



Capricorn Investment Group Limited
(Incorporated in the Republic of Namibia)
(Date of Registration: 5 September 1996)
(Registration Number: 96/300)
Share code: CGP ISIN: NA000A1T6SV9
("Capricorn Group" or "the Company")

NOTICE TO SHAREHOLDERS OF SPECIAL GENERAL MEETING

Notice is hereby given that a special General Meeting of the shareholders of Capricorn Group will be held in the boardroom on the sixth floor of Capricorn Group Building, Kasino Street, Windhoek, on Wednesday, 12 December 2018 at 14h30 to amend the articles and memorandum of association to make provision for various classes of preference shares, to increase the share capital to provide for such preference shares and to amend the articles dealing with the terms and conditions thereof:

1. RESOLUTIONS

1.1 Special Resolution 1 – Substitution of Article 5.1 of the Articles of Association

That the articles of association of the Company be and are hereby amended in that article 5.1 is substituted with the following article:

"5. Preference Shares

- 5.1 Subject to the Act and other legislation that regulates the Company, and with the sanction of a special resolution, any shares may be converted into preference shares, or authorised preference shares may be created on the terms that they are, or are at the option of the Company, liable to be redeemed. Any authorised but unissued redeemable preference shares of any class may be allotted and issued with such preferred, deferred or other special rights or subject to such restrictions (whether in regard to dividend, voting, return of share capital, terms and manner of redemption or otherwise) as determined by the Company in general meeting or as the Directors may determine, if so authorised by the Company by resolution passed at a general meeting."

The **reason** for the passing of the special resolution is:

The issue of redeemable preference shares by companies is a widely used instrument for companies to raise senior debt. Capricorn Group has successfully raised debt in this manner before and the Company intends to issue further shares from its authorised but unissued redeemable preference shares in future. Section 5.1 of the articles of association, however, restricts the use of redeemable preference shares by effectively requiring a special resolution for each and every issue thereof notwithstanding the general authority granted by the Company at general meetings to the directors to issue redeemable preference shares. The proposed change to section 5.1 of the articles of association is intended to address this contradiction and to make the use of redeemable preference shares as a funding instrument more practicable by removing the requirement for a special resolution to issue such redeemable preference shares.

The **effect** for the passing of the special resolution is:

To enable the Company in general meeting or the directors, if so authorised by the Company, to allot and issue any such redeemable preference shares subject to such rights and terms and having such terms and manner of redemption as they may determine when issuing any such shares.

1.2 **Special Resolution 2 - increase of authorised share capital and creation of additional class of redeemable preference par value shares**

Subject to the passing and registration of the Special Resolution 1, that the authorised share capital of the Company of N\$15 010 000.00 (Fifteen Million and Ten Thousand Namibia Dollar), be and is hereby increased by way of the creation of the following additional redeemable preference par value shares:

- (i) 35,000 (Thirty-Five Thousand) cumulative redeemable preference par value shares with a par value of N\$0.01 (One Cent) each, which shall bear the rights, privileges and terms of redemption as determined in accordance with the articles of association of the Company, to be known as “**Class A Preference Shares**”;
- (ii) 30,000 (Thirty Thousand) cumulative redeemable preference par value shares with a par value of N\$0.01 (One Cent) each, which shall bear the rights, privileges and terms of redemption as determined in accordance with the articles of association of the Company, to be known as “**Class B Preference Shares**”.

The **reason** for the passing of the special resolution is:

To increase the authorised share capital of the Company by creating the Class A- and the Class B Preference Shares.

The **effect** of the resolution will be:

That the authorised share capital of the Company would be increased and the Class A- and the Class B Preference Shares be created as stipulated above.

1.3 **Special Resolution 3 - amendment of Memorandum of Association**

Subject to the passing and registration of the Special Resolutions 1 and 2 above, and as a special resolution, that item 8(a) of the Company's memorandum of association be deleted and replaced with the following new item 8(a):

"8. Capital

The share capital of the Company is N\$15,010,650.00 (Fifteen Million and Ten Thousand, Six-Hundred and Fifty Namibia Dollar) divided into:

- (a) Par value:
 - (i) 600 000 000 (Six Hundred Million) ordinary par value shares of N\$0.025 (Two-and-a-half Cents) each;
 - (ii) Nil preference par value shares of nil dollars each; and
 - (iii) 1 000 000 (One Million) cumulative redeemable preference par value shares of N\$0.01 (One Cent) each,
 - (iii) 35,000 (Thirty-Five Thousand) cumulative redeemable preference par value shares with a par value of N\$0.01 (One Cent) each, to be known as “**Class A Preference Shares**”;
 - (iv) 30,000 (Thirty Thousand) cumulative redeemable preference par value shares with a par value of N\$0.01 (one Cent) each, to be known as “**Class B Preference Shares**”.

The **reason** and **effect** for the passing of the special resolution is for the authorised share capital of the Company to reflect the increased authorised share capital.

1.4 **Ordinary Resolution 1**

“To grant the directors, in terms of the provisions of section 229 of the Companies Act, a general authority to allot and issue the authorised but unissued preference shares of the Company, upon such terms and conditions as they deem fit, subject to the provisions of the Banking Institutions Act and the Listing Requirements of the NSX.”

Voting:

All holders of Capricorn Group shares will be entitled to attend and vote at the special general meeting. On a show of hands, every holder of Capricorn Group shares who is present in person or, in the case of a company, the representative appointed in terms of section 196 of the Companies Act, shall have one vote. On a poll, the holders of ordinary shares present in person or by proxy will each be entitled to one vote for every ordinary share held.

Proxies:

A shareholder qualified to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and, on a poll, vote in his / her stead. A proxy need not also be a shareholder of the Company.

In order to be effective, duly completed proxy forms must be delivered or posted to the Company's transfer secretaries, Transfer Secretaries (Proprietary) Limited, 4 Robert Mugabe Avenue (entrance on Burg Street), Windhoek (P.O. Box 2401, Windhoek, Namibia) to reach this address not less than 48 hours prior to the meeting.

The proxy form is available on the website of Capricorn Group: www.capricorn.com.na.

By order of the Board
Windhoek
12 November 2018

Sponsor

PSG Wealth Management (Namibia) (Pty) Ltd
Member of the Namibian Stock Exchange