administered, by the Remuneration Committee. Any decisions of the Remuneration Committee made pursuant to any provisions of this Plan (other than a matter to be approved by New MJ Gleeson) shall be final and binding on all Participants. Awards are non-pensionable, and other than on death are non-transferable.

Eligibility

Awards may be granted to any of the employees of New MJ Gleeson or its subsidiaries ("**PSP Participants**"), including the New MJ Gleeson Directors. For the avoidance of doubt, this does not include New MJ Gleeson Non-Executive Directors.

Form of awards

Under the New MJ Gleeson 2014 Performance Share Plan, awards will take the form of a conditional right to receive New MJ Gleeson Shares which will be automatically transferred to the PSP Participant following vesting.

Plan limits

Awards may be satisfied using new issue New MJ Gleeson Shares, New MJ Gleeson Shares held in treasury or New MJ Gleeson Shares purchased in the market.

In any ten year period ending on the relevant date of grant of an award, the maximum number of New MJ Gleeson Shares which may be issued or made issuable under New MJ Gleeson 2014 Performance Share Plan and any other employees' share scheme operated by New MJ Gleeson and Old MJ Gleeson shall not exceed ten per cent of the issued ordinary share capital of New MJ Gleeson on the last dealing day before the relevant date of grant. New MJ Gleeson Shares taken into account again following the vesting of awards and any awards that have lapsed unvested shall fall out of account. New MJ Gleeson Shares purchased to satisfy awards shall not count towards this limit.

Individual limit

The maximum value of the New MJ Gleeson Shares over which a PSP Participant may be granted an award under the New MJ Gleeson 2014 Performance Share Plan in any financial year shall not exceed an amount equal to 300 per cent of the PSP Participant's annual rate of basic salary at that time.

Timing of grant of awards

Normally, awards may only be granted within a period of 42 days following the date of Shareholder approval of the New MJ Gleeson Performance Share Plan or the date of announcement by New MJ Gleeson of its interim or final results (or within 21 days of restrictions lifting if New MJ Gleeson is restricted from being able to grant awards during such period). Awards may not be granted under the New MJ Gleeson 2014 Performance Share Plan more than ten years after its adoption.

Performance conditions

The Remuneration Committee will determine the performance conditions which will apply to awards and the time period over which the conditions will apply. There will be no provision for re-testing. The Remuneration Committee may alter the performance conditions if events happen after the date of grant which would make the amended performance condition a fairer measure of New MJ Gleeson's performance, provided that the revised target is no more or less difficult to achieve. Performance conditions proposed for New MJ Gleeson Directors are outlined in New MJ Gleeson's remuneration policy, which will be set out in the annual report on directors' remuneration.

Vesting

To the extent that the performance conditions have been met, an award shall normally vest on the third anniversary of its date of grant or such other date as the Remuneration Committee shall determine at the date of grant. Awards governed under the New MJ Gleeson Performance Share Plan to replace awards cancelled under the Old MJ Gleeson Group Performance Share Plan or the Scheme becoming effective will have a vesting period of less than three years to reflect the expiration of part of the vesting period under the Old MJ Gleeson Group Performance Share Plan.

Leavers

An award shall vest in the event of the PSP Participant ceasing to be a New MJ Gleeson Group employee only to the extent that the Remuneration Committee in its absolute discretion so determines within 14 days of such cessation.

Corporate actions

In the event of a change of control, all outstanding awards vest to the extent determined by the Remuneration Committee taking into account the extent to which performance conditions have been met.

If the court sanctions a compromise or arrangement in relation to New MJ Gleeson, the Remuneration Committee shall determine whether and to what extent awards shall vest or whether awards shall be exchanged for awards of similar value over shares in the company which exists after the compromise or arrangement takes effect.

If New MJ Gleeson proposes to pass a resolution for its voluntary winding-up, awards shall vest to the extent determined by the Remuneration Committee, taking into account the extent

to which performance conditions have been met and the proportion of the performance period which has expired.

To the extent that awards do not vest or are not exchanged, they shall be forfeited.

Variation of capital

The number of New MJ Gleeson Shares subject to an award may be adjusted, in such a manner as the Remuneration Committee may determine, following any variation in the share capital of New MJ Gleeson.

Alterations

The New MJ Gleeson Directors may, by a resolution, at any time alter all or any of the provisions of the New MJ Gleeson 2014 Performance Share Plan except that the basis for determining a PSP Participant's entitlements under the plan, and any adjustments thereto in the event of a variation in capital, shall not be altered to the advantage of the PSP Participants without the prior agreement of New MJ Gleeson in general meeting.

Any alteration which is a minor amendment to benefit the administration of the Plan, to take account of changes in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for PSP Participants or for New MJ Gleeson or for members of the New MJ Gleeson Group does not need prior approval of New MJ Gleeson's Shareholders.

11.2.2 **Old MJ Gleeson Group Share Purchase Plan**

The Old MJ Gleeson Group Share Purchase Plan will continue only in respect of existing awards granted under the Old MJ Gleeson Group Share Purchase Plan. Once the Scheme becomes effective, any existing awards over Old MJ Gleeson Shares will be exchanged for awards over New MJ Gleeson Shares. Any new awards granted by New MJ Gleeson will be made under the New MJ Gleeson 2014 Group Share Purchase Plan details of which are set out below.

11.2.3 **New MJ Gleeson 2014 Group Share Purchase Plan**

Administration

Awards will be granted, and the New MJ Gleeson 2014 Group Share Purchase Plan will be administered by the Board. Awards are non-pensionable.

Eligibility

Subject to certain qualifying periods of employment, the New MJ Gleeson 2014 Group Share Purchase Plan will be open to all employees of New MJ Gleeson, and any of its subsidiaries which the New MJ Gleeson Directors select for participation, who are eligible under the rules of the New MJ Gleeson 2014 Group Share Purchase Plan and under Schedule 2 of ITEPA ("**GSPP Participants**").

Form of awards

Under the New MJ Gleeson 2014 Group Share Purchase Plan, awards constitute an interest in New MJ Gleeson Shares which will be held on behalf of the GSPP Participants by the trustees of a special employee trust ("**2014 GSPP Trust**") which is an integral part of the New MJ Gleeson 2014 Group Share Purchase Plan. Awards may take the form of:

- New MJ Gleeson Shares bought from GSPP Participant's pre-tax salary up to a maximum value of £1,800 per year ("**Partnership Shares**");
- New MJ Gleeson Shares awarded on a maximum matching 2:1 basis with purchases of Partnership Shares ("**Matching Shares**"). The current practice is that Matching Shares are awarded on a 1:3 basis. Initially, New MJ Gleeson will award 1 Matching Share for every 3 Partnership Shares acquired by the GSPP Participant;
- New MJ Gleeson Shares awarded free at the discretion of the Board up to a maximum value of £3,600 per year ("**Free Shares**"); and
- New MJ Gleeson Shares bought from reinvested dividends on other awards ("**Dividend Shares**");

Leavers

A GSPP Participant who ceases to be in relevant employment must remove his New MJ Gleeson Shares from the New MJ Gleeson 2014 Group Share Purchase Plan.

Alterations

The New MJ Gleeson Directors may, with the consent of the trustees of the 2014 GSPP Trust, amend the New MJ Gleeson 2014 Group Share Purchase Plan, except that the provisions relating to making amendments, eligibility, the individual limits on taking part, the overall limits on the issuing of New MJ Gleeson Shares or the rights attaching to New MJ Gleeson Shares received and the rights of GSPP Participants upon any variation of share capital may not be amended to the advantage of eligible employees or GSPP Participants without prior approval of New MJ Gleeson's Shareholders.

Minor amendments in relation to the administration of the New MJ Gleeson 2014 Group Share Purchase Plan, to take account of a change in the law or to obtain or keep favourable tax treatment, exchange control or regulatory treatment for New MJ Gleeson Group employees may be made without prior approval of New MJ Gleeson's Shareholders.

Termination

Shares may not be awarded under the New MJ Gleeson 2014 Group Share Purchase Plan more than ten years after its adoption unless the New MJ Gleeson 2014 Group Share Purchase Plan is extended by approval of the New MJ Gleeson Shareholders.

The 2014 GSPP Trust

The New MJ Gleeson 2014 Group Share Purchase Plan will operate in conjunction with the 2014 GSPP Trust established for the purposes of the New MJ Gleeson 2014 Group Share Purchase Plan.

12. Other New MJ Gleeson Authorities

The holders of the New MJ Gleeson Subscriber Shares and/or the directors of New MJ Gleeson are expected to pass prior to the Scheme Effective Date, certain resolutions in order to, among other matters, authorise New MJ Gleeson to carry out certain actions required of it in relation to the Proposals, including:

- (a) the authority for the directors of New MJ Gleeson to allot New MJ Gleeson Shares pursuant to the Scheme;
- (b) the authority for the directors of New MJ Gleeson to allot New MJ Gleeson Shares generally;
- (c) the authority to make allotments otherwise than in accordance with pre-emption rights;
- (d) the authority to make market purchases of New MJ Gleeson's own shares;
- (e) the approval of the New MJ Gleeson Capital Reduction;
- (f) the authority for the directors of New MJ Gleeson to convene a general meeting on 14 clear days' notice;
- (g) the approval of the appointment of the other directors of Old MJ Gleeson as directors of New MJ Gleeson, and approval of service contracts and letters of appointment for the New MJ Gleeson directors;
- (h) the adoption and approval of the New MJ Gleeson Employee Share Plans;
- (i) the creation of a remuneration committee, audit committee and nomination committee of New MJ Gleeson, the approval of terms of reference for each of these committees, and the appointment of members to each of these committees;
- (j) the approval of the remuneration policy of New MJ Gleeson; and
- (k) the authority for the directors of New MJ Gleeson to determine the auditors' remuneration.

The authorities to be granted in relation to allotment of shares and the ability for New MJ Gleeson to purchase its own shares referred to in (b), (c) and (d) above are equivalent to corresponding authorities that are

proposed to be granted to the Directors at the Old MJ Gleeson annual general meeting. The remuneration policy to be approved is equivalent to the remuneration policy in relation to which approval is being sought from the Old MJ Gleeson Shareholders at the annual general meeting.

It is expected that the directors of New MJ Gleeson will only be authorised to implement the New MJ Gleeson Capital Reduction if the Old MJ Gleeson Shareholders pass Special Resolution 2 which will be proposed at the General Meeting (details of which are set out in the Notice of General Meeting). Accordingly, Old MJ Gleeson Shareholders will not be required separately to approve the New MJ Gleeson Capital Reduction once they have become shareholders in New MJ Gleeson pursuant to the Scheme.

13. CONSENT

N+1 Singer has given and not withdrawn its written consent to the inclusion of references to its name in this document in the form and context in which they appear. In accordance with customary practice in providing financial advice, N+1 Singer has not provided legal or taxation advice in relation to the Scheme.

14. COSTS AND EXPENSES REGARDING ISSUE OF DOCUMENTATION

The costs and expenses relating to the issue of this document and the Prospectus and to the negotiation, preparation and implementation of the Scheme will be borne by the MJ Gleeson Group.

PART V

TAXATION

The following section is a summary guide only to certain aspects of tax in the UK. This is not a complete analysis of the potential tax effects of the Proposals nor will it relate to the specific tax position of all New MJ Gleeson Shareholders in all jurisdictions. This summary does not purport to be a legal opinion. Shareholders are advised to consult their own tax advisers as to the effects of the Proposals in relevant jurisdictions.

This summary assumes the Proposals (including but not limited to the New MJ Gleeson Capital Reduction) have been effected in full.

1. UK TAXATION

The following summary is intended as a general guide only and relates only to certain limited aspects of UK tax consequences of the Scheme for Shareholders and of holding and disposing of New MJ Gleeson Shares. It is based on current UK tax law and the current practice of HMRC, both of which are subject to change, possibly with retrospective effect. The summary applies only to Shareholders who are resident and, if individuals, ordinarily resident and domiciled in the UK for taxation purposes, who hold their Old MJ Gleeson Shares and New MJ Gleeson Shares as an investment (other than under a personal equity plan or an individual savings account), who are the absolute beneficial owners of their Old MJ Gleeson Shares and their New MJ Gleeson Shares, who have not (and are not deemed to have) acquired their Old MJ Gleeson Shares and their New MJ Gleeson Shares by virtue of an office or employment (whether current, historic or prospective) and are not officers or employees of any member of the MJ Gleeson Group. In addition, these comments may not apply to certain classes of New MJ Gleeson Shareholders such as dealers in securities, collective investment schemes and insurance companies.

If you are in any doubt about your tax position, you should consult your own professional adviser without delay.

1.1 UK tax consequences of the cancellation of Old MJ Gleeson Shares and issue of New MJ Gleeson Shares

(a) Capital gains tax and corporation tax on chargeable gains ("CGT")

For the purposes of UK CGT, the cancellation of the Old MJ Gleeson Shares and the issue of New MJ Gleeson Shares should be treated as a scheme of reconstruction. UK resident Shareholders who do not hold (either alone or together with connected persons) more than 5 per cent. of, or of any class of, shares in or debentures of Old MJ Gleeson should obtain rollover relief in respect of the cancellation of Old MJ Gleeson Shares and the issue to them of the New MJ Gleeson Shares. This means that the New MJ Gleeson Shares issued to a Shareholder should be treated as the same asset, and as having been acquired at the same time and for the same consideration, as his Old MJ Gleeson Shares from which they are derived.

Shareholders who hold (alone, or together with connected persons) more than 5 per cent. of, or of any class of, shares in or debentures of Old MJ Gleeson will be eligible for the above treatment only if the Scheme is effected for bona fide commercial reasons and does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is avoidance of a liability to capital gains tax or corporation tax. If these conditions are not met, then such an Old MJ Gleeson Shareholder will be treated as receiving New MJ Gleeson Shares in consideration for the cancellation of his Old MJ Gleeson Shares and as having made a disposal of his Old MJ Gleeson Shares which may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for CGT purposes. Application has been made to HMRC under section 138 of the Taxation of Chargeable Gains Act 1992 to request confirmation that, based on the particulars of the Scheme that is to be affected, that these conditions will be met. Once HMRC have finally approved the application (or otherwise), Shareholders will be notified with an RIS.

(b) *New MJ Gleeson Capital Reduction*

The New MJ Gleeson Capital Reduction should not have any UK tax consequences for New MJ Gleeson Shareholders. It should be treated as a reorganisation of the share capital of New MJ Gleeson and, accordingly, will not result in a disposal by any New MJ Gleeson Shareholders of any of their New MJ Gleeson Shares.

(c) *UK stamp duty and stamp duty reserve tax ("SDRT") consequences of the Scheme*

No stamp duty or SDRT will be payable by Shareholders as a result of the cancellation of Old MJ Gleeson Shares and issue of New MJ Gleeson Shares under the Scheme.

1.2 **UK taxation consequences of disposing of New MJ Gleeson Shares in the future**

A disposal of New MJ Gleeson Shares by a UK tax resident New MJ Gleeson Shareholder may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for UK tax purposes.

A disposal of New MJ Gleeson Shares by a New MJ Gleeson Shareholder who is not resident in the UK for tax purposes but who carries on a trade, profession or vocation in the UK through a branch, agency or permanent establishment and has used, held or acquired the New MJ Gleeson Shares for the purposes of such trade, profession or vocation or such branch, agency or permanent establishment may, depending on individual circumstances, give rise to a chargeable gain or allowable loss for UK tax purposes.

A New MJ Gleeson Shareholder who is an individual and who is temporarily non-resident in the UK for a period of less than five complete tax years may, under anti-avoidance legislation, still be liable to UK taxation on their return to the UK on a chargeable gain realised on the disposal or part disposal of New MJ Gleeson Shares during the period when he is non-resident.

For corporate shareholders only, indexation allowance on the relevant proportion of the original allowable cost should be taken into account for the purposes of calculating a chargeable gain (but not an allowable loss) arising on a disposal or part disposal of its New MJ Gleeson Shares.

1.3 **UK taxation of dividends paid on New MJ Gleeson Shares**

Under current UK tax legislation, New MJ Gleeson is not required to withhold tax at source from dividend payments it makes to New MJ Gleeson shareholders.

(a) *Individual New MJ Gleeson Shareholders*

Dividends paid out of reserves created by way of the New MJ Gleeson Capital Reduction should comprise dividends for UK tax purposes and for UK resident individual New MJ Gleeson shareholders these dividends should be subject to income tax.

A New MJ Gleeson Shareholder who is an individual resident in the UK for tax purposes will be entitled to a tax credit equal to one-ninth of the dividend received from New MJ Gleeson.

The tax credit will be treated as discharging the individual's liability to UK income tax in respect of the gross dividend, unless and except to the extent that the gross dividend falls above the threshold for the higher rate of income tax, in which case the individual will, to that extent, pay UK income tax on the gross dividend at the dividend upper rate of 32.5 per cent. less the related tax credit. So, for example, a dividend of £80 will carry a tax credit of £8.89 and the UK income tax payable on the dividend by an individual liable to income tax at the higher rate would be 32.5 per cent. of £88.89, namely £28.89, less the tax credit of £8.89, leaving a net tax charge of £20.

To the extent the gross dividend falls above the individual's threshold for the additional rate of income tax (45 per cent. rate); the individual will pay UK income tax on the gross dividend at the new 37.5 per cent. dividend additional rate less the related tax credit. In this situation, a dividend of £80 will continue to carry a tax credit of £8.89 and the UK income tax payable on the dividend

by an individual liable to income tax rate at the additional rate would be 37.5 per cent., of £88.89, namely £33.33, less the tax credit of £8.89, leaving a net tax charge of £24.44.

(b) *Corporate New MJ Gleeson Shareholders*

Distributions received by a New MJ Gleeson Shareholder within the charge to UK corporation tax are subject to the dividend exemption rules in Part 9A Corporation Tax Act 2009. Under the dividend exemption rules, any such New MJ Gleeson Shareholder should generally not be subject to corporation tax on dividends paid by New MJ Gleeson, including those dividends paid out of the reserves created by way of the New MJ Gleeson Capital Reduction (see paragraph 5 of Part III).

If you are in any doubt about your tax position, you should consult your own professional adviser without delay.

1.4 **Transactions in securities**

Shareholders should note that Old MJ Gleeson has been advised that Shareholders should not suffer a counter-acting tax assessment under the 'transactions in securities' rules under section 733 of the Corporation Tax Act 2010 in relation to corporation taxpayers and the provisions of Chapter I, Part 13 of the Income Tax Act 2007 in relation to income taxpayers by reference to the Scheme. However, no clearance has been sought from HMRC to the effect that the provisions of section 733 of the Corporation Tax Act 2010 and Chapter I, Part 13 of the Income Tax Act 2007 will not be applied.

1.5 **UK stamp duty and SDRT on transfers of New MJ Gleeson Shares**

The statements in this paragraph summarise the current position on stamp duty and SDRT and are intended as a general guide only. Special rules apply to agreements made by, amongst others, intermediaries and certain categories of person may be liable to stamp duty or SDRT at higher rates.

Subject to an exemption for certain low value transactions, any subsequent conveyance or transfer on sale of New MJ Gleeson Shares held in certificated form will be subject to stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transaction (rounded up to the next multiple of £5).

A charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration given will also arise on an unconditional agreement to transfer such shares, although that liability, including any interest (but not penalties), will be cancelled and any SDRT already paid will be repaid if, within six years of the SDRT liability arising, a transfer is executed pursuant to the agreement and stamp duty is duly paid on that transfer.

Where New MJ Gleeson Shares are held in uncertificated form within CREST, a paperless transfer of shares within CREST will generally be subject to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration given. CREST is obliged to collect and account for SDRT to HMRC on relevant transactions settled within the system, such SDRT generally being payable by the transferee or purchaser. Special rules apply in connection with clearance services and depositary receipts systems.

1.6 **Individual Savings Accounts (NISAs)**

New MJ Gleeson Shares will be eligible to be held in the stocks and shares component of a NISA once they are admitted to the Official List.

1.7 **Inheritance Tax**

Business Property Relief

Shares in holding companies of trading groups such as New MJ Gleeson potentially qualify for business property relief which gives up to 50 per cent. exemption from inheritance tax. For this relief to apply,

the investor must control the company and it is therefore unlikely that this relief would apply to any investor.

Under current UK tax legislation, New MJ Gleeson is not required to withhold tax at source from dividend payments it makes to New MJ Gleeson shareholders.

The discussion above is a general summary. It does not cover all tax matters that may be important to a particular holder. Each holder should consult his own tax adviser about the tax consequences of participating in the Scheme and holding New MJ Gleeson Shares under the holder's own circumstances.

PART VI

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

No. 7715 of 2014

IN THE MATTER OF M J GLEESON GROUP PUBLIC LIMITED COMPANY

– and –

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

M J GLEESON GROUP PUBLIC LIMITED COMPANY

– and –

THE HOLDERS OF SCHEME SHARES

(as hereinafter defined)

PRELIMINARY

- A. In this scheme of arrangement, references to Clauses are references to clauses of this scheme of arrangement and the following expressions shall, unless inconsistent with the subject or context, bear the following meanings:

“Business Day”	any day other than a Saturday or Sunday on which banks in London are open for normal business;
“Certificated” or “in Certificated form”	a share which is not in Uncertificated form (that is, not in CREST);
“Companies Act”	the UK Companies Act 2006 (as amended);
“Court Hearing”	the hearing of the Court at which the Court Order is made;
“Court Meeting”	the meeting of Old MJ Gleeson Shareholders to be convened pursuant to an order of the High Court pursuant to Part 26 of the Companies Act, to be held at the offices of Instinctif Partners, 65 Gresham Street, London EC2V 7NQ at 11.00 a.m. on 26 November 2014 to consider and, if thought fit, approve the Scheme, including any adjournment thereof;
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act and confirming the Old MJ Gleeson Capital Reduction under section 648 of the Companies Act;
“CREST”	the computerised system for the paperless settlement of sales and purchases of securities and the holding of Uncertificated securities operated by Euroclear in accordance with the CREST Regulations;

“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as from time to time amended;
“Effective”	the Scheme having become effective in accordance with its terms, expected to occur on 18 December 2014;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST (formerly known as CRESTCo Limited);
“High Court”	the High Court of Justice of England and Wales;
“holder”	a registered holder, including any person entitled by transmission;
“members”	members of Old MJ Gleeson on the register of members at any relevant date;
“New MJ Gleeson”	MJ Gleeson PLC, a public company limited by shares incorporated in England and Wales with registered number 09268016;
“New MJ Gleeson Shares”	ordinary shares of 146 pence (or such nominal value as New MJ Gleeson shall resolve on or prior to the date on which the High Court is asked to sanction the Scheme) each in the capital of New MJ Gleeson;
“New Shares”	ordinary shares of 2 pence each in the capital of Old MJ Gleeson to be issued to New MJ Gleeson;
“Old MJ Gleeson”	M J Gleeson Group Public Limited Company, a public company incorporated in England and Wales (registered number 00479529);
“Old MJ Gleeson Capital Reduction”	the reduction of Old MJ Gleeson’s share capital associated with the cancellation and extinguishing of the Old MJ Gleeson Shares (save for Old MJ Gleeson Shares held by New MJ Gleeson) provided for by this Scheme under section 641 of the Companies Act;
“Old MJ Gleeson Shareholder”	a holder of Old MJ Gleeson Shares from time to time;
“Old MJ Gleeson Shares”	ordinary shares of 2 pence each in the capital of Old MJ Gleeson in issue prior to the Scheme Effective Date;
“Overseas Shareholders”	Old MJ Gleeson Shareholders who are resident in, ordinarily resident in, or citizens or nationals of, jurisdictions outside the United Kingdom;
“£”, “pence” or “sterling”	the lawful currency of the United Kingdom;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Relevant system”	a relevant system as defined in the Uncertificated Securities Regulations 2001 as from time to time amended;
“Scheme”	this scheme of arrangement in its present form or with any modification thereof or addition thereto or condition approved or imposed by the High Court and agreed to by Old MJ Gleeson and New MJ Gleeson;
“Scheme Effective Date”	the date on which the Scheme becomes effective in accordance with its terms;

“Scheme Record Time”	6.00 p.m. London time on the Business Day immediately preceding the date of the Court Hearing;
“Scheme Shareholder”	a holder of Scheme Shares;
“Scheme Shares”	<p>(i) all Old MJ Gleeson Shares in issue at the date of the Scheme and remaining in issue at the Scheme Record Time;</p> <p>(ii) all additional (if any) Old MJ Gleeson Shares issued after the date of the Scheme and prior to the Voting Record Time and remaining in issue at the Scheme Record Time; and</p> <p>(iii) all further (if any) Old MJ Gleeson Shares issued after the Voting Record Time and remaining in issue at the Scheme Record Time in respect of which the original or any subsequent holder shall be bound or shall have agreed in writing by such time to be bound by the Scheme,</p> <p>excluding in each case any Old MJ Gleeson Shares held by New MJ Gleeson;</p>
“Uncertificated” or in “Uncertificated form”	recorded on the relevant register as in uncertificated form, being held in uncertificated form in CREST and title to which by virtue of CREST Regulations may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“Voting Record Time”	6.00 p.m. on 24 November 2014 or, if the Court Meeting or General Meeting is adjourned, 6.00 p.m. on the day which is two days before the adjourned meeting.

- B. The issued share capital of Old MJ Gleeson as at the date of this Scheme consists of 53,697,481 ordinary shares of 2 pence each, all of which are in issue and fully paid up. Old MJ Gleeson did not hold any Old MJ Gleeson Shares in treasury as at the close of business on 3 November 2014.
- C. New MJ Gleeson was incorporated in England and Wales as a public company on 16 October 2014 with registered number 09268016 under the name ‘MJ Gleeson PLC’. The share capital of New MJ Gleeson at the date of this document is £50,002 divided into 2 ordinary shares of £1.00 each issued fully paid up and 50,000 redeemable non-voting preference shares of £1.00 each issued fully paid up.
- D. Following issue of this document but prior to the Scheme Record Time, New MJ Gleeson will acquire one Old MJ Gleeson Share.
- E. New MJ Gleeson has agreed to appear by Counsel at the Court Hearing to consent to the sanction of this Scheme and to undertake to the High Court to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.
- F. The shareholders of New MJ Gleeson have agreed conditional on the Scheme becoming effective to transfer to a nominee of New MJ Gleeson the two subscriber shares and those shares will then be cancelled immediately prior to admission to listing and trading of the New MJ Gleeson Shares. The 50,000 redeemable preference shares in New MJ Gleeson will also be redeemed following the Scheme Effective Date. It is intended that the shareholders of New MJ Gleeson pass a special resolution to adopt amended articles of association for New MJ Gleeson prior to the Scheme Effective Date to create a class of ordinary shares having a nominal value of 146 pence, ranking *pari passu* with the existing ordinary shares.

THE SCHEME

1. CANCELLATION OF THE SCHEME SHARES

- 1.1 The issued share capital of Old MJ Gleeson shall be reduced by cancelling and extinguishing all of the Scheme Shares.
- 1.2 Subject to and immediately upon the cancellation of the Scheme Shares referred to in Clause 1.1 of this Scheme, Old MJ Gleeson shall allot and issue to New MJ Gleeson (and/or its nominee(s)) such number of New Shares as have an aggregate nominal value to the Scheme Shares cancelled in accordance with Clause 1.1 of this Scheme. Old MJ Gleeson shall apply and capitalise the reserve arising in its books of account as a results of the cancellation of the Scheme Shares referred to in Clause 1.1 of this scheme, which will enable it to pay up such New Shares in full, at par, and to credit such New Shares as fully paid.

2. NEW SHARES

- 2.1 In consideration of the cancellation of the Scheme Shares and the allotment and issue of the New Shares to New MJ Gleeson and/or its nominee(s) pursuant to Clause 1, New MJ Gleeson shall (subject to, and in accordance with, the remaining provisions in this Scheme), allot and issue (credited as fully paid) New MJ Gleeson Shares to the Scheme Shareholders on the following basis:

one New MJ Gleeson Share for each Scheme Share held at the Scheme Record Time.

- 2.2 The provisions of Clause 2.1 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any Overseas Shareholder, New MJ Gleeson is advised that the allotment and issue of New MJ Gleeson Shares pursuant to this Clause would or might infringe the laws of any jurisdiction outside the United Kingdom or would or might require New MJ Gleeson to obtain any governmental or other consent or effect any registration, filing or other formality, then New MJ Gleeson may in its sole discretion determine that:
 - 2.2.1 New MJ Gleeson Shares shall not be allotted and issued to such Overseas Shareholder under this Clause, but shall instead be allotted to a nominee appointed by New MJ Gleeson, as trustee for such Overseas Shareholder, on terms that they shall, as soon as reasonably practicable following the Scheme Effective Date, be sold on behalf of such Overseas Shareholder at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3.3. None of Old MJ Gleeson, New MJ Gleeson, any nominee referred to in this sub-clause 2.2.1 or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale; or
 - 2.2.2 such New MJ Gleeson Shares shall be sold, in which event the New MJ Gleeson Shares shall be issued to such Overseas Shareholder and New MJ Gleeson shall appoint a person to act pursuant to this sub-clause 2.2.2 and such person shall be authorised on behalf of such Overseas Shareholder to procure that any New MJ Gleeson Shares in respect of which New MJ Gleeson has made such a determination shall, as soon as practicable following the Scheme Effective Date, be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3. To give effect to any such sale, the person so appointed shall be authorised on behalf of such holder to execute and deliver a form of transfer and to give instructions and do all such things which he may consider necessary or expedient in connection with such sale. None of Old MJ Gleeson, New MJ Gleeson, any appointee referred to in this sub-clause 2.2.2 or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale.

3. CERTIFICATES

- 3.1 Not later than two (2) Business Days after the Scheme Effective Date, New MJ Gleeson shall allot and issue all the New MJ Gleeson Shares which it is required to allot and issue to give effect to this Scheme pursuant to Clause 2.1 and not later than ten (10) Business Days after the Scheme Effective Date, New MJ Gleeson shall send by post to the allottees of the allotted and issued New MJ Gleeson Shares certificates in respect of such shares, save that where Scheme Shares are held in Uncertificated form, New MJ Gleeson shall procure that Euroclear is instructed to cancel the entitlement to Scheme Shares of each of the Scheme Shareholders concerned and to credit to the appropriate stock accounts in CREST of the Scheme Shareholder concerned such shareholder's entitlement to New MJ Gleeson Shares.
- 3.2 Within ten (10) Business Days after the Scheme Effective Date, Old MJ Gleeson shall arrange for the delivery to New MJ Gleeson of certificates in respect of its holding of Old MJ Gleeson Shares.
- 3.3 Not later than fifteen (15) Business Days following the sale of any relevant New MJ Gleeson Shares pursuant to clause 2.2, New MJ Gleeson shall procure that the nominee or appointee, as the case may be, shall account for the cash payable by despatching to the persons respectively entitled thereto, cheques or warrants by post or by any direct, bank or other funds transfer or, in the case of an Uncertificated share, by the relevant system. None of Old MJ Gleeson, New MJ Gleeson, any nominee referred to in this Scheme or any broker or agent of any of them shall have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any sale of New MJ Gleeson Shares.
- 3.4 All certificates required to be sent by New MJ Gleeson pursuant to Clause 3.1 and all cheques or warrants required to be sent pursuant to Clause 3.3 shall be sent by post in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses appearing in the register of members of Old MJ Gleeson at the Scheme Record Time (or, in the case of joint holders, to the address of that one of the joint holders whose name stands first in the register in respect of the joint holding) or in accordance with any special instructions regarding communications received at the registered office of Old MJ Gleeson prior to the Scheme Record Time.
- 3.5 None of Old MJ Gleeson, New MJ Gleeson or such person appointed to act under sub-clause 2.2.2 or any nominee referred to in sub-clause 2.2.1 or any agent of any of them shall be responsible for any loss or delay in transmission of certificates or cheques sent in accordance with this Clause.
- 3.6 The preceding sub-clauses of this Clause shall take effect subject to any prohibition or condition imposed by law.

4. CERTIFICATES REPRESENTING SCHEME SHARES

With effect from and including the Scheme Effective Date, all certificates representing Scheme Shares shall cease to be valid.

5. RECORD OF CANCELLATION OF SCHEME SHARES

- 5.1 Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in Uncertificated form.
- 5.2 As regards Certificated Scheme Shares, appropriate entries will be made in Old MJ Gleeson's register of members to reflect their cancellation.

6. MANDATES

Each mandate in force and duly notified to Old MJ Gleeson at the Scheme Record Time relating to the payment of dividends on Scheme Shares and each instruction then in force as to notices and other communications from Old MJ Gleeson shall, unless and until varied or revoked, be deemed, from and including the Scheme Effective Date, to be a valid and effective mandate or instruction to New MJ Gleeson in relation to the corresponding New MJ Gleeson Shares to be allotted and issued pursuant to this Scheme.

7. SCHEME EFFECTIVE DATE

- 7.1 The Scheme shall become Effective as soon as an office copy of the Court Order and related Statement of Capital reflecting Old MJ Gleeson's new capital position shall have been duly delivered to the Registrar of Companies for registration.
- 7.2 Unless the Scheme shall have become Effective on or before midnight on 31 January 2015 or such later date, if any, as Old MJ Gleeson and New MJ Gleeson may agree and the High Court may allow, this Scheme shall never become Effective.

8. MODIFICATION

- 8.1 Old MJ Gleeson and New MJ Gleeson may jointly consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition which the High Court may think fit to approve or impose.

9. COSTS

Old MJ Gleeson is authorised and permitted to pay all the costs and expenses relating to the negotiation, preparation and implementation of the Scheme.

Dated 4 November 2014

PART VII

DEFINITIONS AND GLOSSARY

The following definitions apply throughout this document (except in those Parts of this document containing the Scheme of Arrangement, which contain separate definitions) unless the context requires otherwise:

“Admission”	admission of New MJ Gleeson Shares to the premium listing segment of the Official List in accordance with the Listing Rules and the admission of the New MJ Gleeson Shares to trading on the Main Market in accordance with the Admission and Disclosure Standards published by the LSE expected to occur at 8.00 a.m. on 19 December 2014;
“Audit Committee”	the Audit Committee of Old MJ Gleeson or, following the Scheme becoming effective, of New MJ Gleeson;
“Business Day”	any day other than a Saturday or Sunday on which banks in London are open for normal business;
“Capita Asset Services”	a trading name of Capita Registrars Limited;
“Certificated” or “in Certificated form”	in relation to a share or other security, which is not in Uncertificated form (that is, not in CREST);
“Companies Act”	the UK Companies Act 2006 (as amended);
“Court” or “High Court”	the High Court of Justice of England and Wales;
“Court Hearing”	the hearing of the Court at which the Court Order is made;
“Court Meeting”	the meeting of holders of Scheme Shares to be held at the offices of Instinctif Partners, 65 Gresham Street, London EC2V 7NQ at 11.00 a.m. on 26 November 2014, convened pursuant to an order of the High Court pursuant to Part 26 of the Companies Act for the purposes of considering and, if thought fit, approving the Scheme, notice of which is set out in Part VIII of this document, and any adjournment thereof;
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act and confirming the Old MJ Gleeson Capital Reduction under section 64.8 of the Companies Act;
“CREST”	the computerised system for the paperless settlement of sales and purchases of securities and the holding of Uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
“CREST Manual”	the CREST manual referred to in agreements entered into by Euroclear;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as from time to time amended;
“Directors” or “Board”	the directors of Old MJ Gleeson, as set out in paragraph 4 of Part IV of this document or the directors of New MJ Gleeson from time to time, as the context may require (and “Director” shall be construed accordingly);

“Disclosure and Transparency Rules” or “DTRs”	the disclosure rules and transparency rules relating to the disclosure of information in respect of financial instruments which have been admitted to trading on a regulated market or for which a request for admission to trading on such a market has been made, as published by the FCA;
“Dividend in Specie”	the proposed dividend in specie as described in paragraph 2 of Part I of this document;
“Euroclear”	Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited), the operator of CREST;
“Executive Directors”	Jolyon Harrison and Alan Martin;
“Explanatory Statement”	this document and, in particular, Part III of this document, which has been prepared in accordance with section 897 of the Companies Act;
“FCA”	the Financial Conduct Authority of the United Kingdom;
“Form(s) of Proxy”	the blue and white form(s) of proxy sent to Old MJ Gleeson Shareholders for use in connection with the Court Meeting and the General Meeting respectively, which accompany this document;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“GCSL”	Gleeson Construction Services Limited;
“GCSL Directors”	Alan Martin and Steven Landes;
“GCSL Intercompany Loan”	the loan of £6 million from GCSL to Old MJ Gleeson;
“General Meeting”	the general meeting of Old MJ Gleeson to be held at the offices of Instinctif Partners, 65 Gresham Street, London EC2V 7NQ at 11.15 a.m. on 26 November 2014 (or as soon as possible after the conclusion or adjournment of the Court Meeting) notice of which is set out in Part VIII of this document, or any adjournment of that meeting;
“HMRC”	HM Revenue & Customs;
“holder”	a registered holder, including any person entitled by transmission;
“Intercompany Loan”	the intercompany loan from Old MJ Gleeson to New MJ Gleeson pursuant to the Intercompany Loan Agreement, expected to be for an amount in the region of £9.7 million;
“Intercompany Loan Agreement”	the loan agreement intended to be entered into on or around 23 December 2014 between New MJ Gleeson and Old MJ Gleeson in respect of the Intercompany Loan, as further described in paragraph 2 of Part I of this document;
“Legacy Businesses”	the building contracting and engineering businesses owned and conducted by Old MJ Gleeson and GCSL;
“Listing Rules”	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under the FSMA, and contained in the UK Listing Authority’s publication of the same name;
“London Stock Exchange” or “LSE”	London Stock Exchange plc (or any successor body thereto);

“Main Market”	the London Stock Exchange’s ‘Main Market’ for listed securities;
“Meetings”	the Court Meeting and the General Meeting (and “Meeting” shall be construed accordingly);
“members”	members of Old MJ Gleeson on the register of members at any relevant date (and “ member ” shall be construed accordingly);
“MJ Gleeson Group”	<ul style="list-style-type: none"> (i) prior to the Scheme Effective Time, Old MJ Gleeson and its subsidiary undertakings; and (ii) after the Scheme Effective Time, New MJ Gleeson and its subsidiary undertakings;
“National Storage Mechanism”	the document publication facility made available by the FCA at www.hemscott.com/nsm.do ;
“New MJ Gleeson”	MJ Gleeson PLC, a public limited company incorporated and registered in England and Wales with registered number 09268016;
“New MJ Gleeson 2014 Group Share Purchase Plan”	means the New MJ Gleeson 2014 Group Share Purchase Plan to be adopted prior to the Scheme Effective Date, subject to obtaining the approval of Old MJ Gleeson Shareholders and the Scheme becoming effective;
“New MJ Gleeson 2014 Performance Share Plan”	means the New MJ Gleeson 2014 Performance Share Plan to be adopted prior to the Scheme Effective Date, subject to obtaining the approval of Old MJ Gleeson Shareholders and the Scheme becoming effective;
“New MJ Gleeson Articles”	the articles of association of New MJ Gleeson at the Scheme Effective Date;
“New MJ Gleeson Capital Reduction”	the proposed reduction of New MJ Gleeson’s share capital (to be carried out by way of court approved procedure under the Companies Act 2006) in order to create distributable reserves, expected to be carried out after the Scheme becomes effective, under the Companies Act;
“New MJ Gleeson Directors”	the directors of New MJ Gleeson on Admission, as set out in paragraphs 4.3 of Part IV of this document (and “New MJ Gleeson Director” shall be construed accordingly);
“New MJ Gleeson Employee Share Plans”	means the New MJ Gleeson 2014 Performance Share Plan and the New MJ Gleeson 2014 Group Share Purchase Plan;
“New MJ Gleeson Group”	<ul style="list-style-type: none"> (i) prior to the Scheme Effective Time, New MJ Gleeson; and (ii) after the Scheme Effective Time, New MJ Gleeson and its subsidiary undertakings;
“New MJ Gleeson Shareholder”	a holder of New MJ Gleeson Shares from time to time;
“New MJ Gleeson Shares”	the ordinary shares of 146 pence each (or such nominal value as New MJ Gleeson shall determine on or prior to the date at which the High Court is asked to sanction the Scheme) in the capital of New MJ Gleeson, to be issued pursuant to the Scheme;

“New MJ Gleeson Subscriber Shares”	the two ordinary shares with a nominal value of £1.00 each in the capital of New MJ Gleeson issued on incorporation of New MJ Gleeson;
“New Shares”	the ordinary shares of 2 pence each in the capital of Old MJ Gleeson to be issued to New MJ Gleeson pursuant to the Scheme;
“Non-Executive Directors”	Dermot Gleeson, Ross Ancell, Colin Dearlove and Christopher Mills;
“Non-Legacy Businesses”	the business of the MJ Gleeson Group as at the date of this document, excluding the Legacy Businesses;
“N+1 Singer”	Nplus1 Singer Advisory LLP, a limited liability partnership registered in England and Wales with registered number OC 364131 and having its registered office at One Bartholomew Lane, London EC2N 2AX and which is authorised and regulated in the UK by the Financial Conduct Authority;
“Official List”	the Official List of the FCA;
“Old MJ Gleeson” or the “Company”	M J Gleeson Group Public Limited Company, a public limited company incorporated and registered in England and Wales with registered number 00479529;
“Old MJ Gleeson Articles”	the articles of association of Old MJ Gleeson;
“Old MJ Gleeson Employee Share Plans”	means the Old MJ Gleeson Group Share Purchase Plan and the Old MJ Gleeson Performance Share Plan;
“Old MJ Gleeson Group”	Old MJ Gleeson and its subsidiary undertakings;
“Old MJ Gleeson Group Share Purchase Plan”	means the Old MJ Gleeson Group Share Purchase Plan adopted on 9 January 2002 which will continue to operate in respect of existing awards under the Old MJ Gleeson Share Purchase Plan;
“Old MJ Gleeson Group Performance Share Plan”	means the Old MJ Gleeson Group Plc Performance Share Plan adopted on 14 December 2007 and amended on 13 December 2013;
“Old MJ Gleeson Capital Reduction”	the reduction of Old MJ Gleeson’s share capital associated with the cancellation and extinguishing of the Scheme Shares provided for by Clause 1.1 of the Scheme and under section 641 of the Companies Act;
“Old MJ Gleeson’s Registrars”	Capita Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
“Old MJ Gleeson Shareholder” or “Shareholder”	a holder for the time being of Old MJ Gleeson Shares (other than New MJ Gleeson);
“Old MJ Gleeson Shares”	the ordinary shares of 2 pence each in the share capital of Old MJ Gleeson;
“Ordinary Resolution”	the ordinary resolution which is set out in the notice of General Meeting at Part VIII of this document, to be proposed at the General Meeting in connection with the approval of the New MJ Gleeson Employee Share Plans to be adopted by New MJ Gleeson described in paragraph 11 of Part IV of this document;
“Overseas Shareholders”	Old MJ Gleeson Shareholders who are resident in, ordinarily resident in, or citizens or nationals of, jurisdictions outside the United Kingdom;

“Pounds”, “£” or “sterling”	U.K. pounds sterling, the lawful currency of the UK;
“Proposals”	collectively, the Scheme, New MJ Gleeson Employee Share Plans, the Reorganisation and the New MJ Gleeson Capital Reduction;
“Prospectus”	the prospectus relating to New MJ Gleeson and the New MJ Gleeson Shares prepared in accordance with the Prospectus Rules and expected to be published by New MJ Gleeson on or before 19 November 2014;
“Prospectus Rules”	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under Part VI of the FSMA and contained in the UK Listing Authority’s publication of the same name;
“Redeemable Shares”	means the 50,000 redeemable non-voting preference shares of 100 pence each in the capital of New MJ Gleeson issued on incorporation of New MJ Gleeson;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Remuneration Committee”	the Remuneration Committee of Old MJ Gleeson or, following the Scheme becoming effective, of New MJ Gleeson;
“Reorganisation”	the proposed internal reorganisation of the MJ Gleeson Group to take place following the Scheme Effective Date (including the cash dividend and the Dividend in Specie);
“Resolutions”	the Ordinary Resolution and the Special Resolutions;
“RIS”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
“Scheme”	the scheme of arrangement under Part 26 of the Companies Act between Old MJ Gleeson and holders of Scheme Shares including any modification, addition or condition approved by the High Court, details of which are set out in this document;
“Scheme Effective Date”	the date on which this Scheme becomes effective in accordance with its terms, expected to be 18 December 2014;
“Scheme Effective Time”	the time at which this Scheme becomes effective on the Scheme Effective Date;
“Scheme Record Time”	6.00 p.m. London time on the Business Day immediately preceding the date of the Court Hearing;
“Scheme Shareholder”	a holder of Scheme Shares;
“Scheme Shares”	<ul style="list-style-type: none"> (i) all Old MJ Gleeson Shares in issue at the date of the Scheme and remaining in issue at the Scheme Record Time; (ii) all additional (if any) Old MJ Gleeson Shares issued after the date of the Scheme and prior to the Voting Record Time and remaining in issue at the Scheme Record Time; and (iii) all further (if any) Old MJ Gleeson Shares issued after the Voting Record Time and remaining in issue at the Scheme Record Time in respect of which the original or any subsequent holder shall be bound or shall have agreed in writing by such time to be bound by the Scheme

	excluding in each case any Old MJ Gleeson Shares held by New MJ Gleeson;
“SEC”	the US Securities and Exchange Commission;
“Special Resolutions”	the special resolutions which are set out in Part VIII of this document, to be proposed to be passed at the General Meeting in connection with, amongst other things, the implementation of the Scheme, sanctioning of the Old MJ Gleeson Capital Reduction and certain amendments to be made to the Old MJ Gleeson Articles, delisting of the Old MJ Gleeson Shares and the approval of the New MJ Gleeson Capital Reduction;
“Statement of Capital”	the statement of capital approved by the High Court and showing with respect to Old MJ Gleeson’s share capital, as altered by the Court Order, the information required by section 649 of the Companies Act;
“subsidiary” or “subsidiary undertaking”	has the meaning given in the Companies Act;
“Trading Cancellation”	the cancellation by the FCA of the listing of the Old MJ Gleeson Shares on the Official List and the removal of the Old MJ Gleeson Shares from trading on the Main Market, expected to occur at 8.00 a.m. on 19 December 2014;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Corporate Governance Code”	the UK Corporate Governance Code published by the Financial Reporting Council;
“UK Listing Authority”	the FCA acting in its capacity as the competent authority for the purpose of Part VI of the FSMA and in the exercise of its functions in respect of the admission of securities to the Official List otherwise than in accordance with Part VI of the FSMA;
“Uncertificated” or “in Uncertificated form”	in relation to a share or other security, a share or other security title to which is recorded on the relevant register of the share or security concerned as being held in Uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction;
“US Securities Act”	the US Securities Act of 1933, as amended; and
“Voting Record Time”	6.00 p.m. on Monday, 24 November 2014 or, if the Court Meeting or General Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned meeting.

PART VIII

NOTICES OF MEETINGS

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

No. 7715 of 2014

IN THE MATTER OF M J GLEESON GROUP PUBLIC LIMITED COMPANY

– and –

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an order dated 3 November 2014 made in the above matters (the “**Order**”) the High Court has directed a meeting (the “**Court Meeting**”) to be convened of the holders of the ordinary shares of 2 pence each save for any such shares held by MJ Gleeson PLC (hereinafter called the “**Scheme Shares**”) in the capital of M J Gleeson Group Public Limited Company (registered in England and Wales registered number 00479529) (hereinafter called the “**Company**”) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme of Arrangement**”) proposed to be made between the Company and the holders of the Scheme Shares (as defined in the Scheme of Arrangement) and that such meeting will be held at the offices of Instinctif Partners, 65 Gresham Street, London EC2V 7NQ at 11.00 a.m. (London time) on 26 November 2014, at which place and time all the holders of Scheme Shares are requested to attend.

A copy of the said Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 (the “**Explanatory Statement**”) are incorporated in the document of which this notice forms part.

If you have any questions about this document, the Court Meeting, the General Meeting or the proposals in relation to the Scheme of Arrangement and related actions referred to in the Explanatory Statement or are in any doubt as to how to complete the Forms of Proxy, please call the Capita Asset Services Shareholder helpline on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

Scheme Shareholders (as defined in the said Scheme of Arrangement) entitled to attend and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead.

A blue Form of Proxy for use at the Court Meeting is enclosed with this notice. Completion of the blue Form of Proxy will not prevent a Scheme Shareholder from attending and voting at the Court Meeting (or any adjournment thereof) in person, if he wishes to do so.

A Scheme Shareholder may appoint one or more persons to attend, speak and vote on his/her behalf at the Court Meeting by inserting the proxy's name(s) in the 'Name of Proxy' box set out in the blue Form of Proxy along with the number of shares in respect of which such Shareholder wishes to cast votes (in the 'Scheme Shares authorised' box in the Form of Proxy). If no name is inserted in the 'Name of Proxy' box, the Chairman of the Meeting will be deemed appointed as the proxy. If no share number is inserted in the 'Scheme Shares authorised' box, the total holding represented by the Form of Proxy will apply to the first named proxy in attendance at the Court Meeting.

Holders of Scheme Shares who wish to appoint more than one proxy in respect of their holding of Scheme Shares should photocopy the blue Form of Proxy as required. Such Scheme Shareholders should also read

the notes set out in the blue Form of Proxy, and note the principles that shall be applied in relation to multiple proxies.

It is requested that the blue Form of Proxy (together with any power of attorney or other authority under which it is signed, or a notarially certified copy of such power or authority) be lodged with the registrars of the Company, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF no later than 11.00 a.m. on 24 November 2014, or through electronic proxy appointment but, if forms are not so lodged, they may be handed to the Chairman of the Meeting or registrars of the Company (on behalf of the Chairman), Capita Asset Services, at the Court Meeting.

In the case of joint holders of a share, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

To be valid, completed Forms of Proxy and any original (certified true copies) of any power of attorney or other authorities under which Forms of Proxy are signed must be returned so as to arrive at the offices of the registrars of the Company, Capita Asset Services, at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, or through electronic proxy appointment, by not later than 11.00 a.m. (London time) on 24 November 2014 or, if the meeting is adjourned, by not later than 48 hours before the time of the adjourned meeting. Forms of Proxy returned by fax will not be accepted. For your convenience, the form of proxy is pre-paid (no stamp required if posted within the UK) and addressed to Capita Asset Services. No envelope is necessary but if you wish you may use an envelope and address it to FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham BR3 4TU.

To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the votes they may cast), Scheme Shareholders must be registered in the register of members at the Voting Record Time (as defined in the Scheme of Arrangement). Changes to entries on the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting. Changes to entries in the register of members after 6.00 p.m. (London time) on 24 November 2014 or, in the event that the Court Meeting is adjourned, after 6.00 p.m. on the date two days before the date of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting.

Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies 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 meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member about the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in this notice does not apply to Nominated Persons. The rights described therein can only be exercised by members of the Company.

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

By the said Order, the High Court has appointed Dermot Gleeson or, failing him, Jolyon Harrison or, failing him, Alan Martin, to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the High Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the High Court.

NOTE FOR CREST MEMBERS

Electronic proxy appointment through CREST

1. Scheme Shareholders who hold their shares in the Company through CREST ("Crest Members") CREST members who wish to appoint a proxy or proxies through CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual. CREST personal members, sponsored CREST members and 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 for them.
2. To complete a valid proxy appointment or instruction using the CREST service, the 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, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted and received by Capita Asset Services (Participant ID RA10) 48 hours before the time fixed for the Meeting (or adjournment thereof). The time of receipt of the instruction will 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 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.
3. CREST members and, where applicable, CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply 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 ensure that his CREST sponsor or voting service provider(s) take(s)) the necessary action to ensure that a message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should refer to the sections of the CREST Manual concerning practical limitations of the CREST system and timings.
4. The Company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Simmons & Simmons LLP

CityPoint,
One Ropemaker Street
London
EC2Y 9SS

Solicitors for the Company

Dated 4 November 2014

NOTICE OF GENERAL MEETING

M J Gleeson Group Public Limited Company

(Incorporated and registered in England and Wales with registered no. 00479529)

NOTICE IS HEREBY GIVEN that a general meeting of M J Gleeson Group Public Limited Company (the “**Company**”) will be held at the offices of Instinctif Partners, 65 Gresham Street, London, EC2V 7NQ at 11.15 a.m. (London time) on, 26 November 2014 (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part) convened for 11.00 a.m. on the same day and at the same place, shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following Resolutions, of which Resolutions nos. 1, 2 and 3 will be proposed as special resolutions and of which Resolution no. 4 will be proposed as an ordinary resolution:

SPECIAL RESOLUTIONS

1. **THAT**, subject to, and for the purpose of giving effect to the scheme of arrangement dated 4 November 2014 between the Company and the holders of the Scheme Shares (as defined in the said scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman hereof, in its original form or subject to such modification, addition or condition agreed between the Company and MJ Gleeson PLC (registered in England and Wales with registered number 09268016) (“**New MJ Gleeson**”) and approved or imposed by the High Court (the “**Scheme**”):
 - (a) the Scheme be approved and the directors of the Company authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
 - (b) the share capital of the Company be reduced by cancelling and extinguishing all of the Scheme Shares (as defined in the Scheme);
 - (c) subject to and conditional upon the capital reduction referred to in sub-paragraph 1(b) above taking effect and notwithstanding anything to the contrary in the articles of association of the Company:
 - (i) the reserve arising in the books of account of the Company as a result of the reduction of share capital referred to in sub-paragraph 1(b) of this resolution be capitalised and applied in paying up in full at par such number of new ordinary shares of 2 pence each (the “**New Shares**”) as have an aggregate nominal value equal to the Scheme Shares cancelled in accordance with sub-paragraph 1(b) of this resolution and shall be allotted and issued, credited as fully paid, to New MJ Gleeson and/or New MJ Gleeson’s nominee(s) in accordance with the Scheme;
 - (ii) conditional on the Scheme becoming Effective (as defined in the Scheme), the directors of the Company be and they are hereby generally and unconditionally authorised, for the purposes of section 551 of the Companies Act 2006, to allot the New Shares provided that: (1) the maximum aggregate nominal amount of relevant securities that may be allotted under this authority shall be the aggregate nominal amount of the said New Shares (not exceeding £1,200,000); (2) this authority shall expire (unless previously revoked, varied or renewed) on 31 January 2015; and (3) this authority shall be in addition, and without prejudice to, any other subsisting authority under the said section 551 previously granted and in force on the date on which this resolution is passed;
 - (d) with effect from the passing of this resolution, the articles of association of the Company be hereby amended by:
 - (i) the adoption and inclusion of the following new Article 59:

“59. Shares not otherwise subject to the Scheme

59.1 In this Article only, references to the “Scheme” are references to the scheme of arrangement between the Company and the holders of its ordinary shares dated 4 November 2014 under sections 895 and 899 of the Companies Act 2006, in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court and (save as defined in this Article) expressions defined in the Scheme shall have the same meaning in this Article.

- 59.2 Notwithstanding any other provisions in these Articles, if any ordinary shares are allotted and issued to any person (a “**New Member**”) other than New MJ Gleeson and/or its nominee or nominees after the time at which this Article becomes effective and before the Scheme Record Time, such ordinary shares shall be allotted and issued subject to the terms of the Scheme and shall be Scheme Shares for the purposes thereof and the New Member, and any subsequent holder other than New MJ Gleeson and/or its nominee or nominees, shall be bound by the terms of the Scheme.
- 59.3 If any ordinary shares are allotted and issued to a New Member after the Scheme Record Time, they will immediately be transferred to New MJ Gleeson and/or its nominee or nominees in consideration of and conditional on the issue or transfer to the New Member of one New MJ Gleeson Share for every one ordinary share so transferred. The New MJ Gleeson Shares issued or transferred pursuant to this Article 59 to the New Member will be credited as fully paid and will rank equally in all respects with all New MJ Gleeson Shares in issue at the time and be subject to the memorandum and articles of association of New MJ Gleeson.
- 59.4 The number of New MJ Gleeson Shares to be issued or transferred to the New Member under this Article 59 may be adjusted by the Directors of the Company in such manner as the Company’s auditors may determine on any reorganisation or material alteration of the share capital of either the Company or of New MJ Gleeson or any other return of value to holders of New MJ Gleeson Shares, provided always that any fractions of New MJ Gleeson Shares shall be disregarded and shall be aggregated and sold for the benefit of New MJ Gleeson.
- 59.5 In order to give effect to any such transfer required by this Article 59, the Company may appoint any person to execute and deliver a form of transfer on behalf of the New Member in favour of New MJ Gleeson and/or its nominee or nominees and to agree for and on behalf of the New Member to become a member of New MJ Gleeson. Pending the registration of New MJ Gleeson as holder of any share to be transferred pursuant to this Article 59, New MJ Gleeson shall be empowered to appoint a person nominated by the Directors of the Company to act as attorney on behalf of any holder of such share in accordance with such directions as New MJ Gleeson may give in relation to any dealings with or disposal of such share (or any interest therein), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and any holder of such share shall exercise all rights attached thereto in accordance with the directions of New MJ Gleeson but not otherwise.”

2. **THAT**, subject to and conditional upon: (i) the passing of Resolution no. 1 set out in this Notice; (ii) the ordinary shares of 146 pence each in the capital of New MJ Gleeson (“**New MJ Gleeson Shares**”) required to be allotted and issued by New MJ Gleeson pursuant to the Scheme having been allotted and issued and registered in the names of the persons entitled to such New MJ Gleeson Shares in New MJ Gleeson’s register of members; and (iii) the Scheme becoming effective, the proposed reduction in the capital of New MJ Gleeson by the reduction of the nominal value of the New MJ Gleeson Shares from 146 pence to 2 pence be and is hereby approved; such reduction to be approved by way of shareholder special resolution of New MJ Gleeson (as described in paragraph 5 of Part III of the Circular to shareholders dated 4 November 2014).
3. **THAT** subject to and conditional upon the Scheme becoming Effective, the Company’s ordinary shares of 2 pence each be delisted from the Official List (as defined in the Circular to shareholders dated 4 November 2014) and removed from trading on the Main Market (as defined in the Circular to shareholders dated 4 November 2014).

ORDINARY RESOLUTION

4. **THAT**, subject to and conditional upon the Scheme becoming effective, the New MJ Gleeson Employee Share Plans, to be adopted by New MJ Gleeson, the main features of which are summarised in paragraph 11 of Part IV of the Circular to shareholders dated 4 November 2014, be approved and the New MJ Gleeson Directors be authorised to do all such acts and things as they may consider necessary or desirable to carry such employee share plans into effect.

By Order of the Board

Alan Martin
Company Secretary

Registered Office:
Sentinel House
Harvest Crescent
Ancells Business Park
Fleet
Hampshire
GU51 2VZ

Dated: 4 November 2014

NOTES:

1. A member of the Company entitled to attend and vote at the above Meeting convened by this notice is entitled to appoint one or more proxies to attend, speak and vote and, on a poll, to vote instead of him or her. A proxy need not be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the white pre-paid Form of Proxy are set out in the notes to the white Form of Proxy. Completion and return of a white Form of Proxy or any CREST Proxy Instruction (as described in notes 15 to 18 below) will not prevent a member from attending the Meeting and voting in person if he or she so wishes.
2. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact Capita Asset Services on the Shareholder helpline on 0871 664 0321 from within the UK or on +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline. Other network providers' costs may vary. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals or give any financial, legal or tax advice.
3. A white pre-paid Form of Proxy is enclosed. To be effective, the white Form of Proxy, together with any power of attorney or other written authority under which it is signed, or a notarially certified copy or a certified copy in accordance with the Powers of Attorney Act 1971 of such power or written authority must be completed signed and to be valid the white Form of Proxy must be duly executed and deposited with the Company at the offices of the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF during normal business hours and as soon as possible and in any event not later than 11.15 a.m. on 24 November 2014 (or 48 hours preceding the date and time for any adjourned meeting). Forms of Proxy returned by fax will not be accepted. If you wish you may use an envelope and address it to FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham BR3 4TU. Electronic proxy appointment is also available for the General Meeting. This facility enables a Shareholder to lodge its proxy appointment by electronic means by logging on to the website of the Company's Registrars, Capita Asset Services, Shareholder solutions: www.capitashareportal.com. From there, enter 'M J Gleeson Group Plc'. You can log in to your Capita Shareportal account or register for the Capita share portal, if you have not already done so, by following the link to the registration section and entering your details as required. You will be able to vote immediately by selecting 'Proxy Voting' from the menu. In order to be a valid proxy appointment, the member's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by 11.15 a.m. on 24 November 2014 (or 48 hours preceding the date and time for any adjourned meeting). The proxy appointment will not be accepted if found to contain a computer virus.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies 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 meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member about the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in Notes 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these Notes can only be exercised by members of the Company.
5. Only those members entered on the register of members of the Company at 6.00 p.m. on 24 November 2014 or, in the event that this Meeting is adjourned, in the register of members of the Company at 6.00 p.m. on the date two days preceding the date of the adjourned Meeting, shall be entitled to attend and vote at the Meeting in respect of the number of ordinary shares registered in their names at that time. Changes to entries on the register after such time will be disregarded in determining the right of any person to attend/and or vote at the meeting.
6. As at 3 November 2014 (the latest practicable date prior to the publication of this document), the Company's issued share capital consists of 53,697,481 ordinary shares of 2 pence each ("**Ordinary Shares**"), all carrying one vote each in all circumstances at general meetings of the Company; and

As at 3 November 2014 (the latest practicable date prior to the publication of this document), the total voting rights in the Company attaching to the Ordinary Shares for the purposes of DTR 5 of the Disclosure and Transparency Rules are 53,697,481.

7. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
8. In the case of a corporation, the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
9. A 'vote withheld' option is provided on the white Form of Proxy to enable members to instruct their proxy not to vote on any particular resolution. However, it should be noted that a 'vote withheld' in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of votes 'For' and 'Against' a resolution.
10. To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy and would like to change the instructions using another hard-copy proxy form, please contact Capita Asset Services. If you submit more than one valid proxy appointment, the appointment received last, before the latest time for the receipt of proxies, will take precedence.
11. In order to revoke a proxy instruction, you will need to inform the Company using the following method: By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Capita Asset Services no later than 11.15 a.m. on 24 November 2014 (or 48 hours before the date and time for any adjourned meeting) in the case of the white proxy form. If a member attempts to revoke his/her proxy appointment but the revocation is received after the time specified, then, subject to the paragraph directly below, your proxy appointment will remain valid.
12. You may not use any electronic address provided in either this notice of meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
13. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www.mjgleeson.com.
14. All shareholders and their proxies will have the opportunity to ask questions at the meeting. When invited by the Chairman, if you wish to ask a question, please wait for a Company representative to bring you a microphone. It would be helpful if you could state your name before you ask your question. Questions may not be answered at the meeting if they are deemed not to be in the interests of the Company, would involve the disclosure of confidential information, or would not be to the good order of the meeting. The Chairman may also nominate a Company representative to answer a specific question after the meeting or refer the response to the Company's website.

NOTE FOR CREST MEMBERS

Electronic proxy appointment through CREST

15. CREST members who wish to appoint a proxy or proxies through CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual. CREST personal members, sponsored CREST members and 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 for them.
16. To complete a valid proxy appointment or instruction using the CREST service, the 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, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted and received by Capita Asset Services (Participant ID RA10) 48 hours before the time fixed for the Meeting (or adjournment thereof). The time of receipt of the instruction will 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 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.
17. CREST members and, where applicable, CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply 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 ensure that his CREST sponsor or voting service provider(s) take(s)) the necessary action to ensure that a message is transmitted by means of the CREST system by a particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should refer to the sections of the CREST Manual concerning practical limitations of the CREST system and timings.
18. The Company may treat a CREST Proxy Instruction as invalid as set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Copies can be inspected at the offices of the Company's solicitors, Simmons & Simmons LLP, at CityPoint, One Ropemaker Street, London EC2Y 9SS and the registered office of the Company at Sentinel House, Harvest Crescent, Ancells Business Park, Fleet, Hampshire GU51 2UZ during usual business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this notice to the close of business on the date of the General Meeting. Copies of these documents will also be available for inspection for at least 15 minutes prior to and during the General Meeting at the location of the Meeting.

