

PRINCIPLE CAPITAL HOLDINGS S.A.

Société Anonyme
Registered Office: 58 rue Charles Martel
L-2134, Luxembourg
R.C.S. Luxembourg B 98144

NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

To be held at 58 rue Charles Martel, L-2134, Luxembourg

on 3 December 2008 at 5.00 pm CET

This document is important and requires your immediate attention. If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor or other professional advisor immediately.

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In this document:

AIM means the market of that name operated by the London Stock Exchange plc;

Board means the board of directors of the Company composed of Brian Alan Myerson, David John Cooley, Brian Sean Padgett, Leonard Joseph O'Brien and Richard John Bolton;

Company means Principle Capital Holdings S.A. (registered number 98144), a 1929 holding company incorporated in the Grand Duchy of Luxembourg;

Company Shares means ordinary shares of £1 each in the issued share capital of the Company;

Concerto means Concerto Capital Corporation Limited (registered number 42347), a private company incorporated in the British Virgin Islands, the entire issued share capital of which is owned by the Nicholas Trust;

Depository Interests means depository interests representing Company Shares;

Directors mean the directors of the Company;

EGM means the extraordinary general meeting of the Company to be held at 58 rue Charles Martel, L-2134, Luxembourg on 3 December 2008 at 5.00 pm CET;

Form of Proxy means the form of proxy set out in Annexure B of this document;

Founding Partners means Concerto, George Lindsay Andrew May, David John Cooley, Andrew James Peggie, Brian Sean Padgett and Leonard Joseph O'Brien;

Group means the Company and its subsidiaries;

Incentive Plans means the incentive packages in relation to the appointment of Jonathan Sieff as a director and Chief Executive of the Company and Group Chief Executive, a summary of which is contained in section 2 of the Letter from Brian Myerson on page 3 of this document;

Incentive Shares means the 1,620,000 (in aggregate) Company Shares to be issued pursuant to the terms of the Incentive Plans;

Nicholas Trust means a discretionary trust established by a Deed of Settlement dated 21 March 1988 settling certain property on discretionary trusts for the benefit of potential beneficiaries who include Brian Alan Myerson and certain members of his family;

Notice of Meeting means the notice of EGM and its agenda set out in Annexure A of this document;

Resolutions means the resolutions to be proposed to Shareholders at the EGM and which are set out in Annexure A of this document (being the Agenda of the EGM);

Shareholders means the shareholders in the Company; and

£ or Pounds Sterling means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

Principle Capital Holdings S.A.

*(a 1929 holding company incorporated in the Grand Duchy of Luxembourg
with registered number 98144)*

To the holders of the Company Shares.

Date: 11 November 2008

Dear Shareholder,

Appointment of Jonathan Sieff as Chief Executive of the Company and Group Chief Executive

1. Introduction

The Board is pleased to inform Shareholders that on 29 September 2008, Jonathan Sieff agreed to join the Group as a director and Chief Executive of the Company and Group Chief Executive. Jonathan, 42, joins the Group after four years as Chief Executive of Close Brothers Asset Management Holdings plc, where he oversaw dramatic growth in the performance of that business and managed £27 billion of client assets, covering multi-asset class investment management, trust and fund administration, asset custody and offshore banking. Prior to that he held senior positions with Old Mutual in its global asset management business.

Jonathan will oversee the crucial next phase of our business development and brings a wealth of expertise to assist in the transformation of the Group into a leading specialty alternative investment house. If Shareholders approve Jonathan's appointment, I will assume the role of Group Executive Chairman, focusing on the Group's investment activities and strategy.

The purpose of this letter is to provide Shareholders with further information on the terms of Jonathan's appointment as a director and Chief Executive of the Company and Group Chief Executive and to seek Shareholder approval for the passing of the Resolutions which, if passed, will approve his appointment as a director of the Company and will enable the Directors to issue the Incentive Shares to him and his family trust in accordance with the Incentive Plans, should the Directors elect to do so.

2. Jonathan Sieff's Incentive Plans

Pursuant to the terms of the Incentive Plans, the Company shall grant to Jonathan Sieff and his family trust rights to receive payments equal to the market value, as at the date of exercise, of an aggregate of 1,620,000 Company Shares. Once exercised, this obligation may be satisfied in

cash or by the issue of Company Shares at the discretion of the Directors. If the Directors elect to satisfy the exercise by the issue of Company Shares (and assuming the Resolutions have been passed), the Company shall issue the Incentive Shares to Jonathan and his family trust and the Incentive Shares shall vest as follows:

- (a) an aggregate of 540,000 Incentive Shares shall vest on 1 October 2009;
- (b) an aggregate of 540,000 Incentive Shares shall vest on 1 October 2010; and
- (c) an aggregate of 540,000 Incentive Shares shall vest on 1 October 2011.

The vesting of the Incentive Shares shall in each case be subject to Jonathan remaining employed by the Group and notice to terminate his employment not having been served by either party. If Jonathan ceases to be employed by the Group prior to the date on which any of the Incentive Shares vest those Incentive Shares shall be forfeited.

The Incentive Shares shall vest in full if there is a takeover of the Company.

3. Share Capital and the Incentive Shares

There are currently 17,024,806 Company Shares in issue, of which 57.54 per cent. are owned by the Founding Partners (principally Concerto, which owns 33.19 per cent.).

If the Directors elect to issue Incentive Shares to Jonathan and his family trust following the exercise of his rights (assuming that the Resolutions have been passed), the Incentive Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the issued Company Shares, including the right to receive dividends and other distributions declared, made or paid after the date of their issue. An application will also be made to admit the Incentive Shares to trading on AIM.

4. Requirement for Shareholder Approval

It is necessary for the Directors to seek the approval of the Shareholders in connection with the appointment of Jonathan Sieff as a director of the Company and, as the issue of the Incentive Shares by the Company will involve an increase in the Company's authorised share capital, the approval of Shareholders will also be required in connection with the issue of the Incentive Shares pursuant to the Incentive Plans. Accordingly, the Directors have convened the EGM at which Shareholders will consider and if thought fit pass the Resolutions, *inter alia*, to approve the appointment of Jonathan as a director of the Company with effect from 1 October 2008 and to approve the increase in the Company's authorised share capital.

The Directors intend to ask Shareholders at the EGM: (i) to approve the appointment of Jonathan Sieff as a director of the Company with effect from 1 October 2008; (ii) to approve the terms and conditions of the Incentive Plans; (iii) to approve an increase in the authorised

share capital of the Company from £18,500,000 to £24,500,000; (iv) to approve an increase in the amount reserved out of the Company's enlarged authorised share capital to be issued pursuant to the Company's share option arrangements (including the Incentive Plans) from £812,490 to £2,552,240; (v) to renew the Directors' authorisation to issue new shares of the Company up to the enlarged authorised share capital amount on the terms provided in Article 7.2 to Article 7.5 of the Company's existing Articles of Incorporation for a further period of five years. The Company does not, however, have any current intention of using this authority save in respect of the issue of the Incentive Shares and pursuant to the exercise of options under the Company's existing share option arrangements; and (vi) to make consequential amendments to the Articles of Incorporation.

In addition, in accordance with the requirements of Luxembourg law, the Directors will present to the EGM copies of the Directors' Reports on the waiver of preferential subscription rights by the shareholders in respect of the increase in the authorised share capital of the Company from £12,500,000 to £18,500,000 on 19 October 2007 and the proposed increase in the authorised share capital of the Company contemplated by Resolution 3.

5. **EGM**

The EGM is to be held at 58 rue Charles Martel, L-2134, Luxembourg on 3 December 2008 at 5.00pm CET in the presence of a Luxembourg notary in order to consider and vote on the Resolutions.

6. **Actions to be Taken**

Shareholders will find enclosed a Form of Proxy for use in relation to the EGM. Whether or not you intend to be present at the meeting you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon to Maitland Luxembourg S.A., 58 rue Charles Martel, L-2134, Luxembourg (marked for the attention of Mrs. Sandrine Gonry, fax +352 40 2505 66) as soon as possible and, in any event, so as to arrive no later than 5.00 pm CET on 1 December 2008. The completion and return of a Form of Proxy will not preclude you from attending the EGM and voting in person should you so wish.

Holders of Depositary Interests will find enclosed a form of instruction from Computershare which shall indicate whether the depositary interest holder wishes to attend the EGM in person; and also provides for an instruction to Computershare Company Nominees Limited ("Computershare Nominees") to vote (by proxy) on its behalf as instructed thereon.

In accordance with Regulation 41 of the United Kingdom's Uncertificated Securities Regulations 2001, only those holders of Depositary Interests entered on the Company's register of holders of Depositary Interests not later than 5.00 pm CET on 1 December 2008 shall be entitled to attend and vote at the meeting.

Holders of Depositary Interests who wish to vote either in person (by way of proxy from Computershare) or by instructing Computershare Nominees to issue a proxy on their behalf are required to complete the form of instruction and return the same to Computershare in the self-addressed envelope provided, which is required to be received by Computershare Nominees by no later than 5.00 pm CET on 30 November 2008.

7. Recommendation

Resolutions 1 and 2 will be passed if more than 50 per cent. of the votes of the Shareholders (or their proxies) are cast in favour of the Resolutions, provided that at least two Shareholders are present or represented at the EGM. Resolutions 3, 4, 5 and 6 will be passed if more than two thirds (66.6 per cent.) of the votes of the Shareholders (or their proxies) are cast in favour of the Resolutions, provided that a quorum of more than half of the issued and outstanding capital of the Company is present or represented at the EGM.

Your Board believes that the Resolutions contained in the Notice of Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommends you to vote in favour of the Resolutions, as Concerto and the other Founding Partners shall do in respect of their beneficial shareholdings representing in aggregate 57.54 per cent. of the Company Shares.

Yours sincerely

Brian Myerson
Director

11 November 2008

ANNEXURE A

Agenda of the EGM

1. To approve the appointment of Mr. Jonathan Sieff as a director of the Company with effect from 1 October 2008;
2. To approve the terms and conditions of the Incentive Plans;
3. To increase the authorised share capital of the Company from its present amount of eighteen million five hundred thousand Pounds Sterling (£18,500,000) divided into eighteen million five hundred thousand (18,500,000) ordinary shares having a par value of £1 each to twenty four million five hundred thousand Pounds Sterling (£24,500,000) divided into twenty four million five hundred thousand (24,500,000) ordinary shares having a par value of £1 each;
4. Subject to the approval of resolution 3 above, to increase the amount reserved out of the Company's enlarged authorised share capital for the issue of shares pursuant to the exercise of the stock options granted or to be granted to employees, executives, non-executives, Board members or other officers of the Company and its group including any subsidiaries, affiliates and/or parent company(ies) as the Board may determine pursuant to the Company's stock option arrangements (including the Incentive Plans) from eight hundred and twelve thousand four hundred and ninety Pounds Sterling (£812,490) to an amount of two million five hundred and fifty two thousand two hundred and forty Pounds Sterling (£2,552,240);
5. To renew the authorisation of the Directors to issue further shares (for cash and/or contribution in kind) so as to bring the total issued share capital of the Company up to the total authorised share capital in whole or in part from time to time, including the issue of Company Shares within a period expiring on the fifth anniversary of the publication of the notarial deed recording the EGM in the Mémorial C, Recueil Special des Societes et Association, on the terms and conditions set out in Article 7.2 to 7.5 of the Company's Articles of Incorporation;
6. Subject to the approval of resolutions 3, 4, and 5 above, to amend Articles 6.2 and 7.1 of the Articles of Incorporation of the Company to reflect: the changes in the authorised share capital; the increase in the amount reserved out of the authorised share capital of the Company; and the renewal of the Directors' authorisation to issue further shares up to the amount of the authorised share capital.

ANNEXURE B

Principle Capital Holdings S.A.
Société Anonyme
Registered Office: 58 rue Charles Martel
L-2134, Luxembourg
R.C.S. Luxembourg B 98144

(the “Company”)

FORM OF PROXY FOR THE EGM

Form of Proxy for an EGM of Shareholders to be held at the registered office of the Company on 3 December 2008 at 5.00 pm CET, or as soon thereafter as it can be held, in the presence of a Luxembourg notary.

I/We the Undersigned _____ being holder of _____ shares in the Company having a par value of one (1) Pound Sterling (GBP) each hereby appoint _____ (see note 2 below) the chairman or the secretary of the meeting to whom I/we give all powers to represent me/us at the said meeting, to take part in all deliberations and to vote in my/our name according to the instructions set out below and to perform all acts necessary to give effect to any resolutions proposed by the chairman arising out of the Agenda set out in the notice of the EGM.

Note: Shareholders should indicate with a cross (x) in the spaces provided below the manner in which they wish their votes to be cast. In the absence of specific instructions their special attorney (appointed pursuant to this Form of Proxy) may vote as he thinks fit:

Resolutions:

1. To approve the appointment of Mr. Jonathan Sieff as a director of the Company with effect from 1 October 2008;
2. To approve the terms and conditions of the Incentive Plans;
3. To increase the authorised share capital of the Company from its present amount of eighteen million five hundred thousand Pounds Sterling (£18,500,000) divided into eighteen million five hundred thousand (18,500,000) ordinary shares having a par value of £1 each to twenty four million five hundred thousand Pounds Sterling (£24,500,000) divided into twenty four million five hundred thousand (24,500,000) ordinary shares having a par value of £1 each;
4. Subject to the approval of resolution 3 above, to increase the amount reserved out of the Company’s enlarged authorised share capital for the issue of shares pursuant to the exercise

of the stock options granted or to be granted to employees, executives, non-executives, Board members or other officers of the Company and its group including any subsidiaries, affiliates and/or parent company(ies) as the Board may determine pursuant to the Company's stock option arrangements (including the Incentive Plans) from eight hundred and twelve thousand four hundred and ninety Pounds Sterling (£812,490) to an amount of two million five hundred and fifty two thousand two hundred and forty Pounds Sterling (£2,552,240);

5. To renew the authorisation of the Directors to issue further shares (for cash and/or contribution in kind) so as to bring the total issued share capital of the Company up to the total authorised share capital in whole or in part from time to time, including the issue of Company Shares within a period expiring on the fifth anniversary of the publication of the notarial deed recording the EGM in the Mémorial C, Recueil Special des Societes et Association, on the terms and conditions set out in Article 7.2 to 7.5 of the Company's Articles of Incorporation;

6. Subject to the approval of resolutions 3, 4, and 5 above, to amend Articles 6.2 and 7.1 of the Articles of Incorporation of the Company to reflect: the changes in the authorised share capital; the increase in the amount reserved out of the authorised share capital of the Company; and the renewal of the Directors' authorisation to issue further shares up to the amount of the authorised share capital.

| | | | |
|--------------|---------|-------------|----------------|
| Resolution 1 | For [] | Against [] | Abstention [] |
| Resolution 2 | For [] | Against [] | Abstention [] |
| Resolution 3 | For [] | Against [] | Abstention [] |
| Resolution 4 | For [] | Against [] | Abstention [] |
| Resolution 5 | For [] | Against [] | Abstention [] |
| Resolution 6 | For [] | Against [] | Abstention [] |

Name of the registered Shareholder: _____

Address: _____

Signature: _____ Date: _____

Notes:

1. At the EGM, resolutions 1 and 2 may validly be adopted by a simple majority of the shares present or represented, provided that at a quorum of at least two Shareholders is present or represented at the meeting. Resolutions 3, 4, 5 and 6 may validly be adopted by a majority of votes of two thirds of the shares present or represented, provided that a quorum of more than half of the issued and outstanding capital of the Company is present or represented at the EGM; if no quorum is reached at the EGM, a second EGM may be convened at which proposed amendments can be validly adopted, without any quorum requirements by a majority of two thirds of the shares present or represented at such meeting.
2. You may, if you wish, delete the “chairman or the secretary of the meeting” and insert the name and address of some other person(s) who need not to be (a) Shareholder(s).
3. In case of a corporation having a common seal, this Form must be completed under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. To be valid, this Form and the power of attorney or other authority (if any) under which it is signed, or notarially certified or office copy of that power of attorney or other authority must be deposited at the registered office of the Company by whom it must not be received less than 48 hours before the time for the meeting or the adjourned meeting.
5. The completion and return of this Form will not prevent Shareholders attending and voting at the meeting if they subsequently wish to do so.