

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* to this cover page.

### ACTION REQUIRED BY CSG SHAREHOLDERS

- Shareholders are referred to page 2 of this Circular, which sets out the action required by them.
- If you have disposed of all your Shares in CSG, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
- If you are in any doubt as to what action you should take, please consult your CSDP, Broker, banker, legal adviser, accountant or other professional adviser immediately.

### DISCLAIMER

- CSG does not accept responsibility and will not be held liable for any failure on the part of the CSDP or Broker of a Dematerialised Shareholder to notify such Shareholder of the details of this Circular.



#### CSG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2006/011359/06)

Share code: CSG

ISIN code: ZAE000184438

("CSG" or "the Company")

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## CIRCULAR TO CSG SHAREHOLDERS

regarding:

- a Specific Issue of Shares for cash, consisting of 41 000 000 Shares to be issued to AfriGem, at a subscription price of R1,18 equal to the 30-day volume weighted average trading price of the Company for the 30 trading day period ending on 6 October 2016 less a 15% discount;

and incorporating

- a Notice of General Meeting; and
- a Form of Proxy (*blue*) for the General Meeting (for use by Certificated Shareholders and Own Name Dematerialised Shareholders only).

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### Transaction Adviser and Transaction Sponsor



PSG CAPITAL

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**Date of issue:** Wednesday, 30 November 2016

*This Circular is available in English only. Copies may be obtained from the registered office of the Company and the Transaction Adviser and Transaction Sponsor, details of which appear in the "Corporate Information" section of the Circular. A copy of this Circular will also be made available on the Company's website ([www.csgholdings.co.za](http://www.csgholdings.co.za)).*

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## CORPORATE INFORMATION

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### DIRECTORS OF CSG

BT Ngcuka\* (*Chairman*)  
PJJ Dry (*Chief Executive Officer*)  
JG Nieuwoudt (*Chief Operating Officer*)  
WE Scott (*Chief Financial Officer*)  
NG Thiart  
PN de Waal\*  
NN Sonjani\*#  
M Mokoka\*\* (*Lead independent*)  
R Kisten\*\*

\* *Non-executive*

# *Independent*

### TRANSACTION ADVISER AND TRANSACTION SPONSOR

PSG Capital Proprietary Limited  
(Registration number 2006/015817/07)  
1st Floor  
Ou Kollege  
35 Kerk Street  
Stellenbosch 7600  
(PO Box 7403, Stellenbosch 7599)

and

First Floor, Building 8  
Inanda Greens Business Park  
54 Wierda Road West  
Wierda Valley  
Sandton 2196  
(PO Box 650957, Benmore 2010)

### COMPANY SECRETARY AND REGISTERED ADDRESS

MN Hattingh  
6 Topaz Avenue  
Lyttelton Manor Ext 3  
Centurion 0157  
(Postal address as above)

### DATE AND PLACE OF INCORPORATION

12 April 2006  
Johannesburg, South Africa

### TRANSFER SECRETARIES

Link Market Services South Africa Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor, Rennie House  
19 Ameshoff Street  
Braamfontein 2001  
(PO Box 4844, Johannesburg 2000)

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## ACTION REQUIRED BY SHAREHOLDERS

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The definitions and interpretations commencing on page 4 apply *mutatis mutandis* to this section.

### ACTION REQUIRED BY SHAREHOLDERS

A General Meeting of Shareholders will be held at 10:00, on Friday, 13 January 2017 at CSG's offices, Equity Park, Block A, 257 Brooklyn Road, Brooklyn, Pretoria in order to consider and, if deemed fit, pass the resolutions required to implement the Specific Issue as detailed in this Circular. A notice convening the General Meeting is attached to and forms part of this Circular.

#### 1. If you are a Dematerialised Shareholder other than with "Own Name" registration

- 1.1 Your CSDP or Broker is obliged to contact you in the manner stipulated in the Custody Agreement concluded between you and your CSDP or Broker to ascertain how you wish to cast your votes at the General Meeting and thereafter to cast your votes in accordance with your instructions.
- 1.2 If you have not been contacted by your CSDP or Broker, you should contact your CSDP or Broker and furnish them with your voting instructions.
- 1.3 If your CSDP or Broker does not obtain voting instructions from you, they will be obliged to vote in accordance with the provisions contained in the agreement concluded between you and your CSDP or Broker.
- 1.4 In accordance with the Custody Agreement concluded between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to attend or be represented by proxy at the General Meeting. Your CSDP or Broker will issue the necessary letter of representation for you to do so.
- 1.5 You must **not** complete the attached Form of Proxy (*blue*).

#### 2. If you are a Certificated Shareholder or an Own Name Dematerialised Shareholder

- 2.1 You are entitled to attend the General Meeting in person and speak, vote or abstain from voting at the General Meeting.
- 2.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the Form of Proxy (*blue*) attached to this Circular in accordance with the instructions contained therein and return it to the Transfer Secretaries, to be received by them by no later than 10:00 on Wednesday, 11 January 2017.

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 4 of this Circular apply *mutatis mutandis* to these salient dates and times.

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### 2016

Record date to determine which Shareholders are eligible to receive this Circular	Friday, 25 November
Announcement providing full details of the Specific Issue, giving salient dates and times and advising of the posting of this Circular and giving the date and place of the General Meeting released on SENS on	Wednesday, 30 November
Circular posted to Shareholders (including the Notice of General Meeting) on	Wednesday, 30 November

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### 2017

Last day to trade in the Shares in order to be eligible to attend, participate in and vote at the General Meeting on	Tuesday, 3 January
General Meeting Record Date for Shareholders to be recorded in the Register in order to be eligible to attend, participate in and vote at the General Meeting	Friday, 6 January
Forms of Proxy ( <i>blue</i> ) in respect of the General Meeting to be lodged at the Transfer Secretaries by 10:00 on	Wednesday, 11 January
Forms of Proxy ( <i>blue</i> ) not lodged with the Transfer Secretaries to be handed to the chairperson of the General Meeting before 10:00 on	Friday, 13 January
General Meeting to be held at 10:00 on	Friday, 13 January
Results of General Meeting released on SENS on	Friday, 13 January

#### Notes

1. All of the above dates and times are subject to change. Any changes made will be notified to Shareholders by release on SENS.
2. Shareholders should note that, as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Shares after the last day to trade in order to be eligible to vote at the General Meeting, namely, Friday, 6 January 2017, will not be able to vote thereat.
3. A Shareholder may submit the Form of Proxy (*blue*) at any time before the commencement of the General Meeting (or any adjournment of the General Meeting) or hand it to the chairperson of the General Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting), provided that, should a Shareholder lodge the Form of Proxy (*blue*) with the Transfer Secretaries less than 48 hours before the General Meeting, a Shareholder will also be required to furnish a copy of such Form of Proxy (*blue*) to the chairperson of the General Meeting before the appointed proxy exercises any of such Shareholder's rights at the General Meeting (or any adjournment of the General Meeting).
4. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any such adjournment or postponement.
5. All times given in this Circular are local times in South Africa.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, unless the context indicates otherwise, reference to the singular shall include the plural and *vice versa*, words denoting one gender shall include the others, words and expressions denoting natural persons shall include juristic persons and associations of persons and the words and expressions in the first column have the meanings stated opposite to them in the second column:

<b>“African Rainbow Capital”</b>	African Rainbow Capital Proprietary Limited (registration number 2015/000394/07), a limited liability private company duly incorporated in the Republic of South Africa and a wholly owned subsidiary of Ubuntu-Botho Investments;
<b>“AfriGem”</b>	AfriGem Investments Proprietary Limited (registration number 2016/389307/07) (previously known as Gemcap ARC 2 Proprietary Limited), a limited liability private company duly incorporated in the Republic of South Africa and a wholly owned subsidiary of African Rainbow Capital;
<b>“Board” or “Directors”</b>	the board of directors of CSG, whose names appear in the “ <i>Corporate Information</i> ” section of this Circular;
<b>“Broker”</b>	a “stockbroker” as defined in the Financial Markets Act, or its nominee;
<b>“Certificated Shareholders”</b>	holders of Certificated Shares;
<b>“Certificated Shares”</b>	Shares that have not been Dematerialised and title to which is represented by Documents of Title;
<b>“Circular”</b>	this circular dated 30 November 2016 to Shareholders, including all annexures thereto;
<b>“Companies Act”</b>	Companies Act, No. 71 of 2008, as amended;
<b>“CSDP”</b>	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, with whom a Shareholder holds a Dematerialised share account;
<b>“CSG” or “the Company”</b>	CSG Holdings Limited (registration number 2006/011359/06), a limited liability public company duly incorporated in the Republic of South Africa, the ordinary shares of which are listed on the main board of the JSE with effect from 21 November 2016, as announced on SENS on 26 October 2016 and 9 November 2016;
<b>“Custody Agreement”</b>	the agreement which regulates the relationship between the CSDP or Broker and each beneficial holder of Dematerialised Shares;
<b>“Dematerialise” or “Dematerialisation”</b>	the process by which Certificated Shares are converted into an electronic format as Dematerialised Shares and recorded in the Company’s uncertificated securities register administered by a CSDP;
<b>“Dematerialised Shareholders”</b>	holders of Dematerialised Shares;
<b>“Dematerialised Shares”</b>	Shares which have been Dematerialised in terms of the requirements of Strate and the ownership of which is no longer evidenced by physical Documents of Title, but by electronic records;
<b>“Documents of Title”</b>	share certificates, certified transfer deeds, balance receipts or any other physical documents of title pertaining to the Shares in question, acceptable to the Board;
<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012, as amended from time to time;
<b>“Form of Proxy”</b>	for purposes of the General Meeting, the form of proxy ( <i>blue</i> ) for use by Certificated Shareholders and Own-Name Dematerialised Shareholders only;
<b>“General Meeting”</b>	the general meeting of Shareholders to be held at 10:00 on Friday, 13 January 2017 at CSG’s offices, Equity Park, Block A, 257 Brooklyn Road, Brooklyn, Pretoria convened in terms of the Notice of General Meeting enclosed and forming part of this Circular;
<b>“Group”</b>	CSG and its Subsidiaries;
<b>“JSE”</b>	JSE Limited (registration number 2005/022939/06), a public company incorporated in South Africa and licensed as an exchange under the Financial Markets Act;

<b>“Last Practicable Date”</b>	Wednesday, 16 November 2016, the last practicable date prior to the finalisation of this Circular;
<b>“Listings Requirements”</b>	the Listings Requirements of the JSE, as amended from time to time by the JSE;
<b>“Notice of General Meeting”</b>	the notice of General Meeting incorporated into this Circular, notifying shareholders of the General Meeting;
<b>“Rand” or “R”</b>	South African Rand, the official currency of South Africa;
<b>“Register”</b>	the register of Shareholders of the Company;
<b>“SENS”</b>	Stock Exchange News Service of the JSE;
<b>“Shareholders” or “CSG Shareholders”</b>	registered holders of Shares;
<b>“Shares” or “CSG Shares”</b>	ordinary no par value shares in the share capital of CSG, which shares are listed on the JSE;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Specific Issue”</b>	a Specific Issue of Shares for cash, in terms of paragraph 5.51 of the Listings Requirements, consisting of 41 000 000 Shares to be issued to AfriGem at a subscription price of R1,18 equal to the 30-day VWAP of the Company for the 30 trading day period ending on 6 October 2016 less a 15% discount;
<b>“Specific Issue Consideration”</b>	the total amount of R48 380 000 payable by AfriGem to CSG in respect of the Specific Issue;
<b>“Strate”</b>	Strate Proprietary Limited (registration number 1998/022242/07), a private company duly incorporated in the Republic of South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
<b>“Subsidiary”</b>	a “subsidiary” as defined in the Companies Act;
<b>“Transfer Secretaries” or “Computershare”</b>	Link Market Services South Africa Proprietary Limited (registration number 2000/007239/07), a limited liability private company duly incorporated in the Republic of South Africa; and
<b>“VWAP”</b>	volume weighted average trading price;



## CSG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2006/011359/06)

Share code: CSG

ISIN code: ZAE000184438

("CSG" or "the Company")

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### Directors

BT Ngcuka\* (*Chairman*)

PJJ Dry (*Chief Executive Officer*)

JG Nieuwoudt (*Chief Operating Officer*)

WE Scott (*Chief Financial Officer*)

NG Thiart

PN de Waal\*

NN Sonjani\*#

M Mokoka\*\* (*Lead independent*)

R Kisten\*\*

\* *Non-executive*

# *Independent*

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## CIRCULAR TO CSG SHAREHOLDERS

### 1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

- 1.1 Shareholders are referred to the announcement released by the Company on SENS on 22 November 2016 advising Shareholders that CSG has entered into an irrevocable undertaking with AfriGem in terms of which AfriGem has committed to subscribe for 41 000 000 Shares in the Company for cash at an issue price of R1.18 per Share and for a total consideration of R48.3 million.
- 1.2 AfriGem is a wholly owned subsidiary of African Rainbow Capital, a black owned and controlled investment company, which in turn, is a wholly owned subsidiary of Ubuntu-Botho Investments, the shareholding structure of which includes a broad base of stakeholders including BEE groups such as church groups, trade unions and women's groups.
- 1.3 The purpose of this Circular and the accompanying Notice of General Meeting is to provide Shareholders with information in regards to the Specific Issue and to convene the General Meeting at which Shareholders can consider and vote on the resolutions required to implement the Specific Issue.

### 2. THE SPECIFIC ISSUE

#### 2.1 Reason for the Specific Issue

The Specific Issue is being undertaken in order to improve CSG's BEE shareholding to approximately 30%, as AfriGem is 99,2% black owned and also to bolster the Company's cash reserves further in order for the Company to continue its strategy of identifying and acquiring value adding businesses, without potential dilution to its BEE shareholding.

#### 2.2 Details of the Specific Issue

- 2.2.1 The Specific Issue is an issue of Shares for cash in terms of paragraph 5.51 of the Listings Requirements and as such will require Shareholder approval by way of an ordinary resolution requiring the support of at least 75% Shareholders present in person or represented by proxy at the General Meeting.
- 2.2.2 In terms of the Specific Issue, CSG will issue a maximum of 41 000 000 Shares, at an issue price of R1.18 per Share, to AfriGem. The issue price represents a discount of 15% to the 30 day VWAP of CSG Shares as at 6 October 2016.



- 2.2.3 The Shares to be issued in terms of the Specific Issue are of a class of securities of the Company that are already in issue.
- 2.2.4 The proposed Specific Issue is not to a related party or to any of their associates. As at the Last Practicable Date, AfriGem was not a Shareholder of CSG.

### 2.3 Resolutions to be tabled at the General Meeting

- 2.3.1 Shareholders will be requested to approve the ordinary resolution authorising the Directors to issue and allot 41 000 000 of the unissued but authorised ordinary Shares in the share capital of the Company to AfriGem, for cash, at an issue price of R1,18 per Share and for a total consideration of R48 380 000.
- 2.3.2 The Specific Issue is subject to the ordinary resolution in respect thereof being approved by a majority representing not less than 75% of the votes exercisable by Shareholders present and voting, either in person or by proxy, at the General Meeting.

### 2.4 Irrevocable undertaking

- 2.4.1 The Company has procured irrevocable undertakings from the following Shareholders to vote in favour of the ordinary resolution required in order to approve the Specific Issue:

Shareholder	Number of shares held	Percentage
PDT Investments Proprietary Limited	74 462 029	16,59%
GTT Investments Proprietary Limited	72 549 167	16,17%
Paladin Capital Financial Services	60 419 836	13,46%
Barkomax Proprietary Limited	48 520 842	10,81%
Vuwa Scaffolding Proprietary Limited	46 500 000	10,36%
NRT Investments Proprietary Limited	21 431 039	4,78%
Daniel Elardus Engelbrecht	9 761 535	2,18%
PSG Private Equity Consortium	4 342 244	0,97%
Vuza Investments Proprietary Limited	3 573 415	0,80%
<b>Total</b>	<b>341 560 107</b>	<b>76,12%</b>

## 3. BUSINESS OF CSG

CSG is a contract services group offering a wide range of services including staffing solutions, facilities management, industrial, mining and related services in Southern Africa to an array of mostly blue-chip clients.

Their business model is to be invested in businesses covering a full range of services in their chosen fields – staffing solutions, facilities management and industrial and mining services, that complement each other, through their specialised divisions.

At the core of the Company is good corporate governance combined with an innovative and adaptive corporate culture, sound knowledge and proven experience, underpinned by solid financial backing.

The Staffing Solutions division includes the provision of temporary outsourced personnel, permanent placements, time keeping, payroll services, human resource services and industrial relations services.

CSG's clients value the tailor-made solutions, close relationships, industry expertise and service excellence they offer. Their vertical market approach to recruitment and our superior market knowledge are key differentiators, which position us to assist our clients in meeting their transformation challenges in an exceptional turnaround time. They provide a sound, legal, financial, administrative and personnel recruitment and management infrastructure with a proven track record.

The Facilities Management division includes managing staff canteens and supplying meals to students, patients in hospitals, corporate head offices, mines and construction sites, while specialised cleaning is performed in the hospitality and healthcare industries. It also includes remote site accommodation, (village) construction and operation, and management services.

Since late 2015, CSG has also provided a full suite of integrated security services to both residential and commercial clients.

The Industrial and Mining Services division includes plant cleaning, factory cleaning, industrial site and office cleaning, equipment hire, mining construction and engineering services on a contracting basis to clients.

#### 4. PROSPECTS OF CSG

The CSG Group's mission is to be the leading strategic outsource partner of choice for staffing solutions, facilities management, and industrial, mining and related services in Southern Africa. As such, the strategy is to expand acquisitively into a well recognised, leading brand in all its chosen specialist outsource sectors choosing segments with medium capital intensity and higher barriers to entry than in its current businesses. The CSG Group will maintain a focus on the management of people and employee-intensive outsource solutions in industries the Company knows well.

The Board is of the view that its vision can be achieved by significantly increasing the scale of CSG through organic growth, as well as continued acquisitions in catering, cleaning, security and mining industries. Enhancing the value of our services for the customers and exceeding the expectations of our customers regarding our products and services as well as developing technology across all sectors will remain a focus area for the Group.

As noted, the Specific Issue being undertaken will not only improve CSG's BEE status, making it a preferred supplier of choice, but will provide additional cash reserves to continue its strategy of acquiring value adding businesses, without potential dilution to its BEE shareholding.

#### 5. SHARE CAPITAL

5.1 The authorised and issued share capital of CSG, before and after the implementation of the Specific Issue, is as follows:

<b>Before the Specific Issue</b>	<b>R'000</b>
<i>Authorised</i>	
750 000 000 ordinary Shares of no par value	–
<i>Issued</i>	
448 780 709 ordinary Shares of no par value	–
<b>Stated capital</b>	<b>223 921</b>
<hr/>	
<b>After the Specific Issue</b>	<b>R'000</b>
<i>Authorised</i>	
750 000 000 ordinary Shares of no par value	–
<i>Issued</i>	
489 780 709 ordinary Shares of no par value	–
<b>Stated capital</b>	<b>272 301</b>

5.2 As at the Last Practicable date, CSG holds 625 000 Shares in treasury.

#### 6. SHARE TRADING HISTORY

A table setting out the trading history of CSG Shares on the JSE has been included as **Annexure 1** to this Circular.

#### 7. INTENDED USE OF FUNDS

CSG's strategy is to expand acquisitively into a well-recognised, leading brand in all its chosen specialist outsource sectors, choosing segments with medium capital intensity and higher barriers to entry than in its current businesses, while offering a full range of quality services domestically and across Africa, providing excellence to customers and value to Shareholders.

CSG will maintain focus on the management of people and employee-intensive outsource solutions in industries the Company knows well.

As such, the funds will be used to bolster the Company's cash reserves further in order for the Company to continue its strategy of identifying and acquiring value adding businesses as part of its strategy. Various potential acquisitions are being negotiated for which the funds will be utilised.

#### 8. INFORMATION RELATING TO DIRECTORS

##### 8.1 Details of Directors

There will be no variation to the Board of Directors and/or the executive committee of CSG as a consequence of the Specific Issue.

## 8.2 Directors' emoluments

There will be no variation in the remuneration receivable by any of the Directors as a consequence of the Specific Issue.

## 8.3 Directors' interests in securities

8.3.1 At the Last Practicable Date, the following Directors (and their associates), including Directors who have resigned during the last 18 months, held direct and indirect beneficial interests in the Company's issued share capital as reflected below:

	Direct '000	Indirect '000	Associate	Total Shares '000	Percentage
PJJ Dry	637	–	87 347	87 984	19.61%
JG Nieuwoudt	–	–	21 431	21 431	4.78%
NG Thiar	–	–	84 194	84 194	18.76%
BT Ngcuka	800	8 928	–	9 728	2.17%
PN de Waal	248	–	2 539	2 787	0.62%
<b>Total</b>	<b>1 685</b>	<b>8 928</b>	<b>195 512</b>	<b>206 125</b>	<b>45.93%</b>

8.3.2 Save as set out below, there has been no change in the shareholding of the Directors between the end of the financial year ended 31 March 2016 and the Last Practicable Date:

8.3.2.1 PJJ Dry:

8.3.2.1.1 through an associate, PDT Investments Proprietary Limited, exercised 414 947 share options on 27 June 2016 (indirect, beneficial interest); and

8.3.2.1.2 through an associate, Kernsig Proprietary Limited, exercised 67 069 share options on 27 June 2016 (indirect, non-beneficial interest);

8.3.2.2 JG Nieuwoudt:

8.3.2.2.1 through an associate, NRT Investments Proprietary Limited ("NRT"), exercised 120 225 share options on 27 June 2016 (indirect, non-beneficial interest);

8.3.2.2.2 through an associate, NRT, exercised 120 225 share options on 13 July 2016 (indirect, non-beneficial interest); and

8.3.2.2.3 through an associate, NRT, ceded 240 450 share options on 13 July 2016 (indirect, non-beneficial interest);

8.3.2.3 NG Thiar, through an associate, GTT Investments Proprietary Limited, exercised 482 016 share options on 27 June 2016 (indirect, beneficial interest); and

8.3.2.4 BT Ngcuka:

8.3.2.4.1 purchased 800 000 Shares on 23 June 2016 (direct, beneficial interest); and

8.3.2.4.2 through an associate, Mbona Trust, exercised 81 900 share options on 27 June 2016 (indirect, beneficial interest).

## 8.4 Directors' interests in transactions

Save as disclosed in the table above, by virtue of each Director's (or their associates) shareholding in CSG, no Director has or had any beneficial interest, directly or indirectly, in any transaction which is, or was, material to the business of CSG and which was effected by the Company during the current financial year or the immediately preceding financial year or in respect of any previous financial year which remains in any respect outstanding or unperformed.

## 9. LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened of which CSG or its Subsidiaries are aware, which may have or have had a material effect on the financial position of the Group in the last twelve months.

## 10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of CSG, whose names appear in the "Corporate Information" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information contained in this Circular which relates to the Company, and certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular false or misleading, and that all reasonable inquiries to ascertain such facts have been made, and that this Circular contains all information required by law and the Listings Requirements.

## 11. GENERAL MEETING AND VOTING

- 11.1** The General Meeting will be held at 10:00 on Friday, 13 January 2017 at CSG's offices, Equity Park, Block A, 257 Brooklyn Road, Brooklyn, Pretoria, in order to consider and, if deemed fit, pass, with or without modification, the requisite resolutions required to give effect to the Specific Issue.
- 11.2** The Notice of General Meeting is attached hereto and forms part of this Circular and contains the resolutions to be considered at the General Meeting. Full details of the action required by Shareholders are set out on page 2.
- 11.3** The ordinary resolution relating to the Specific Issue is subject to at least 75% of the votes cast by Shareholders present in person or represented by proxy and eligible to vote at the General Meeting, being cast in favour thereof.

## 12. EXPENSES

- 12.1** There have been no preliminary expenses incurred by CSG in the three years immediately preceding the date of this Circular.
- 12.2** The estimated expenses of CSG in relation to the Specific Issue will amount to approximately R609 000 (excluding VAT) and include the following:

	R'000
JSE documentation inspection fee	18
JSE listing fee	182
Transaction Adviser and Transaction Sponsor fee (PSG)	250
Printing, publication and distribution (Purple Frog)	28,5
Transfer Secretaries fee (Link Market Services)	30,5
Contingency	100
<b>Total</b>	<b>609</b>

## 13. ADVISERS' CONSENTS

Each of the advisers whose names appear in the "Corporate Information" section of this Circular, have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, to the inclusion of their reports in this Circular in the form and context in which they appear and have not withdrawn their consents prior to the Last Practicable Date.

#### **14. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection by Shareholders at the registered office of CSG and at the offices of PSG Capital, during normal office hours, from the date of issue of this Circular up to and including Friday, 13 January 2017:

- 14.1** the memorandum of incorporation of CSG and of its major subsidiaries;
- 14.2** the audited annual financial statements of the Company for the last three years;
- 14.3** written letters of consent referred to in paragraph 13 of this Circular; and
- 14.4** a signed copy of this Circular.

**SIGNED ON 30 NOVEMBER 2016 AT PRETORIA BY WE SCOTT FOR AND ON BEHALF OF ALL THE OTHER DIRECTORS OF CSG HOLDINGS LIMITED, IN TERMS OF POWERS OF ATTORNEY GRANTED TO HIM BY SUCH DIRECTORS**

By order of the Board



**WE Scott**  
*Chief Financial Officer*

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**SHARE TRADING HISTORY OF CSG SHARES ON THE JSE**


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<b>Daily</b>	<b>Close (cents)</b>	<b>High (cents)</b>	<b>Low (cents)</b>	<b>Volume</b>	<b>Value (Rand)</b>
16-Nov-16	142	146	136	729 708	1 041 364
15-Nov-16	138	140	136	43 413	60 535
14-Nov-16	140	140	140	42 550	59 570
11-Nov-16	140	140	136	163 165	228 036
10-Nov-16	138	140	132	84 584	116 890
9-Nov-16	140	140	132	12 278	17 167
8-Nov-16	140	140	130	72 163	99 406
7-Nov-16	130	135	130	30 061	39 084
4-Nov-16	135	135	134	29 685	40 050
3-Nov-16	133	133	130	21 980	28 789
2-Nov-16	132	132	132	3 235	4 270
1-Nov-16	132	135	131	32 780	43 339
31-Oct-16	135	136	131	68 293	92 030
28-Oct-16	136	136	136	7 500	10 200
27-Oct-16	131	134	131	7 600	10 061
26-Oct-16	131	137	124	103 113	138 653
25-Oct-16	124	134	124	54 403	70 288
24-Oct-16	131	131	127	57 263	74 366
21-Oct-16	131	136	131	37 049	49 972
20-Oct-16	137	137	137	–	–
19-Oct-16	137	137	137	25 000	34 250
18-Oct-16	137	137	131	8 100	10 907
17-Oct-16	131	131	125	43 377	56 683
14-Oct-16	131	140	131	41 700	54 762
13-Oct-16	134	137	134	19 800	27 012
12-Oct-16	137	137	137	10 000	13 700
11-Oct-16	137	137	137	6 568	8 998
10-Oct-16	137	137	136	30 280	41 384
7-Oct-16	137	137	133	66 720	90 702
6-Oct-16	134	140	134	17 800	24 572

<b>Monthly</b>	<b>Close (cents)</b>	<b>High (cents)</b>	<b>Low (cents)</b>	<b>Volume</b>	<b>Value (Rand)</b>
Nov-16	142	146	130	1 265 602	1 778 493
Oct-16	135	140	124	654 483	87 811 300
Sep-16	140	140	126	1 186 184	163 703 700
Aug-16	140	144	110	14 551 142	1 816 370 000
Jul-16	130	150	120	1 608 862	215 682 900
Jun-16	149	156	125	984 411	138 882 800
May-16	124	146	117	1 257 361	163 701 700
Apr-16	150	184	136	824 649	130 468 200
Mar-16	145	200	96	3 362 867	418 222 400
Feb-16	106	128	101	1 007 840	113 787 400
Jan-16	120	150	110	616 701	85 427 560
Dec-15	144	157	126	620 059	88 959 300
Nov-15	150	174	135	2 109 862	327 474 100



## CSG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2006/011359/06)

Share code: CSG

ISIN code: ZAE000184438

("CSG" or "the Company")

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## NOTICE OF GENERAL MEETING

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The definitions and interpretations commencing on page 4 of the circular to which this Notice of General Meeting is attached ("**the Circular**"), apply *mutatis mutandis* to this Notice of General Meeting and to the resolutions set out below.

### Shareholders are reminded that:

- a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy (or more than one proxy) to attend, participate in and vote at the General Meeting in the place of the Shareholder. In this regard, Shareholders are referred to the attached Form of Proxy (*blue*);
- an appointed proxy need not also be a Shareholder of the Company;
- in terms of section 63(1) of the Companies Act, any person attending and/or participating in a meeting of Shareholders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as Shareholder or as proxy for a Shareholder) has been reasonably verified.

In terms of section 59 of the Companies Act, the last date to trade in Shares in order to be eligible to attend, participate in and vote at the General Meeting is Tuesday, 3 January 2017 and the General Meeting Record Date is Friday, 6 January 2017.

### Notice of General Meeting

Notice is hereby given that the General Meeting of Shareholders will be held at 10:00 on Friday, 13 January 2017 at CSG's offices, Equity Park, Block A, 257 Brooklyn Road, Brooklyn, Pretoria, to consider and, if deemed fit, to pass, with or without modification, the following resolutions:

#### 1. ORDINARY RESOLUTION NUMBER 1 – SPECIFIC ISSUE

"RESOLVED THAT the Directors of the Company be and are hereby authorised, by way of a specific authority in terms of paragraph 5.51 of the JSE Listings Requirements, to issue and allot 41 000 000 of the unissued but authorised ordinary Shares in the share capital of the Company to AfriGem, for cash, at an issue price of R1.18 per Share and for the total consideration of R48 380 000 , as detailed in the Circular to which this Notice of General Meeting is attached."

For ordinary resolution number 1 to be adopted, at least 75% of Shareholders present in person or represented by proxy and entitled to vote on this resolution at the General Meeting must cast their votes in favour of ordinary resolution number 1.

#### 2. ORDINARY RESOLUTION NUMBER 2 – AUTHORITY GRANTED TO DIRECTORS

"RESOLVED THAT the Directors of the Company and/or the Company Secretary be and are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the aforesaid resolution."

### VOTING AND PROXIES

A Shareholder entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his or her stead. A proxy need not be a Shareholder of the Company.

For the convenience of Certificated Shareholders and Own-Name Dematerialised Shareholders, a Form of Proxy (*blue*) is attached to this Notice of General Meeting. Duly completed Forms of Proxy must be lodged with the Transfer Secretaries, at 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein (PO Box 4844, Johannesburg 2000) by no later than 10:00 on Wednesday, 11 January 2017 or handed to the chairperson of the General Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting), provided that should a Shareholder lodge a Form of Proxy with the Transfer Secretaries less than 48 hours before the General Meeting, such Shareholder will also be required to furnish a copy of such Form of Proxy to the chairperson of the General Meeting before the appointed proxy exercises any of such Shareholder's rights at the General Meeting (or any adjournment of the General Meeting).

Dematerialised Shareholders without Own-Name Registration who wish to attend the General Meeting in person should request their CSDP or Broker to provide them with the necessary letter of representation in terms of the Custody Agreement entered into with their CSDP or Broker. Dematerialised Shareholders without Own-Name Registration who do not wish to attend but wish to be represented at the General Meeting must advise their CSDP or Broker of their voting instructions. Dematerialised Shareholders without Own-Name Registration should contact their CSDP or Broker with regard to the cut-off time for their voting instructions.

By order of the Board



**MN Hattingh**  
*Company Secretary*

**Registered address**

6 Topaz Avenue  
Lyttelton Manor Ext 3  
Centurion 0157  
(Postal address as above)

**Transfer Secretaries**

Link Market Services South Africa Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor, Rennie House  
19 Ameshoff Street  
Braamfontein 2001  
(PO Box 4844, Johannesburg 2000)





**CSG HOLDINGS LIMITED**  
 (Incorporated in the Republic of South Africa)  
 (Registration number: 2006/011359/06)  
 Share code: CSG  
 ISIN code: ZAE000184438  
 (“CSG” or “the Company”)

**FORM OF PROXY**

**TO BE COMPLETED BY CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WITH “OWN-NAME” REGISTRATION ONLY**

I/We \_\_\_\_\_  
 (print names in full in block letters \_\_\_\_\_)  
 of (address) \_\_\_\_\_  
 Telephone number \_\_\_\_\_  
 Cellphone number \_\_\_\_\_  
 E-mail address \_\_\_\_\_

being a Shareholder of CSG and entitled to \_\_\_\_\_ votes, hereby appoint

1. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her,

3. the chairperson of the General Meeting,

as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of CSG to be held at 10:00 on Friday, 13 January 2017 at CSG’s offices, Equity Park, Block A, 257 Brooklyn Road, Brooklyn, Pretoria and at any adjournment thereof, as follows:

	Number of votes (one vote per share)		
	For	Against	Abstain
<b>Ordinary Resolution Number 1</b> Specific Issue of ordinary Shares for cash			
<b>Ordinary Resolution Number 2</b> Authority granted to Directors and/or Company Secretary to implement Ordinary Resolution Number 1			

Please indicate with an “X” in the appropriate space above how you wish your vote to be cast in respect of the above resolutions should you wish to vote all CSG Shares held or insert the actual number of Shares should you wish to vote part of your CSG Shares held.

If you return this form duly signed without any specific directions the proxy holder will vote or abstain at his/her discretion.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Signature \_\_\_\_\_

**Please read the notes on the reverse side hereof**

## SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

### In terms of section 58 of the Companies Act:

- a Shareholder may, in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, speak and vote at the General Meeting on behalf of such Shareholder;
- any appointed proxy of a Shareholder may delegate authority to act on behalf of that Shareholder to another person, subject to any restriction set out in the instrument appointing such proxy (see note 15 below);
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant Shareholder chooses to act directly and in person at the General Meeting in the exercise of any of such Shareholder's rights as a Shareholder (see note 5 below);
- any appointment by a Shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a Shareholder may revoke the proxy appointment by: (i) cancelling it in writing or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and the Company; and
- a proxy appointed by a Shareholder is entitled to exercise, or abstain from exercising, any voting right of such Shareholder without direction, except to the extent that the Company's MOI, or the instrument appointing the proxy, provides otherwise (see note 3 below).

### Notes to this Form of Proxy:

1. Each Shareholder is entitled to appoint one or more proxies (none of whom need be a Shareholder of the Company) to attend, speak and vote on behalf of that Shareholder at the General Meeting.
2. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided, with or without deleting "the chairperson of the General Meeting" but the Shareholder must initial any such deletion. The person whose name stands first on this Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the relevant boxes provided. Failure to comply with the above will be deemed to authorise and direct the chairperson of the General Meeting, if the chairperson is the authorised proxy, to vote in favour of the resolution, or any other proxy to vote or abstain from voting at the General Meeting as such proxy deems fit, in respect of all of the Shareholder's votes exercisable at the General Meeting.
4. Completed Forms of Proxy and the authority (if any) under which they are signed must be lodged with or posted to the Transfer Secretaries, at 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein (PO Box 4844, Johannesburg 2000) to be received by the Transfer Secretaries by no later than 10:00 on Wednesday, 11 January 2017.
5. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
6. The chairperson of the General Meeting may accept or reject any Form of Proxy not completed and/or received in accordance with these notes or with the MOI.
7. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this Form of Proxy, unless previously recorded by CSG or the Transfer Secretaries.
9. Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this Form of Proxy, unless it has been previously recorded by CSG or the Transfer Secretaries or waived by the chairperson of the General Meeting.
10. Where Shares are held jointly, all joint holders are required to sign this Form of Proxy.
11. A minor Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been previously recorded by CSG or the Transfer Secretaries.
12. Dematerialised Shareholders who do not own Shares with Own-Name Registration and who wish to attend the General Meeting, or to vote by way of proxy, must contact their CSDP or Broker who will furnish them with the necessary letter of representation to attend the General Meeting or to be represented thereat by proxy. This must be done in terms of the Custody Agreement entered into between the Shareholder and such Shareholder's CSDP or Broker.

13. This Form of Proxy shall be valid at any resumption of an adjourned General Meeting to which it relates, although this Form of Proxy shall not be used at the resumption of an adjourned General Meeting if it could not have been legally used at the General Meeting from which it was adjourned. This Form of Proxy shall, in addition to the authority conferred by the Companies Act, except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this Form of Proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Transfer Secretaries before the commencement of the General Meeting or any adjournment of the General Meeting.
15. Any proxy appointed pursuant to this Form of Proxy may delegate his/her authority to act on behalf of the relevant Shareholder.
16. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this Form of Proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.

### **Transfer Secretaries**

Link Market Services South Africa Proprietary Limited  
(Registration number 2000/007239/07)  
13th Floor, Rennie House  
19 Ameshoff Street  
Braamfontein 2001  
(PO Box 4844, Johannesburg 2000)

