

This Circular is being issued by

**GLOBALCAPITAL PLC**

A PUBLIC LIMITED COMPANY REGISTERED IN MALTA WITH COMPANY REGISTRATION NUMBER  
C19526 HAVING ITS REGISTERED ADDRESS AT GLOBALCAPITAL, TESTAFERRATA STREET, TA' XBIEX  
XBX1403, MALTA

Dated 07 September 2020

## IMPORTANT INFORMATION

The purpose of this circular (the "**Circular**") is to provide information to the shareholders of GlobalCapital p.l.c. (the "**Company**"), in compliance with the laws of Malta and the Listing Rules issued by the Listing Authority.

**If you have sold or transferred any or all of your shares in the Company, you should at once, hand this Circular and any accompanying documents to the purchaser or transferee or to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.**

**SHAREHOLDERS SHALL BE REQUESTED TO VOTE ON THE ISSUES AND MATTERS DESCRIBED HEREIN AT THE FORTHCOMING ANNUAL GENERAL MEETING. IN THE EVENT THAT SHAREHOLDERS RECEIVING THIS DOCUMENT ARE IN ANY DOUBT AS TO THE IMPORT OF THIS DOCUMENT OR AS TO ANY ACTION REQUIRED OF THEM, THEY ARE URGED TO CONSULT THEIR INDEPENDENT PROFESSIONAL ADVISERS.**

This Circular contains information about certain resolutions (the "**Resolutions**") that are being proposed in connection with the special business being proposed at the Annual General Meeting of the Company to be held on the 09 October 2020 (the "**AGM**"). It is being sent to all shareholders (the "**Shareholders**") entitled to attend and vote at that meeting to enable them to understand better the general nature of the Resolutions that are to be considered at the AGM as special business and to provide the necessary information about the effect and scope of these resolutions to assist Shareholders to make a properly informed decision.

This Circular is being issued in compliance with the listing rules published by the Listing Authority (the "**Listing Rules**") and particularly in compliance with the requirements of: (1) Listing Rule 6.2 on the contents of all circulars; (2) Listing Rule 6.1.7, relating to amendments to an issuer's Memorandum and Articles of Association; (3) Listing Rule 6.1.9, relating to a Class 2 transaction requiring shareholders' approval in general meeting; and (4) Listing Rules 6.1.11 and 6.39, relating to a notice of a meeting which includes any business other than ordinary business at an annual general meeting.

All the Directors of the Company as at the date hereof, namely Paolo Catalfamo, Joseph Schembri, Joseph Del Raso, Gregory Eugene McGowan and Cinzia Catalfamo, 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.

### **1. INTRODUCTION**

An Annual General Meeting of the Company has been convened to be held remotely on the 09 October 2020 at 15:00 HRS (the "**AGM**").

This Circular is intended to explain to Shareholders the import of the special business that is required to be addressed at the AGM and to provide them with sufficient explanation to enable them to make informed decisions.

## 2. THE RESOLUTIONS

The Shareholders are being requested to consider, and if deemed fit, approve nine (9) Resolutions during the AGM. Four (4) of the Resolutions constitute Ordinary Business. Five (5) of the Resolutions constitute Special Business, two (2) of which being extraordinary resolutions in terms of the Memorandum and Articles of Association of the Company. Details of the Resolutions constituting Special Business are provided below.

### 2.1. Resolution 5: To approve a class 2 transaction in the context of the Group's proposed restructuring plan and IPO of GlobalCapital Life Insurance Limited (Ordinary Resolution)

#### 2.1.1. Proposed text of the Resolution:

*"To consider and approve the disposal by the Company of at least 25% and up to 45% of the Company's shares in GlobalCapital Life Insurance Limited ("**GCLI**") pursuant to a (1) listing and offer for sale by the Company of GCLI's shares and (2) offer to the Company's shareholders to exchange all of their shares in the Company for shares in GCLI (in accordance with an exchange ratio that is yet to be determined); which disposal qualifies as a class 2 transaction in terms of Listing Rule 5.149.2 (the "**Class 2 Transaction**")."*

#### 2.1.2. Purpose of Resolution

The purpose of this Resolution is to obtain Shareholder approval for the Class 2 Transaction, as required by Listing Rule 5.163.2.

#### 2.1.3. The Resolution Explained

As announced by the Company in its most recent annual report (for the financial year ended 31 December 2019), the Company has been in discussions with the Malta Financial Services Authority (the "**MFSA**") regarding a holistic strategic plan designed to (1) permanently resolve various legacy issues that continue to negatively impact the Company and its subsidiaries (collectively, the "**Group**"), as well as the Company's various stakeholders, and (2) support the consolidation and future growth of the Group's business.

The Company has now finalised a draft high-level proposal and is currently being implemented by the Group, subject to various pending formal regulatory approvals that will be required in its implementation (the "**Restructuring Plan**"). The Company would like to announce that it is now moving forward with its implementation of the Restructuring Plan, which will involve the following high-level steps:

- 1) As previously disclosed to the market in a recent company announcement published on 28 July 2020, the Company's Board of Directors (the "**Board of Directors**") has approved and signed merger documents to merge (by acquisition) with GlobalCapital Holdings Limited ("**GCH**"), currently its wholly owned subsidiary. The merger is expected to be complete in December 2020 following the conclusion of the statutory 3-month period required by Article 358 of the Companies Act, Chapter 386 of the Laws of Malta (the "**Companies Act**"). Once the merger is complete, the Company expects that it will hold all of the shares in GCLI as well as all other assets currently held by GCH. The Group's main business line is insurance business, conducted through GCLI and GlobalCapital Health Insurance Agency Limited (the majority of which is owned by GCLI), both of which are authorised to conduct their business by the MFSA.
- 2) It is expected that GCLI will submit a formal application to the Listing Authority for the admissibility to listing of its shares on the Official List of the Malta Stock Exchange during Q4 2020. The listing of its shares will be made in conjunction with an offer for sale by the Company of at least 25% of the shares that it holds in GCLI (the "**Proposed IPO**"). As

part of its application for admissibility to listing, GCLI will be required to prepare and submit to the MFSA for approval a prospectus in terms of Regulation (EU) 2017/1129 (the "**Prospectus**"), which will cater for both the Proposed IPO and an offer to the Company's shareholders to exchange all of their shares in the Company for shares in GCLI based on an exchange ratio that is yet to be determined (the "**Exchange Offer**"). The Company will be undertaking the Exchange Offer concurrently with the Proposed IPO. The Company will only move ahead with the Proposed IPO and Exchange Offer once the merger (described above) is complete, at which point the Company will hold all of the shares in GCLI directly.

The exchange ratio for the Exchange Offer (i.e. the number of shares in the Company that a Shareholder will need to return to the Company in exchange for each share in GCLI) is yet to be determined but that will be based primarily on valuations of the Company's shares (and therefore of the Group as a whole) and of GCLI's shares, which valuation process is currently ongoing.

The Exchange Offer will effectively provide Shareholders with the ability to invest directly in the Group's insurance business (presently the most profitable part of the group) while divesting their (indirect) interest in the Group's non-insurance business lines (which are the areas that have been less profitable and where the Group has encountered significant challenges in recent years). While the GCLI shares (on this basis) arguably constitute a better investment proposition to the Company's Shareholders than their present investment in the Company, the past performance of the Group's insurance business is not a guarantee of future performance and all Shareholders are strongly encouraged to review the full terms of the Prospectus (once and if this is approved by the Listing Authority) and to consult an independent investment advisor about the merits and risks of investing in GCLI shares pursuant to the Exchange Offer. Moreover, exchanging shares in the Company for shares in GCLI will create concentration risk, which is the risk that a lack of diversification in business (in this case GCLI's business being only the business of insurance) may lead to excessive exposures or concentration in one industry.

All of the shares in the Company received from Shareholders as consideration for the Exchange Offer will be cancelled by the Company in accordance with the provisions of Article 83 of the Companies Act, which cancellation shall be subject to further approval by the Company's Shareholders at the time at a general meeting to be called by the Company (shortly following the conclusion of the Exchange Offer) specifically for this purpose.

- 3) The Company presently intends to use the net proceeds of the Proposed IPO (i.e. the sale of shares in GCLI) primarily for the purpose of funding the additional liquidity that will eventually be required by the Company to redeem its €10 million 5% unsecured bonds that are due to mature in 2021 (the "**Outstanding Bonds**"). The Restructuring Plan (and Class 2 Transaction) will therefore operate as a form of refinancing of the Outstanding Bonds and generally improve both the Company's and the Group's capital position and structure. The Proposed IPO (i.e. the sale by the Company of at least 25% of its shares in GCLI) is expected to have a positive effect on the cash flow (from the generation of proceeds from the sale of GCLI shares), earnings (although to a lesser extent, from possible capital gains on the sale of GCLI shares that will be realised by the Company), liabilities (as the Outstanding Bonds are intended to be redeemed in full using part or all of the proceeds from the sale of GCLI shares) and trading prospects of the Company and the Group.
- 4) Following the redemption of the Outstanding Bonds, the Company will take all actions required in terms of the Listing Rules to de-list its shares (including obtaining the required Shareholder approval). The Company may also consider commencing the de-listing

process prior to the redemption of the Outstanding Bonds but with the actual de-listing to take place post redemption. In this regard, Shareholders should take careful note that if proposed Restructuring Plan moves ahead as planned, Shareholders who do not avail themselves of the Exchange offer will likely remain holding unlisted shares once these are de-listed. Although the secondary market for the Company's shares is presently not particularly active or liquid, these shares will become even less liquid once they are de-listed, and it will arguably be more difficult for Shareholders to trade their shares in the Company post de-listing. There can be no assurance in either case (both prior to and post de-listing) that a Shareholder will be able to sell or otherwise trade in the Shares at all.

Notwithstanding the above and the fact that the Restructuring Plan is in the process of being implemented, there remains material uncertainty in the timing and execution of the Restructuring Plan. The Restructuring Plan (including the Class 2 Transaction) is conditional on the Company obtaining the approval of the Shareholders in a general meeting and on a number of regulatory approvals that will need to be obtained from the MFSA, including but not limited to the approval of the Prospectus and other approvals that are required in terms of the Group's various regulated activities. Moreover, several details of the Restructuring Plan and Proposed IPO are still under discussion between the Company and its various advisors and yet to be finalised including, for example (among other things), the number of shares in GCLI that will be offered to the public, the offer price and the exchange ratio that will be offered to the Company's Shareholders in the Exchange Offer.

The Board of Directors will determine in due course the appropriate time to proceed with the Proposed IPO and the Exchange Offer in consultation with the Company's advisors, which determination will depend on a number of factors, including but not limited to market conditions. In this regard, the Company will also be undertaking a market sounding prior to the publication of the Prospectus and the Company will only proceed with the Proposed IPO and the Exchange Offer if the Board of Directors is of the opinion (based on the market sounding) that the Company will be able to obtain a fair price for its shares. Should the Company decide to proceed, the Company will then inform the market of the full and final details of the Restructuring Plan in due course through the publication of the Prospectus (once and if this is approved by the Listing Authority).

#### *2.1.4. Further information required in terms of the Listing Rules*

- a) On the assumption that up to 45% of the shares in GCLI are disposed of by the Company in the Class 2 Transaction: (1) the gross assets of the subject of the Class 2 transaction (i.e. the GCLI shares being disposed of) amount to €67,603,821 (calculated as 45% of the gross assets of GCLI); and (2) the profits (before tax) attributable to the assets which are the subject of the class 2 transaction are €898,419, (calculated as 45% of the profits, before tax, of GCLI), in each case based on the audited financial statements of GCLI as at 31 December 2019.
- b) The key individuals that are important to the business of GCLI currently are the members of GCLI's board of directors, namely: Prof Paolo Catalfamo (Non-Executive Chairman of GCLI's board of directors), Ms Cristina Casingena (Managing Director), Mr Joseph Schembri (Non-Executive Independent Director), and Mr Nicolas Taylor (Non-Executive Independent director).

*Paolo Catalfamo*

Prof Paolo Catalfamo is the Chairman of the Company and of GCLI. He is also the founder of Investar Group, based in Malta, Luxembourg, Switzerland and the US, and previously served as an Adjunct Professor at the Villanova University in Philadelphia.

He is a Board Member of Centtrip Ltd, a London-based fintech company regulated by the UK Financial Conduct Authority. Previously, he served as Deputy Chairman and CEO for Italy and Southern Europe of Franklin Templeton, the third largest independent asset management group worldwide.

*Joseph C. Schembri*

Mr Schembri is a consultant with Baker Tilly Malta. Mr Schembri is a certified public accountant and auditor. He was an audit partner of Joseph Tabone & Co and Senior Partner of KPMG Malta, as well as a board member of the KPMG regional practice specialising in Financial Services. Mr Schembri has also acted for a three-year period as director of EneMalta Corporation and as a member on the Disciplinary Committee of the Malta Institute of Accountants. Mr Schembri was actively involved in the setting up of a KPMG member firm in Libya, acting as risk management principal as well as audit principal for foreign owned oil and gas clients operating in Libya.

*Cristina Casingena*

Mrs Casingena is the Managing Director of GCLI. She is an actuary by profession with 25 years' experience in the life insurance industry. Before joining GlobalCapital, Mrs. Casingena worked for nine years with HSBC Life Assurance (Malta) Ltd where she had different roles including Head of Asset-Liability Management, Solvency II lead, Head of Business Management and Chief Investment Officer. Mrs Casingena worked also in the Romanian life insurance market where she had various actuarial roles. She graduated from the West University of Timisoara, Romania, Faculty of Mathematics and she has a masters in Actuarial Science from the Academy of Economic Studies, Bucharest, Romania. Mrs Casingena is actively involved in the local actuarial community and she is currently the President of the Malta Actuarial Society.

*Nicolas Taylor*

Mr Taylor is a non-executive independent director of GCLI. He spent the first part of his career with Clerical Medical & General Life Assurance Society working in different areas of the Society. He qualified as a Fellow of the Institute of Actuaries in 1969. He is also a Fellow of the Society of Actuaries in Ireland and an Associate of the Society of Actuaries (USA). After 25 years with the Clerical Medical he decided to switch into consulting. After two and a half years with a large firm of consulting actuaries he set up his own specialist practice preparing independent reports for the High Court on transfers of life assurance business. He has served as a non-executive director of Barclays Life, BlackRock Life and BUPA's insurance companies, all in the UK. He was one of the original non-executive directors of Mid-Med Life in Malta when it was formed and returned after a gap of 10 years to what had become HSBC Life Assurance. He served three terms on the Council of the Institute of Actuaries: a total of 16 years. He was Honorary Secretary from 1985 to 1987 and a Vice-President from 1990 to 1992. He became Honorary President of the Malta Actuarial Society when it was formed in 2011, a role he still holds. Mr Taylor is a UK resident.

- c) Based on the information currently available to the Company, those shareholders who hold, directly or indirectly, more than 5% of the Company's shares as of the date of this Circular (and the percentage of their respective shareholdings) are: Investar p.l.c. (52.6%), British American Insurance Co (mtius) Ltd (21.33%), and Rizzo Farrugia & Co (stk) Ltd obo Clients (9.83%).
- d) There are no pending or threatened legal or arbitration proceedings relating to GCLI which may have a significant effect on the Company's or the Group's financial position.

- e) There has not been any significant change in the financial or trading position of the Company, the Group or of GCLI that has occurred since 31 December 2019 (being the end of the financial year for which audited financial statements have been published), save for the negative impact of the COVID-19 pandemic during the first half of 2020. As a result of COVID-19, GCLI has experienced a decline in the valuation of its financial assets portfolio (in line with a general decline in the financial markets) and to a lesser extent an increase in maturities and surrendering of life insurance policies by its policyholders. The Company has assessed the significance or otherwise of this on its financial and trading position in the course of preparing its half yearly report (and interim financial results), which was published on 28 August 2020.
- f) Prof Paolo Catalfamo, the Chairman of the Board of Directors, is the majority and controlling shareholder of Investar p.l.c., which in turn is the controlling shareholder in the Company. Accordingly, Prof Catalfamo has an indirect interest in the Restructuring Plan, both in terms of improving the capital position and structure of the Company and the Group as a result of the Proposed IPO, and in the Exchange Offer, as Investar p.l.c. will be offered (as will all other shareholders in the Company) the possibility of exchanging its shares in the Company for shares in GCLI. However, it is presently the expectation of the Company that Investar p.l.c. will not exercise its rights in terms of the Exchange Offer. Accordingly, it is expected that Investar p.l.c. will continue to hold the majority of the Company's shares (and that the Company will continue to hold the majority of the shares in GCLI) following the implementation of the Restructuring Plan.
- g) There will be no variation to the total emoluments receivable by the Directors as a result of the Class 2 Transaction.

## **2.2. Resolution 6: To approve the Company's Remuneration Policy for Directors (Ordinary Resolution)**

### *2.2.1. Proposed text of the Resolution:*

"To consider and approve the Company's Remuneration Policy for the Board of Directors."

### *2.2.2. Purpose of Resolution*

The purpose of this Resolution is to obtain Shareholder approval of the Group Remuneration Policy (the "**Remuneration Policy**") as set out in Appendix 'A'.

### *2.2.3. The Resolution Explained*

The Board of Directors, on the recommendation of the Remuneration Committee (the "**Committee**"), is proposing that the Company adopts the Remuneration Policy for the Board of Directors, which complies with the requirements of the Listing Rules, also extending to executive officers and executive directors of any Group Company (the "**Executives**"). The terms of the Remuneration Policy are set out in Appendix 'A'. The principal object of the Remuneration Policy is to set out the principles of the remuneration that is payable to the directors of the Company and the Group and the Executives.

Should the approval of the Shareholders of the Company be forthcoming, the effective date of the Remuneration Policy shall be the 09 October 2020, and the Board of Directors and the Executives of the Company shall be remunerated in accordance with this Remuneration Policy, with effect from the financial year ending 31 December 2020. The Remuneration Policy

shall be reviewed regularly, and any material changes thereto shall be submitted to a vote of the annual general meeting of the Company before adoption, and in any case at least every four (4) years.

### **2.3. Resolution 7: An ordinary resolution regarding the use of electronic means to circulate certain information to its members**

#### *2.3.1 Proposed text of the Resolution*

"To authorise the use of electronic means to circulate certain information as permitted by the law to the Company Shareholders."

#### *2.3.2 The Resolution Explained*

The Listing Rules permit companies whose shares are admitted to trading on a regulated market to circulate certain information (that would otherwise be conveyed to Shareholders in printed form), by electronic means, such as publication on the company's website. The information which may be circulated to Shareholders in this manner is specified in the Listing Rules and includes reports and documents that listed companies are periodically required to issue and circulate to their Shareholders ("**Shareholder Information**"). The use of electronic means may be employed by an issuer once certain requirements, including attainment of general meeting consent, are satisfied. A member of the Company may choose to continue receiving Shareholder Information in printed form through the postal service even where the resolution authorising the use of electronic means to convey Shareholder Information has been approved by the general meeting.

The Board of Directors of the Company consider that the adoption of this measure would generate significant cost savings for the Company as it will lower printing and distribution costs, whilst speeding up the provision of information to Shareholders. This would also have a positive effect on the environment since it would contribute to a reduction in paper footprint and lessen the impact that printing and distribution of documents generally have on the environment.

In addition to seeking the AGM's consent on the matter by proposing this Resolution 7, the Board of Directors is also seeking the Shareholder's individual consent by means of the letter which the Company is enclosing together with this Circular as Appendix 'B'.

### **2.4. Resolution 8: Proposed Extraordinary Resolution providing for change in name of the Company to 'LifeStar Holding p.l.c.'**

#### *2.4.1. Proposed text of the Resolution*

"To consider and approve a change of the Company's name to 'LifeStar Holding p.l.c.'".

#### *2.4.2. The Resolution Explained*

The Board of Directors is placing before the Company's Shareholders the above extraordinary resolution with the objective of obtaining their approval for the change in name of the Company to 'LifeStar Holding p.l.c.'.

The change in Company name is part of the rebranding of the GlobalCapital Group, further to the wider plans for the proposed Restructuring Plan contemplated by virtue of Resolution 5 being proposed for Shareholder approval.

If the proposed Resolution is duly approved by the Shareholders, all references to 'GlobalCapital p.l.c.' within the Memorandum and Articles of Association of the Company shall be updated and amended to 'LifeStar Holding p.l.c.'.

Shareholders should note that the change in name of the Company to 'LifeStar Holding p.l.c.' is currently under review by and subject to the approval of the MFSA, which the Company is in the process of obtaining.

## **2.5. Resolution 9: Proposed Extraordinary Resolution providing for certain amendments to the Company's Memorandum and Articles of Association.**

### *2.5.1 Proposed text of the Resolution*

To consider and approve that the text of the current Article 83 and Article 117 of the Articles of Association of the Company regarding the use of electronic means to convey information be deleted in their entirety, and updated such that Article 83 and Article 117 of the Articles of Association of the Company will now read as follows:

83. "Notice of every meeting of the board of Directors shall be given to all Directors of the Company and, save as hereinafter provided, shall in no case be of less than three (3) days before the date appointed for the meeting. Notice of meetings of Directors shall be deemed to be duly given to a Director if it is sent to him at an e-mail address or any other address given by him to the Company for the purpose. The requirement of such notice may be waived by a decision of ALL Directors entitled to receive notice and vote at a meeting of the Directors. A Director may give his consent to such waiver of notice by way of e-mail communication or other means of readable communication."

117. "A printed or electronic copy of the profit and loss account as well as the balance sheet, including every document required by law to be annexed thereto, which are to be laid before the Company in General Meeting, together with a copy of the Auditors' report and Directors' report, shall not less than fourteen (14) days (or such longer period as may be required, from time to time under the Listing Rules, the Statutes or any rule, regulation or bye-law made thereunder) before the date of the Meetings be sent to every Member (whether or not he is entitled to receive notices of General Meetings of the Company) and to every other Person who is entitled to receive notices of General Meeting from the Company under the provisions of these Articles or the Statutes, but this Article shall not require a copy of those documents to be sent to: (i) more than one of joint holders of shares or to any Person of whose address the Company is not aware; and (ii) those Members of the Company who have been duly given notice of the General Meeting at which the Annual Accounts are to be laid, where the Company has made available to such Members an electronic copy of such Annual Accounts on its website or otherwise, and has notified such Members accordingly. The Company shall provide a printed copy of such Annual Accounts to any of its Members upon written request."

### *2.5.2 The Resolution Explained*

The Board of Directors is placing before the Company's Shareholders the above extraordinary resolution with the objective of obtaining their approval with regard to certain amendments being proposed to the existing Articles of Association of the Company. It is being proposed that Article 83 and Article 117 of the Articles of Association of the Company be deleted in their entirety, and replaced with the new text as detailed and explained within this Circular.

- i. It is being proposed that Article 83 of the Articles of Association of the Company be updated to read as follows:**

"Notice of every meeting of the board of Directors shall be given to all Directors of the Company and, save as hereinafter provided, shall in no case be of less than three (3) days before the date appointed for the meeting. Notice of meetings of Directors shall be deemed to be duly given to a Director if it is sent to him at an e-mail address or any other address given by him to the Company for the purpose. The requirement of such notice may be waived by a decision of ALL Directors entitled to receive notice and vote at a meeting of the Directors. A Director may give his consent to such waiver of notice by way of e-mail communication or other means of readable communication."

**Explanatory Note:** The purpose of the proposed amendment is to update the Company's procedure for the notification of meetings of directors with technological improvements. In terms of the proposed amendment, notification of a meeting shall be deemed to have been duly given to all the directors of the Company once it is sent to such directors at an e-mail address or any other address provided for the purpose. In parallel, it is also being proposed that directors may waive notice of a meeting of directors by way of e-mail communication or other readable means of communication.

**ii. It is being proposed that Article 117 of the Articles of Association of the Company be updated to read as follows:**

"A printed or electronic copy of the profit and loss account as well as the balance sheet, including every document required by law to be annexed thereto, which are to be laid before the Company in General Meeting, together with a copy of the Auditors' report and Directors' report, shall not less than fourteen (14) days (or such longer period as may be required, from time to time under the Listing Rules, the Statutes or any rule, regulation or bye-law made thereunder) before the date of the Meetings be sent to every Member (whether or not he is entitled to receive notices of General Meetings of the Company) and to every other Person who is entitled to receive notices of General Meeting from the Company under the provisions of these Articles or the Statutes, but this Article shall not require a copy of those documents to be sent to: (i) more than one of joint holders of shares or to any Person of whose address the Company is not aware; and (ii) those Members of the Company who have been duly given notice of the General Meeting at which the Annual Accounts are to be laid, where the Company has made available to such Members an electronic copy of such Annual Accounts on its website or otherwise, and has notified such Members accordingly. The Company shall provide a printed copy of such Annual Accounts to any of its Members upon written request."

**Explanatory Note:** The objective of this amendment is to update the Articles of Association of the Company with the most recent amendments to the Companies Act. Pursuant to the Act XXVI of 2019, Article 180 of the Companies Act was amended such that, amongst others, companies shall not be required to send hard copies of their annual accounts to their members, if such members have been notified of the general meeting at which the annual accounts are to be laid, and the company has made available an electronic copy of the annual accounts either on its website or otherwise and has informed its members accordingly. Provided that any member of a company shall retain the right to make a written request for a printed copy of such annual accounts.

### **3. BOARD OF DIRECTORS' RECOMMENDATIONS**

The Directors, having made the necessary considerations, are of the view that all of the proposed Resolutions, including those not expressly set out in this Circular, are in the best interests of the Company and its Shareholders as a whole. The Directors therefore recommend that the Shareholders vote in favour of the said resolutions at the forthcoming AGM.

**Nevertheless, the Directors strongly recommend that each Shareholder seeks independent advice and guidance from its own professional advisors in order to decide whether or not to**

**vote in favour of each of the proposed Resolutions in the light of each Shareholder's individual position.**

#### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents or certified copies thereof will be available for inspection at the registered office of the Company at Testaferrata Street, Ta' Xbiex, XBX 1403, Malta for at least fourteen (14) days from the date of publication of this Circular:

- a) the Memorandum and Articles of Association of the Company;
- b) the last Annual Financial Report of the Company;
- c) the Memorandum and Articles of Association of GCLI; and
- d) the last Annual Financial Report of the GCLI,

Approved and issued by GlobalCapital p.l.c., having its registered office at GlobalCapital, Testaferrata Street, Ta' Xbiex XBX1403, Malta.