

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should consult your accountant, legal or professional adviser, financial adviser or an independent professional adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.**

If you have sold or transferred all of your Ordinary Shares, please send this document, together with the accompanying Form of Proxy, immediately to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, this document should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of relevant laws. If you have sold or transferred part only of your holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

---

## **AIM Investments plc**

*(Incorporated in England and Wales under Company Number 5123368)*

### **Notice of Annual General Meeting Adoption of New Investing Policy and Notice of General Meeting**

---

A notice convening the AGM of AIM Investments, to be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.00am on Wednesday 24 August 2011 is set out towards the end of this document.

A notice convening the GM of AIM Investments, to be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.30am, or, if later, immediately following the AGM, on Wednesday 24 August 2011 is set out at the end of this document.

You will find enclosed with this document a Form of Proxy for use in connection with the AGM. Whether or not you intend to be present at the AGM, you are asked to complete the Form of Proxy in accordance with the instructions printed on it, so that the form may be received by the Company's Registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but in any event not later than 11.00am on 22 August 2011. Completion of the Form of Proxy will not preclude you from attending and voting at the AGM should you so wish.

There is no form of proxy for use in connection with the GM.

Copies of this document are available from the Company's registered office at 85 Elsenham Street, London SW18 5NX from the date of this document until the date of the AGM. This document will also be available for download from the Company's website: [www.aiminvestmentsplc.com](http://www.aiminvestmentsplc.com).

## Timetable

Latest time and date for receipt of Form of Proxy:	<b>11:00am on 22 August 2011</b>
Annual General Meeting:	<b>11:00am on 24 August 2011</b>
General Meeting:	<b>11.30am on 24 August 2011</b>

## Definitions

<b>“Act”</b>	the Companies Act 2006;
<b>“AGM”</b>	the annual general meeting of the Company, to be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.00am on Wednesday 24 August 2011;
<b>“AIM Investments” or “Company”</b>	AIM Investments Plc;
<b>“Desmond”</b>	Desmond Holdings Ltd, a Hong Kong based investment company;
<b>“Desmond Loan”</b>	a non-interest bearing loan facility of up to £700,000 from Desmond to the Company, as announced on 1 November 2010;
<b>“Directors” or “Board”</b>	the Directors of the Company, being Alexandra Eavis, Andrew Fletcher, Mark Pajak and Balbir Bindra;
<b>“Form of Proxy”</b>	the form of proxy enclosed with this document to be completed and returned in respect of the AGM;
<b>“GM” or “General Meeting”</b>	the general meeting of the Company, to be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.30am, or, if later, immediately after the AGM, on Wednesday 24 August 2011;
<b>“Hurdle Rate”</b>	the level of increase in the Company’s NAV at which the Performance Fee becomes payable, being 5%;
<b>“Independent Directors”</b>	Alexandra Eavis, Balbir Bindra and Andrew Fletcher;
<b>“Investment Manager”</b>	the Company’s investment manager, being Desmond;
<b>“Management Services Agreement”</b>	an agreement to be entered into by the Company and Desmond, conditional upon the adoption of the New Investing Policy, whereby Desmond will act as the Investment Manager
<b>“NAV” or “Net Asset Value”</b>	the aggregate book value of the Company’s gross assets less an amount equal to the Company’s liabilities;

<b>“NAV per Share” or “Net Asset Value per Share”</b>	the audited NAV divided by the number of shares in issue at the period end;
<b>“New Investing Policy”</b>	the new investing policy, as set out in this document, proposed by the Company in Resolution 9 of the AGM;
<b>“Notice of AGM”</b>	the notice of AGM set out towards the end of this document;
<b>“Notice of GM”</b>	the notice of GM set out at the end of this document;
<b>“Ordinary Shares”</b>	the ordinary shares in the Company of 0.1p each;
<b>“Performance Fee”</b>	a fee payable by the Company to the Investment Manager pursuant to the Management Services Agreement, equal to 20% of the annual increase in the NAV over a year, conditional upon such increase exceeding the Hurdle Rate;
<b>“Proposals”</b>	the resolutions to be proposed at the AGM, in particular resolution 9, the implementation of the New Investing Policy;
<b>“Report and Accounts”</b>	the report and accounts of the Company for the twelve month period ended 31 May 2011;
<b>“Services Fee”</b>	a fee payable by the Company to the Investment Manager for the provision of services pursuant to the Management Services Agreement; and
<b>“Shareholders”</b>	holders of Ordinary Shares;

## AIM INVESTMENTS PLC

(Registered in England and Wales with registered number 5123368)

### Directors

85 Elsenham Street  
London  
SW18 5NX

Mark Pajak (Executive Director and Acting Chairman)  
Alexandra Eavis (Executive Director)  
Andrew Fletcher (Finance Director)  
Balbir Bindra (Non-Executive Director)

1 August 2011

*To Shareholders and, for information only, to the holders of options*

Dear Shareholder,

### Notice of AGM Adoption of New Investing Policy Notice of GM

#### 1 Introduction

This year's AGM will be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.00am on Wednesday 24 August 2011. The Notice of AGM is set out towards the end of this document.

The business of the AGM, *inter alia*, will be to receive the Report and Accounts, copies of which are enclosed with this document, and to conduct the other ordinary business and special business of the Company as set out in the Notice of AGM.

In particular, the Directors are proposing a change of the Company's investing policy. Following last year's developments, and the injection of capital by Desmond, the Directors have reviewed the Company's strategy and believe that shareholder value would be enhanced by a building a closer relationship with Desmond, through their proposed appointment as Investment Manager, and the adoption of the New Investing Policy, focussing on the agricultural, energy, engineering, infrastructure, manufacturing, logistics, transportation and natural resource sectors in emerging and frontier markets, all as set out below.

The Company is also holding a GM at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.30am on Wednesday 24 August 2011. The Notice of GM is set out at the end of this document.

The purpose of this letter is to seek your approval for the Proposals.

#### 2 Background to the Proposals

On 13 October 2010, the Company announced that it had secured a non-interest bearing loan facility of up to £500,000 from Desmond, a Hong Kong-based investment company, in order to make qualifying investments under its investing policy. On 2 November 2010, it was announced this loan facility had been increased up to £700,000. The Company agreed to pay Desmond a fee of £120,000 for providing the Desmond Loan, such fee to be satisfied, following the lifting of the suspension of the trading in the Company's shares, by the issue of such number of new ordinary shares in the capital of the Company as equated to 29.99 per cent. of the Company's then issued share capital. Following the restoration of trading in the Company's shares on 10 December 2010, this fee was satisfied, and Desmond were issued

with 29.99% of the Company's issued share capital on 15 December 2010. On 15 December 2010, Mark Pajak, both a director and a shareholder in Desmond, was appointed to the board of the Company as a Non-Executive Director. On 16 March 2011, Mark became an Executive Director of the Company. On 28 June 2011, it was subsequently announced that Sir Bernard Zissman had resigned as Non-Executive Director and Acting Chairman to be replaced in the latter role by Mark Pajak. Furthermore, Balbir Bindra was appointed as a Non-Executive Director.

### **3 Background on Desmond**

Desmond is an unquoted investment company established in Hong Kong. The management of Desmond have over 15 years' experience in investing in emerging and frontier markets, and have managed gross assets of over \$500million. Over this period, Desmond has established an extremely wide network of relationships across the globe, which now generate a high volume of prospective investment opportunities, in particular, but not exclusively, in South America, China and Sub-Saharan Africa. Desmond's track record and the access they provide to relationships in the Company's target markets make Desmond an ideal strategic partner for the Company. Mark Pajak is a director and shareholder of Desmond.

### **4 Management Services Agreement**

Conditional upon the adoption of the New Investing Policy, the Company will enter into a Management Services Agreement with Desmond, whereby Desmond will be retained as the Company's Investment Manager. Pursuant to the Management Service Agreement, Desmond agrees to originate potential investments and undertake the necessary due diligence before submitting an investment proposal for approval by the Board. Desmond may also assist in any negotiations regarding the structuring of a proposed investment. Desmond will also manage the portfolio of investments held by the Company, monitoring the individual performances of each investment and reporting to the Board. Desmond will also assist in implementing any exit or realisation determined by the Board.

In addition, the Investment Manager agrees to provide some administrative functions in respect of the Company's operations.

In consideration for the services provided by the Investment Manager to the Company pursuant to the Management Services Agreement, the Company shall pay the Investment Manager the Services Fee, equal to the greater of £17,500 or 0.25% of the NAV payable per quarter. In addition to the Services Fee, the Company shall pay the Investment Manager an annual Performance Fee equal to 20% of the increase in the NAV.

Payment of the Performance Fee is conditional upon the increase in the NAV per Share over the relevant year, being at least the Hurdle Rate (5%). If, in any year, the Hurdle Rate is not achieved and no Performance Fee is payable to the Investment Manager, then before any Performance Fee is payable in a subsequent year, the aggregate increase in NAV per share over the periods must exceed the aggregated Hurdle Rate for those periods, and then the Performance Fee shall be equal to 20% of the difference.

The Services Fee and Performance Fee will be payable by the Company to the Investment Manager, at the sole option of the Investment Manager, in cash or, subject to regulatory approval, Ordinary Shares.

### **5 New Investing Policy**

The Directors propose to amend the Company's investing policy, as follows.

The Company's Investing Policy would be to invest in or acquire a portfolio of companies, partnerships, joint ventures, businesses or other assets in emerging and frontier markets

(particularly South America, Africa and Asia), as well as rapidly growing economies and economies undergoing or recovering from some form of crisis. The principal sectors would be energy, infrastructure, engineering, manufacturing, logistics, natural resources, transportation and agriculture. The investments or acquisitions may be funded wholly by cash, the issue of new shares or debt, or a mix thereof, as the Board deems appropriate. The Company's equity interest in a proposed investment may range from a minority position to 100 per cent. ownership; the proposed investments may be either quoted or unquoted, although will likely be unquoted in the majority of cases.

The Company will specifically invest in investments which the Board believes offer high growth opportunities or steady cash flows and where the exit will be a liquidity event, such as a trade sale or IPO. However, the Company's investments may also take the form of private placements in companies that are already listed on an international exchange but are seeking additional capital to expand operations or make acquisitions. It is anticipated that the investments will be held for the short to medium term but the Board will place no minimum or maximum limit on the length of time that any investment may be held. The Company intends to deliver Shareholder returns through capital growth. As such, the Board do not envisage the distribution of dividends in the short to medium term.

The Company intends to be an involved and active investor. Accordingly, where necessary, the Company may seek participation in the day to day management through board representation in an entity in which the Company invests with a view to seeking to improve the performance and use of its assets in order to grow the business. In this instance, the Investment Manager will be appointed to the board of such entities in which the Company invests. The Investment Manager may appoint consultants or independent industry experts or other representatives to represent the Company in managing the investments it makes and/or their business operations.

As an active investor, the Company may be involved in such activities as reverse takeover transactions, formation or identification of capital pool companies, going private transactions, advisory services (to assist companies with the identification, assessment and "spin-in" of products and/or subsidiaries, which may be strategic to building their businesses), and financial restructuring. Advisory fees may be charged at the Company's discretion.

If it appears unlikely that the investing policy can be implemented at any time, the Directors may consider returning any remaining funds to the Shareholders.

The Directors consider that as investments are made, and new opportunities arise, further funding of the Company will be required.

### **Investment Process**

The following list details qualifying criteria for companies and assets the Company would consider as potential investments, although the list is not intended to be exhaustive and the Investment Manager will exercise discretion where necessary when submitting a potential investment for consideration by the Board.

- The key consideration will be the quality of the investee company or asset, and whilst there will be a preference for those operating in emerging, frontier and rapidly growing economies, other geographical locations will be considered including economies in crisis or transition.
- Growth potential will be the key determinant above any specific industry sector
- Strong operational management team
- The Company may choose to invest in newly formed or early stage asset backed companies without any track record

- The Company may also consider private placements in companies that are already listed on an international exchange but are seeking additional capital to expand operations or make acquisitions

As detailed in the terms of the Management Services Agreement, prospective investment opportunities will be identified by the Investment Manager. The Investment Manager is responsible for conducting appropriate levels of due diligence in investee companies / assets before preparing a submission to the Board.

## **6 Related Party Transaction**

Under AIM Rule 13, the appointment of Desmond as Investment Manager constitutes a related party transaction. Desmond holds 23.14% in the Company. Mark Pajak is a director and shareholder in Desmond. The Independent Directors consider, having consulted with the Company's nominated adviser Daniel Stewart & Company plc, that the terms of the transaction are fair and reasonable insofar as the shareholders of the Company are concerned.

## **7 Increase in Share Authorities**

In order to enable the Company to raise further finance in respect potential transactions, the Company is seeking the authority, in accordance with section 551 of the Act, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £2,956,580 provided that this authority shall (unless renewed, varied or revoked by the Company in general meeting) expire on the conclusion of the next AGM of the Company to be held in 2012, save that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted or such rights to be granted after such expiry, and the Directors may allot such shares and grant such rights in pursuance of such offer or agreement as if this authority had not expired.

The effect of the issue of these shares will be to dilute the interests of existing shareholders. The Company's capital requirements will depend on numerous factors, including its ability to maintain and expand its existing business and it is difficult for the Directors to predict the timing and amount of the Company's capital requirements with accuracy. If the Company's capital requirements vary materially from its plans, the Company may require further capital. Any additional equity financing may be dilutive to Shareholders, and debt financing, if available, may place restrictions on the Company's financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

## **8 Annual General Meeting**

A notice convening the Annual General Meeting to be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD at 11.00am on Wednesday 24 August 2011 at the end of this document. At the Annual General Meeting the following resolutions will be proposed:

### **Resolution 1: Report and Accounts**

The directors must present to the shareholders at the AGM the accounts of the Company and the report of the directors and auditors for the year ended 31 May 2011.

### **Resolutions 2 to 4: Re-election of Directors**

In accordance with the articles of association of the Company, Alexandra Eavis, Mark Pajak and Balbir Bindra will retire by rotation at the AGM and will seek reappointment. Andrew Fletcher will not seek reappointment and will stand down as a Director of the Company after the AGM.

Further to performance evaluation, the Board has determined that each of the Directors' performance continues to be effective and each of the Directors continues to demonstrate commitment to his or her role.

**Resolution 5: Appointment of Auditors and Auditors Remuneration**

Crowe Clark Whitehill LLP has agreed to act as the Company's auditor until the conclusion of the next general meeting at which the accounts are laid before the Company. This resolution proposes the appointment of Crowe Clark Whitehill LLP.

Spofforths LLP resigned as the Company's auditors on 21 July 2011. In accordance with Section 519 of the Companies Act, they confirmed there were no circumstances connected with their resignation that needed to be brought to the attention of the creditors or members of the Company.

**Resolution 6: Authority to determine the auditors' remuneration**

This resolution authorises the Board to determine the auditors' remuneration.

**Resolution 7: Authority to Allot Shares**

This resolution would give the directors the authority to allot Ordinary Shares or grant rights to subscribe for or convert any securities into Ordinary Shares up to an aggregate nominal amount of £2,956,580

**Resolution 8: Disapplication of Pre-emption Rights**

This resolution would give the Board the authority to allot Ordinary Shares (or sell any Ordinary Shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings.

**Resolution 9: Implementation of New Investing Policy**

This resolution would allow the Company to adopt the New Investing Policy as set out above.

**Resolution 10: Change of Name**

This resolution would change the Company's name to Craven House Capital Plc

Resolutions 1 to 6 are proposed as ordinary resolutions and therefore require 50 per cent. or more of Shareholders voting in person or by proxy in favour of each Resolution.

Resolutions 7 to 10 are proposed as special resolutions and therefore require 75 per cent. or more of Shareholders voting in person or by proxy in favour of each Resolution.

**9 Action to be Taken**

You will find enclosed with this letter a Form of Proxy for use in connection with the AGM. Whether or not you intend to be present at the AGM, you are asked to complete the form of proxy in accordance with the instructions printed on it so that the form may be received by the Company's Registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but in any event not later than 11.00am on 22 August 2011. Completion of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

**10 General Meeting**

Pursuant to section 656 of the Act where the net assets of a public company are half or less than its called-up share capital, the directors must call a general meeting of the company to consider whether any, and if so what, steps should be taken to deal with the situation. There is no requirement for the meeting to resolve any action in respect of the decrease in net assets.

## 11 Recommendation

Your Directors believe that the proposals set out in this document are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of the resolutions to be proposed at the Annual General Meeting, as those Directors have undertaken to do in respect of their beneficial shareholdings representing, in aggregate, 24.56 per cent. of the current issued ordinary share capital of the Company including any beneficial shareholding held through an interest in Desmond.

Yours faithfully

**Mark Pajak**  
Acting Chairman

**AIM INVESTMENTS PLC**  
**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the above-named company (“the Company”) will be held at the offices of Daniel Stewart, Becket House, 36 Old Jewry, London EC2R 8DD on Wednesday 24 August 2011 at 11am for the following purposes, namely:

**Ordinary Business**

1. To receive and adopt the report and accounts for the period ended 31 May 2011.
2. To elect as a director Mark Pajak, being a director retiring in accordance with the Articles of Association.
3. To elect as a director Balbir Bindra, being a director retiring in accordance with the Articles of Association.
4. To elect as a director Alexandra Eavis, being a director retiring in accordance with the Articles of Association.
5. To appoint Crowe Clark Whitehill LLP as auditors to the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the company, special notice of this resolution having been given to the Company.
6. To authorise the Directors to determine the auditors’ remuneration.

**Special Business**

7. To consider and if thought fit to pass the following resolution as a Special Resolution:

THAT the Directors be and are hereby generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount

of £2,956,580 provided that this authority shall (unless renewed, varied or revoked by the Company in general meeting) expire on the conclusion of the next Annual General Meeting ('AGM') of the Company to be held in 2012, save that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted or such rights to be granted after such expiry, and the Directors may allot such shares and grant such rights in pursuance of such offer or agreement as if this authority had not expired.

8. To consider and if thought fit to pass the following resolution as a Special Resolution:

THAT the Directors be and are hereby empowered, pursuant to Section 570 of the Companies Act 2006, to allot equity securities (as defined in Section 560 of that Act) for cash pursuant to the general authority conferred on them by Resolution 7 above as if Section 561 of that Act did not apply to any such allotment or sale and such power shall expire (if not previously expired by non-fulfilment of conditions) on the date of the next Annual General Meeting of the Company following the passing of this resolution (or if sooner 15 months after the date of the resolution) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such offer or agreement as if this authority had not expired.

9. To consider and if thought fit to pass a special resolution to adopt a revised Investment Policy as set out in this document.

10. To consider and if thought fit to pass a special resolution:

That the name of the Company be changed to Craven House Capital Plc

BY ORDER OF THE BOARD

R A MacDonald Watson (Company Secretary)  
85 Elsenham Street, London SW18 5NX (Registered Office)

1 August 2011

Notes:

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. The Form of Proxy and any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, must arrive not later than 48 hours before the time set for the meeting at the Company's Registrars, Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
4. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy but the vote of the first names on the register of members will be accepted to the exclusion of other joint holders.
5. Only those members entered on the register of members of the Company at 6.00 p.m. on Monday 22 August 2011 or, in the event that this meeting is adjourned, in the register of members as at 6.00 p.m. on the day two days before the date of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members by the close of business on Monday 22 August 2011 or, in the event that this meeting is adjourned, in the register of members after the close of business on the day two days before the date of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

# **AIM INVESTMENTS PLC**

( "the Company" )

Company Number 5123368

## **Notice of General Meeting**

NOTICE IS HEREBY GIVEN THAT a general meeting of the Company will be held at 60 Cannon Street, London EC4N 6NP on Wednesday 24 August 2011 at 11.30am to consider, pursuant to section 656 of the Companies Act 2006, whether any, and if so what, steps should be taken to address the fact that the net assets of the Company have fallen to half or less of its called- up share capital.

Dated: 1 August 2011

BY ORDER OF THE BOARD

Robert MacDonald Watson  
Secretary  
85 Elsenham Street  
London  
SW18 5NX