

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of shareholders of EPE Capital Partners Ltd ("Ethos Capital" or "the Company") will be held at Cellars-Hohenort Hotel, 93 Brommersvlei Road, Constantia, Cape Town, South Africa on Tuesday, 13 November 2018, at 14:00.

## Purpose

The purpose of the AGM is to pass the ordinary and special resolutions, if approved, with or without amendment, as noted below:

## Agenda

Presentation of the audited Annual Financial Statements of the Group and Company, including the Directors' Report, the Report of the Audit and Risk Committee and the Independent Auditor's Report for the financial year ended 30 June 2018. The Integrated Annual Report, of which this notice forms part, contains the Group and Company's Annual Financial Statements and the above-mentioned reports. The Annual Financial Statements, including the unmodified opinion of the auditor, are available on the Company's website at [www.ethoscapital.mu](http://www.ethoscapital.mu), or may be requested and obtained in person, at no charge, at the registered office of the Company during office hours.

*To consider and, if deemed fit, approve with or without modification, the following ordinary and special resolutions:*

### 1 Consideration and approval of the Annual Financial Statements and consideration of the Integrated Annual Report

#### **Ordinary resolution number 1**

**"Resolved that** the audited Annual Financial Statements of the Group and Company, including the Directors' Report, the Report of the Audit and Risk Committee and the Independent Auditor's Report, for the financial year ended 30 June 2018, be considered and approved and the Integrated Annual Report be considered."

#### **Reason for and effect of ordinary resolution number 1**

The reason for the passing of this resolution is that sections 5.4.1 to 5.4.3 of Schedule 2 of the Company's Constitution provide that at each AGM the Company's Annual Financial Statements be considered and approved, the Independent Auditor's Report be received and the Integrated Annual Report be considered.

The effect of each of these resolutions is to receive the Annual Financial Statements, including the Independent Auditor's Report, and the Integrated Annual Report, both for the year ended 30 June 2018, as provided for by the Constitution.

### 2 Reappointment of the South African Auditor

#### **Ordinary resolution number 2**

**"Resolved that** the auditor, Deloitte South Africa, as the independent registered auditor of the Company, with Dinesh Munu as the individual registered auditor and partner of the firm who will undertake the audit of the Company in relation to its South African matters, be reappointed upon the recommendation of the Audit and Risk Committee and the Board of Directors."

#### **Reason for and effect of ordinary resolution number 2**

The reason for the passing of this resolution is that section 2.5.1 of the Company's Constitution provides that at each AGM the Company must appoint an auditor.

The firm Deloitte South Africa is an accredited auditor appearing as such on the list of accredited auditors of the JSE in South Africa.

The independence of Deloitte South Africa was confirmed to be untainted.

Dinesh Munu is a registered auditor and partner with Deloitte South Africa and is, *inter alia*, registered with the South African Institute of Chartered Accountants. In terms of the prescribed auditor rotation requirements, he is eligible to serve as the individual auditor to lead the audit of the Company.

Deloitte South Africa and Dinesh Munu qualify for appointment as the Company's external auditor in terms of prescribed legislation and applicable ethical codes.

The effect of this resolution is that the reappointment of Deloitte South Africa, as the auditing firm of the Company, and Dinesh Munu, as the individual designated auditor responsible for leading any audit in respect of the Company, is confirmed and endorsed by the shareholders.

### **3 Reappointment of the Mauritian Auditor**

#### ***Ordinary resolution number 3***

**"Resolved that** the auditor, Deloitte Mauritius, as the independent registered auditor of the Company, with Twaleb Butonkee as the individual registered auditor and partner of the firm who will undertake the audit of the Company in relation to its Mauritian matters, be reappointed upon the recommendation of the Audit and Risk Committee and the Board of Directors."

#### ***Reason for and effect of ordinary resolution number 3***

The reason for the passing of this resolution is that section 2.5.1 of the Company's Constitution provides that at each AGM the Company must appoint an auditor.

The independence of Deloitte Mauritius was confirmed to be untainted.

Deloitte Mauritius and Twaleb Butonkee qualify for appointment as the Company's external auditor in terms of prescribed legislation and applicable ethical codes.

The effect of this resolution is that the reappointment of Deloitte Mauritius, as the auditing firm of the Company, and Twaleb Butonkee, as the individual designated auditor responsible for leading any audit in respect of the Company, is confirmed and endorsed by the shareholders.

### **4 Re-election of Directors**

#### ***4.1 Ordinary resolution number 4***

**"Resolved that** Mr Derek Prout-Jones, who retires at the AGM and is eligible, and who has made himself available for re-election, be re-elected as a Director of the Company."

#### ***4.2 Ordinary resolution number 5***

**"Resolved that** Mr Yuvraj Juwaheer, who retires at the AGM and is eligible, and who has made himself available for re-election, be re-elected as a Director of the Company."

#### ***Reason for and effect of ordinary resolutions numbers 4 and 5***

The reason for the passing of these resolution is that section 18.6.1 of the Company's Constitution provides that at each AGM, at least one-third of the Directors shall retire from office and they may stand for re-election, provided that such Director is eligible.

The reason for each of these resolutions is to authorise the appointment of the above stated persons to the Board of Directors as allowed by the Constitution.

An abbreviated *curriculum vitae* of each person standing for re-election is set out on page 47 of the Integrated Annual Report, and for purposes of these resolutions, is regarded as forming an integral part of these resolutions.

The effect of each of these resolutions is to authorise the appointment of the above-stated persons to the Board of Directors as allowed by the Constitution.

### **5 Re-election of members of the Audit and Risk Committee**

#### ***5.1 Ordinary resolution number 6***

**"Resolved that** Mr Derek Prout-Jones, who retires at the AGM and has made himself available for re-election, be re-elected as a member of the Audit and Risk Committee, subject to the approval of ordinary resolution number 4 above."

#### ***5.2 Ordinary resolution number 7***

**"Resolved that** Mr Kevin Allagapen, be re-elected as a chairperson of the Audit and Risk Committee."

### 5.3 Ordinary resolution number 8

“Resolved that Mr Yuvraj Juwaheer, who retires at the AGM and has made himself available for re-election, be re-elected as a member of the Audit and Risk Committee, subject to the approval of ordinary resolution 5 above.”

#### **Reason for and effect of ordinary resolution numbers 6 to 8**

The reason for the passing of these resolutions is that section 2.6.2 of the Company’s Constitution provides that at each AGM the Company must elect the members of the Audit and Risk Committee.

The reason for each of these resolutions is to authorise the appointment of the above-stated persons to the Audit and Risk Committee as allowed by the Constitution.

The Board is satisfied that the above-mentioned persons possess the appropriate qualifications, skills and experience to fulfil their Audit and Risk Committee obligations allowed by the Constitution.

An abbreviated *curriculum vitae* of each person standing for re-election is set out on page 47 of the Integrated Annual Report, and for purposes of these resolutions, is regarded as forming an integral part of these resolutions.

The effect of each of these resolutions is to authorise the appointment of the above-stated persons to the Audit and Risk Committee as allowed by the Constitution.

## 6 Approval of Directors’ remuneration

### **Ordinary resolution number 9**

“Resolved that the all-inclusive gross remuneration to be paid to the non-executive Directors for their services as Directors for the year 1 July 2018 to 30 June 2019, as set out below, is hereby approved.”

Directors’ remuneration	Year to 30 June 2019 Rand	Year to 30 June 2018 Rand
Derek Prout-Jones	1 575 000	1 500 000
Kevin Allagapen	336 000	320 000
Michael Pfaff	1 240 000	1 180 000
Yuvraj Juwaheer	336 000	320 000
Yvonne Stillhart	630 000	600 000

### **Reason for and effect of ordinary resolution number 9**

The reason for the passing of the resolution is that section 18.5.1 of the Company’s Constitution provides that, notwithstanding anything to the contrary contained in the Constitution or any agreement, understanding or arrangement with a Director, the Company shall not be obliged or entitled or required to pay any remuneration to a Director for their services as Directors (which shall exclude salaries of executive Directors) except such remuneration as has been approved by and in terms of an ordinary resolution.

Accordingly, the reason for this resolution is, *inter alia*, to approve the remuneration and basis for compensation of the non-executive Directors for the ensuing year.

The effect of this resolution is that the non-executive Directors’ remuneration and basis for compensation will be authorised for the period 1 July 2018 until 30 June.

## 7 Non-binding endorsement of the remuneration policy

### **Ordinary resolution number 10**

“Resolved that the shareholders, by way of a non-binding advisory vote, endorse the Company’s remuneration policy as detailed on page 53 of the Integrated Annual Report.”

#### **Reason for and effect of ordinary resolution number 10**

The reason for the passing of the resolution is that it is a requirement of the JSE Listings Requirements to table the remuneration policy for a non-binding advisory vote by shareholders at each AGM, as suggested by King IV.

Accordingly, the reason for this resolution is to endorse the remuneration policy of the Company.

The effect of this resolution will be for the shareholders to endorse the Company’s remuneration policy. This is an advisory vote only, and the failure to pass this resolution will not impact the current remuneration agreements; however, the Board will take the outcome of the vote and any views raised in consideration when making or considering changes to the current remuneration policy.

## 8 Non-binding endorsement of the implementation report of the Company's remuneration policy

### *Ordinary resolution number 11*

"Resolved that the shareholders, by way of a non-binding advisory vote, endorse the Company's implementation report in relation to the remuneration policy as detailed on page 53 of the Integrated Annual Report."

### *Reason for and effect of ordinary resolution number 11*

The reason for the passing of the resolution is that it is a requirement of the JSE Listings Requirements to table the implementation report for a non-binding advisory vote by shareholders at each AGM, as suggested by King IV.

Accordingly, the reason for this resolution is to endorse the implementation report in relation to the Company's remuneration policy.

The effect of this resolution will be for the shareholders to endorse the Company's implementation report in relation to the remuneration policy. This is an advisory vote only, and the failure to pass this resolution will not impact the current remuneration agreements; however, the Board will take the outcome of the vote and any views raised into consideration when making or considering changes to the current remuneration policy and its implementation.

## 9 Approval of general authority to the Board to issue A Ordinary Shares of the Company and/or convertible securities for cash

### *Ordinary resolution number 12*

"Resolved that the Directors of the Company be and they are hereby authorised by way of a general authority to issue A Ordinary Shares and/or any options/convertible securities that are convertible into A Ordinary Shares of the Company for cash, as and when they in their discretion deem fit, subject to the Company's Constitution, the provisions of the Mauritius Companies Act 2001, the JSE Listings Requirements, when applicable, and the following limitations, namely that:

- the equity securities that are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to "public shareholders" as defined in the JSE Listings Requirements and not to related parties;
- in respect of securities which are the subject of the general issue of shares for cash, it may not exceed the cumulative number of shares of the Company that were repurchased and held in treasury at such time which are limited to 18 105 000 A Ordinary Shares, representing c.10% of the Company's A Ordinary Shares in issue at the date of the notice of the AGM, (excluding current treasury shares held) and, provided that:
  - › any equity securities issued under this authority during the period must be deducted from the number above;
  - › in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio; and
  - › the calculation of the listed equity securities is a factual assessment of the listed equity securities as at the date of the notice of AGM, excluding treasury shares;
- the authority is valid until the Company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date that this authority is given;
- any such general issues are subject to exchange control regulations and approval at that point in time;
- an announcement giving full details will be published at the time of any issue representing, on a cumulative basis within the period of this authority, 5% (five percent) or more of the number of shares in issue prior to the issue, in accordance with section 11.22 of the JSE Listings Requirements;

- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% (ten per cent) of the weighted average traded price on the JSE of those shares over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 30 business-day period; and
- approval of the general issue for cash resolution achieving 75% majority of the votes cast in favour of such resolutions by all equity securities present or represented by proxy at the AGM convened to approve such resolution."

***Reason and effect of ordinary resolution number 12***

The reason for this resolution is to authorise the Board to issue for cash A Ordinary Shares and/or any options/convertible securities that are convertible into A Ordinary Shares, up to a maximum of the cumulative number of shares of the Company that were repurchased and held in treasury at such time which are limited to 18 105 000 A Ordinary Shares, representing c.10% of the Company's A Ordinary Shares in issue at the date of the notice of the AGM, (excluding current treasury shares held)

**10 Approval of general authority to acquire or repurchase the A Ordinary Shares in the Company**

***Special resolution number 1***

"Resolved that the general authority of the Company to repurchase its A Ordinary Shares, upon such terms and conditions and in such amounts as the Directors may from time to time decide at their discretion, but subject to the Company's Constitution, the provisions of the Mauritius Companies Act 2001, ("the Mauritius Companies Act") and the JSE Listings Requirements, is hereby approved, provided that:

- any repurchase of securities must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between Ethos Capital and the counterparty (reported trades are prohibited);

- authorisation for the repurchase is given by the Company's Constitution;
- at any point in time, Ethos Capital may only appoint one agent to effect any repurchase(s) on Ethos Capital's behalf;
- this general authority will be valid until Ethos Capital's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing this resolution;
- an announcement will be published on the Stock Exchange News Service ("SENS") as soon as Ethos Capital has acquired any of its securities of a relevant class constituting, on a cumulative basis, 3% (three percent) of the initial number of securities of that relevant class in issue at the time that the general authority was granted, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, containing full details of such repurchases, such announcement to be published as soon as possible and not later than 08:30 (South African standard time) on the second business day in South Africa and Mauritius following the day on which the relevant threshold is reached or exceeded, and the announcement shall comply with the requirements of the JSE Listings Requirements in this regard;
- repurchases by Ethos Capital of its securities may not, in aggregate in any one financial year, exceed 5% (five percent) of Ethos Capital's issued share capital of that class as at the beginning of the financial year ending 30 June 2019 (excluding treasury shares);
- in determining the price at which the Company's securities are acquired by the Company in terms of this general authority, the maximum premium at which such securities may be acquired will be 10% (ten percent) of the weighted average of the market value at which such securities are traded on the JSE as determined over the 5 (five) business days immediately preceding the date of repurchase of such securities by Ethos Capital. The JSE will be consulted for a ruling if such securities have not been traded during the course of such five business-day period;

- Ethos Capital may not repurchase any of its securities in terms of this authority during a "prohibited period" (as such term is defined in the JSE Listings Requirements), unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. Ethos Capital must instruct an independent third party, which makes its investment decisions in relation to Ethos Capital's securities independently of, and uninfluenced by, Ethos Capital, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- any such repurchase may be subject to exchange control regulations and approval at that time; and
- a resolution has been passed by the Board authorising the repurchase and confirming that Ethos Capital passed the solvency and liquidity test in terms of the Mauritius Companies Act and that, from the time the test was done there have been no material changes to the financial position of the Company."

#### ***Reason for and effect of special resolution number 1***

The reason for the passing of this resolution is to grant the Company a general authority in terms of the JSE Listings Requirements for the acquisition by the Company of its securities, which authority shall be valid until the next AGM, provided that the general authority shall not extend beyond 15 months from the date of this special resolution number 1.

The effect of special resolution number 1 is to enable Ethos Capital, by way of a general authority, to acquire its securities from the holders of such securities.

Information in respect of major shareholders, share capital and material changes is contained in the Notes to the Annual Financial Statements, which information is required by the JSE Listings Requirements with regard to the resolution granting a general authority to Ethos Capital to repurchase its securities.

The Directors collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution, to the extent required by law, and certify that, to the best of their knowledge and belief, there are no

facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the above special resolution contains all relevant information required by the JSE Listings Requirements.

#### ***Statement by the Directors***

The Directors will not commence a general repurchase of shares, as allowed for in this resolution, unless the following can be met:

- Ethos Capital will be able in the ordinary course of business, to pay its debts for a period of 12 months following the date of the general repurchases.
- Ethos Capital's assets will be in excess of the liabilities of Ethos Capital for a period of 12 months following the date of the general repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited Annual Financial Statements which comply with the Mauritius Companies Act.
- Ethos Capital will have adequate share capital and reserves for ordinary business purposes for a period of 12 months following the date of the general repurchase.
- The working capital of Ethos Capital will be adequate for ordinary business purposes for a period of 12 months following the date of the general repurchase.
- The Board will pass a resolution authorising the repurchase, confirming that Ethos Capital has passed the solvency and liquidity test in terms of the Mauritius Companies Act 2001 and further confirming that, since the test was performed, there have been no material changes to the financial position of Ethos Capital and its subsidiaries.
- The intention of the general authority sought is to provide the Directors with the ability to, when they deem it appropriate, to repurchase the Company's A Ordinary Shares for the purpose of, but not limited to, holding such shares in treasury.
- In the event that the repurchase was made during a prohibited period through a repurchase programme pursuant to paragraph 5.69(h) and/or 14.9(e) of Schedule 14 of the JSE Listings Requirements, a statement will be issued confirming that the repurchase was put in place pursuant to a repurchase programme prior to a prohibited period in accordance with the JSE Listings Requirements.

## Approvals required for resolutions

Ordinary resolutions numbers 1 to 11 contained in this Notice of AGM require the approval by more than 50% of the votes exercised on the resolutions by shareholders present or represented by proxy at the AGM convened to approve these resolutions, subject to the provisions of the Company's Constitution, the Mauritius Companies Act 2001 and the JSE Listings Requirements.

Ordinary resolution number 12 and Special resolution number 1 contained in this Notice of AGM require the approval of at least 75% of the votes exercised on the resolutions by shareholders present or represented by proxy at the AGM convened to approve these resolutions, subject to the provisions of the Company's Constitution, the Mauritius Companies Act 2001 and the JSE Listings Requirements.

Equity securities held by a share trust or scheme, and unlisted securities will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

## Proof of identification required

Any shareholder or proxy who intends to attend or participate at the AGM must be able to present reasonably satisfactory identification at the meeting for such shareholder or proxy to attend and participate at the AGM. A green bar-coded identification document or identification card issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted at the AGM as sufficient identification.

## Record dates

The record date for shareholders to be recorded on the securities register of the Company in order to receive this Notice of the AGM is 5 October 2018.

The record date for shareholders to be recorded on the securities register of the Company in order to be able to attend, participate and vote at the AGM is 2 November 2018, and the last date to trade in the Company's shares in order to be recorded on the securities register of the Company in order to be able to attend, participate in and vote at the AGM is 30 October 2018.