

CIRCULAR DATED 10 OCTOBER 2014

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of k1 Ventures Limited ("Company"), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.



k1 VENTURES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197000535W)

**CIRCULAR TO SHAREHOLDERS
IN RELATION TO
THE PROPOSED AMENDMENT TO THE MANAGEMENT AGREEMENT ENTERED INTO BETWEEN
THE COMPANY AND GREENSTREET PARTNERS L.P.
(AS AMENDED AND RESTATED FROM TIME TO TIME)**

Independent Financial Adviser to the Independent Directors



Ernst & Young Corporate Finance Pte Ltd

(Incorporated in the Republic of Singapore)
Company Registration Number: 199702967E

IMPORTANT DATES AND TIMES

- Last Date and Time for Lodgement of Proxy Form : 26 October 2014 at 3.00 p.m.
- Date and Time of Extraordinary General Meeting : 28 October 2014 at 3.00 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place)
- Place of Extraordinary General Meeting : Four Seasons Hotel,
Four Seasons Ballroom (Level 2),
190 Orchard Boulevard,
Singapore 248646

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

"2010 EGM"	:	The extraordinary general meeting of the Company held on 15 October 2010, at which the Shareholders approved the Company's entry into the 2010 Management Agreement
"2010 Management Agreement"	:	The second amended and restated Greenstreet Management Agreement dated 15 October 2010 pursuant to which Greenstreet provides the Services
"2014 Management Agreement"	:	Has the meaning given to it in paragraph 2.1.1 of this Circular
"2014 Restructured Management Agreements"	:	The 2014 Management Agreement and the DFS Agreement
"Affiliates"	:	With respect to any person or entity, any other person or entity that directly or indirectly controls, is controlled by or is under common control with such person or entity (as used in this definition, the term "control" (including the terms "controlling" , "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise)
"Amendment Agreement"	:	The amendment agreement proposed to be entered into between the Company and Greenstreet in relation to the Proposed Amendment
"Audit Committee"	:	The audit committee of the Company comprising, as at the Latest Practicable Date, Professor Neo Boon Siong, Associate Professor Annie Koh and Mr Teo Soon Hoe (or Mr Tan Poh Lee Paul as alternate director to Mr Teo Soon Hoe)
"BVI"	:	BV Investment Holdings Limited
"BVSH"	:	BV Singapore Holdings Limited
"CDP"	:	The Central Depository (Pte) Limited
"Companies Act"	:	The Companies Act, Chapter 50 of Singapore
"Company"	:	k1 Ventures Limited

"DFS"	:	Has the meaning given to it in paragraph 2.1.2 of this Circular
"DFS Agreement"	:	Has the meaning given to it in paragraph 2.1.2 of this Circular
"Directors"	:	The directors of the Company as at the Latest Practicable Date
"EGM"	:	The extraordinary general meeting of the Company to be held on 28 October 2014 at 3.00 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place), notice of which is set out on pages 30 to 31 of this Circular
"Existing Fee Structure"	:	The fee structure under the 2010 Management Agreement setting out the fees payable to Greenstreet
"EYCF"	:	Ernst & Young Corporate Finance Pte Ltd
"GFF"	:	Green Family Foundation, Inc., a private foundation controlled by Mr Steven Jay Green
"Greenstreet"	:	Greenstreet Partners L.P., a Delaware limited partnership
"Greenstreet Management Agreement"	:	The management agreement entered into between the Company and Greenstreet (as amended and restated from time to time)
"Group"	:	The Company and its direct and indirect subsidiaries
"IFA"	:	Independent financial adviser
"IFA Letter"	:	The letter from EYCF to the Independent Directors dated 10 October 2014 which is set out in the Appendix to this Circular
"Independent Directors"	:	The Directors who are considered to be independent for the purposes of the Proposed Amendment, namely Mr Lee Suan Yew, Mr Alexander Vahabzadeh, Professor Neo Boon Siong, Associate Professor Annie Koh and Mr Teo Soon Hoe (or Mr Tan Poh Lee Paul as alternate director to Mr Teo Soon Hoe)
"k1 Parties"	:	The Company and its Affiliates and "k1 Party" means any one of them
"KCL"	:	Keppel Corporation Limited

"KPI"	:	Kephinance Investment Pte Ltd
"KUH"	:	Knowledge Universe Holdings, LLC
"KUH Carried Interest"	:	The proposed new carried interest component that may be payable to Greenstreet with respect to the KUH Investment as described in paragraph 3.1 of this Circular
"KUH Investment"	:	The investment by the relevant k1 Party(ies) in KUH, whether made prior to or following the date of the Amendment Agreement
"KUH Monthly Fees"	:	Has the meaning given to it in paragraph 3.1 of this Circular
"KUH Threshold"	:	Has the meaning given to it in paragraph 3.1 of this Circular
"KUH Total Threshold"	:	Has the meaning given to it in paragraph 3.1 of this Circular
"Latest Practicable Date"	:	29 September 2014, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
"Notice of EGM"	:	The notice of EGM which is set out on pages 30 to 31 of this Circular
"NTA"	:	Net tangible assets
"Proposed Amendment"	:	The proposed amendment to the 2014 Management Agreement set out in the Amendment Agreement pursuant to which Greenstreet shall be entitled to the KUH Carried Interest as described in paragraph 3.1 of this Circular
"Securities Account"	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account maintained by a depository agent
"Services"	:	Has the meaning given to it in paragraph 2.1 of this Circular
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	The registered holders of the Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the depositors whose Securities Accounts are credited with the Shares

"Shares"	:	Ordinary shares in the capital of the Company
"S\$"	:	Singapore dollars
"Temasek"	:	Temasek Holdings (Private) Limited
"US\$"	:	United States dollars
"%"	:	Per centum or percentage

The terms "**associate**" and "**controlling shareholder**" shall have the same meanings ascribed to them respectively in the Listing Manual.

The terms "**depositor**", "**depository agent**" and "**Depository Register**" shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act.

The term "**subsidiary**" shall have the same meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing one gender shall, where applicable, include the other genders. References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning ascribed to that word under the Companies Act or the Listing Manual or any statutory modification thereof, as the case may be.

Any discrepancies in tables included in this Circular between the amounts listed and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date unless otherwise stated.

K1 VENTURES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197000535W)

Directors:

Mr Steven Jay Green (Chairman and Chief Executive Officer)
Mr Teo Soon Hoe (Non-Executive Director)
Mr Tan Poh Lee Paul (Alternate Director to Mr Teo Soon Hoe)
Mr Alexander Vahabzadeh (Non-Executive Director)
Mr Lee Suan Yew (Independent Director)
Professor Neo Boon Siong (Independent Director)
Associate Professor Annie Koh (Independent Director)

Registered Office:

1 HarbourFront Avenue
#18-01
Keppel Bay Tower
Singapore 098632

10 October 2014

To: **The Shareholders of k1 Ventures Limited**

Dear Sir/Madam,

1. INTRODUCTION

1.1 EGM. The Directors are convening the EGM to be held on 28 October 2014 to seek Shareholders' approval for the Proposed Amendment and for the Company to enter into the Amendment Agreement with Greenstreet to effect the Proposed Amendment (as elaborated in **paragraph 3.1** of this Circular).

1.2 Shareholders' approval. Under Chapter 9 of the Listing Manual (which governs interested person transactions), where the value of a transaction with an "interested person" singly, or, when aggregated with the values of other transactions conducted with the same "interested person" in the same financial year, equals or exceeds 5% of the Group's latest audited NTA, that transaction shall be subject to shareholders' approval. For these purposes, a "transaction" includes, *inter alia*, the provision or receipt of services.

Mr Steven Jay Green, the chairman and chief executive officer of the Company, has a direct and indirect majority ownership interest in, as well as control of, Greenstreet (he directly and indirectly owns 64% of Greenstreet, and the balance of Greenstreet is owned through various trusts and partnerships for the benefit of his family members). As such, Greenstreet is considered to be an associate of Mr Steven Jay Green for the purposes of Chapter 9 of the Listing Manual. Accordingly, Greenstreet is an "interested person" vis-à-vis the Company, and the Greenstreet Management Agreement is considered to be an "interested person transaction" under Chapter 9 of the Listing Manual.

Based on the Company's Register of Substantial Shareholders, both Greenstreet and Mr Steven Jay Green were also substantial Shareholders as at the Latest Practicable Date.

Based on the Existing Fee Structure set out in the 2010 Management Agreement, being the second amended and restated Greenstreet Management Agreement dated 15 October 2010, the amount payable to Greenstreet under the 2010 Management Agreement may equal or exceed 5% of the Group's audited NTA of S\$185,314,000 as at 30 June 2010. Shareholders had, at the extraordinary general meeting of the Company held on 15 October 2010, approved the Company's entry into the 2010 Management Agreement.

Based on the Existing Fee Structure set out in the 2010 Management Agreement and the Proposed Amendment (if approved by the Shareholders at the EGM), the amount payable to Greenstreet under the Greenstreet Management Agreement may equal or exceed 5% of the Group's audited NTA of S\$256,519,000 as at 30 June 2014.

In addition, as the Proposed Amendment involves an amendment to the terms of the 2010 Management Agreement previously approved by the Shareholders at the 2010 EGM, the Directors have convened the EGM for the purpose of seeking Shareholders' approval for the Proposed Amendment.

1.3 Circular. The purpose of this Circular is to provide Shareholders with information relating to the ordinary resolution to be proposed at the EGM.

2. BACKGROUND

2.1 Greenstreet Management Agreement. Greenstreet has been retained by the Company to provide consultancy services on investment opportunities for the Group and management services in respect of all other aspects of managing the Group and its business activities ("**Services**") pursuant to the Greenstreet Management Agreement which was originally entered into on 18 November 2003 (and amended and/or restated from time to time). Shareholders had, at the 2010 EGM, approved the Company's entry into the 2010 Management Agreement. Pursuant to a recent internal restructuring of the Group, the 2010 Management Agreement was bifurcated into two separate management agreements as follows:

2.1.1 the third amended and restated Greenstreet Management Agreement dated 26 August 2014 between the Company and Greenstreet pursuant to which Greenstreet provides the Services (other than the services provided by Greenstreet under the DFS Agreement) ("**2014 Management Agreement**"); and

2.1.2 a new agreement dated 26 August 2014 between DFS Holdings I Corp. ("**DFS**"), an indirect wholly-owned subsidiary of the Company, and Greenstreet pursuant to which Greenstreet provides consultancy services on investment opportunities for DFS and management services in respect of all other aspects of managing DFS and its business activities throughout the United States ("**DFS Agreement**").

In this Circular, the 2014 Management Agreement and the DFS Agreement are collectively referred to as the 2014 Restructured Management Agreements.

2.2 No substantive changes. The 2014 Restructured Management Agreements do not contain any substantive change to the terms and arrangements under the 2010 Management Agreement. The fees paid under the 2014 Restructured Management Agreements are identical in amount as the fees paid pursuant to the Existing Fee Structure under the 2010 Management Agreement approved by Shareholders at the 2010 EGM save that the portion of the fees payable to Greenstreet relating to the services provided under the DFS Agreement shall be paid by DFS pursuant to the terms of the DFS Agreement. Accordingly, Shareholders' approval was not required for the 2014 Restructured Management Agreements.

3. PROPOSED AMENDMENT

3.1 Proposed Amendment. The Company and Greenstreet wish to amend the 2014 Management Agreement such that Greenstreet shall be entitled to the KUH Carried Interest, being a proposed new carried interest component that may be payable to Greenstreet with respect to the KUH Investment. For the avoidance of doubt, the structure of the KUH Carried Interest (as more particularly described below) is similar to the existing carried interest structure in relation to new investments made by any k1 Party following the effective date of the Greenstreet Management Agreement as set out under the Existing Fee Structure and which was approved by the Shareholders at the 2010 EGM. As the investment in KUH was made in 2003, prior to the 2010 EGM, the KUH Investment is not considered a new investment for the purpose of the existing carried interest structure in relation to new investments under the Existing Fee Structure and accordingly, Greenstreet does not receive any carried interest in relation to the KUH Investment under the Existing Fee Structure. The KUH Carried Interest shall be based upon the "realised net profits" (as more particularly described below) received by the relevant k1 Party(ies) following 1 July 2014, after the return of (i) the sum of US\$41,000,000 ("**KUH Threshold**") plus 100% of the aggregate amount of all other unreturned capital, if any, invested by the relevant k1 Party(ies) following 1 July 2014 in connection with the KUH Investment ("**KUH Total Threshold**") and (ii) the aggregate amount of monthly fees paid to Greenstreet by any k1 Party following 1 July 2014, if any, in respect of the KUH Investment ("**KUH Monthly Fees**"). Under the KUH Carried Interest, Greenstreet will receive a carried interest in the "realised net profits" in excess of a 10% compound annual rate of return to the relevant k1 Party(ies) calculated as follows: (i) up to 10% of the net profits until the returns to the relevant k1 Party(ies) exceed 15% per annum, compounded annually, and (ii) 15% on net profits in excess of such return, as more fully described below.

The KUH Threshold mentioned above is derived assuming a compound annual rate of return of 10% on the aggregate amount of capital actually invested by such k1 Party in connection with the KUH Investment up to 30 June 2014 (taking into account cumulative distributions received by such k1 Party up to 30 June 2014 in addition to the cumulative management fees paid or deemed to have been paid to Greenstreet up to 30 June 2014 attributable to the KUH Investment).

For these purposes, "realised net profits" means any and all amounts (cash or non-cash) received by or paid to the relevant k1 Party(ies) on or following 1 July 2014 in respect of the KUH Investment that exceed the sum of (i) the KUH Total Threshold and (ii) the KUH Monthly Fees, including any amounts received by or paid to that k1 Party in the form of dividends, repayment of principal, payment of fees, proceeds from the sale of the KUH Investment (or any portion thereof) or otherwise.

This means that Greenstreet will not earn any KUH Carried Interest on the basis of "paper profits" under the Proposed Amendment. The relevant k1 Party(ies) must actually realise a return of the KUH Total Threshold, plus a compound annual rate of return of 10% in addition to a reimbursement of the KUH Monthly Fees.

Specifically, all distributions received by any k1 Party in respect of the KUH Investment after 1 July 2014 (whether in the form of dividends, repayment of principal, payment of fees, proceeds from the sale of the KUH Investment (or any portion thereof) or otherwise) will be apportioned between such k1 Party and Greenstreet, as follows:

3.1.1 first, 100% to such k1 Party until such k1 Party has received an amount equal to the sum of (A) the KUH Total Threshold and (B) the KUH Monthly Fees;

- 3.1.2** second, 100% to such k1 Party until such k1 Party has received an amount equal to a 10% compound annual rate of return on the KUH Total Threshold;
- 3.1.3** third, 100% to Greenstreet until Greenstreet has received an amount equal to 10% of the sum of (A) the aggregate amount credited to the applicable k1 Party pursuant to **sub-paragraph 3.1.2** above, and (B) the amount previously credited or then being credited to Greenstreet pursuant to this **sub-paragraph 3.1.3**;
- 3.1.4** fourth, (A) 90% to such k1 Party, and (B) 10% to Greenstreet, until such k1 Party has received an aggregate amount pursuant to this **sub-paragraph 3.1.4** and **sub-paragraphs 3.1.1** and **3.1.2** above equal to a 15% compound annual rate of return on the KUH Total Threshold;
- 3.1.5** fifth, 100% to Greenstreet until Greenstreet has received an aggregate amount pursuant to this **sub-paragraph 3.1.5** and **sub-paragraphs 3.1.3** and **3.1.4(B)** above equal to 15% of the aggregate amount credited to such k1 Party and Greenstreet pursuant to **sub-paragraphs 3.1.2, 3.1.3, 3.1.4** and this **sub-paragraph 3.1.5**; and
- 3.1.6** thereafter, (A) 85% to such k1 Party, and (B) 15% to Greenstreet.

In connection with the Proposed Amendment, the Company and Greenstreet intend to enter into the Amendment Agreement.

For the avoidance of doubt, save for the Proposed Amendment, no other amendments are proposed to be made to the Existing Fee Structure.

- 3.2 Financial Effects of the Proposed Amendment.** The financial effects of the Proposed Amendment cannot be ascertained as at the Latest Practicable Date as the KUH Carried Interest under the Proposed Amendment relates to a potential future payment. The amount of the KUH Carried Interest, if any, payable to Greenstreet under the Proposed Amendment is dependent on future events which cannot be determined at this time, in particular, the amount and timing of future distributions received from KUH, if any, and the corresponding investment returns attributable to the KUH Investment.
- 3.3 Rationale for the Proposed Amendment.** The Company currently engages Greenstreet to provide the Services pursuant to the Greenstreet Management Agreement. One of Greenstreet's primary functions is to pro-actively manage investments for the purpose of enhancing value on behalf of the Group and the Shareholders. Under the Existing Fee Structure, Greenstreet only receives a monthly fee of US\$37,650 in relation to the KUH Investment which is intended to be a reimbursement of overhead, personnel and other costs incurred by Greenstreet in managing the KUH Investment, rather than as a compensation component. Due to the substantial amount of time and resources that have been committed, and that will continue to be committed, by Greenstreet to the KUH Investment, the Independent Directors have determined that it is necessary that a compensation structure be put in place that adequately incentivises Greenstreet to obtain maximum value for the Company in respect of the KUH Investment. The KUH Carried Interest component pursuant to the Proposed Amendment is designed to ensure that any carried interest payments in respect of the KUH Investment is paid to Greenstreet only upon the relevant k1 Party(ies) receiving the return of its invested capital for the KUH Investment, the reimbursement of monthly fees paid and deemed paid in respect of the KUH Investment, and a 10% compound annual rate of return on the KUH Investment. The carried interest structure avoids the granting of equity based compensation which would be immediately dilutive to Shareholders. The carried interest structure also ensures that Greenstreet will only receive carried interest payments to the extent that the Group has realised tangible returns on the KUH

Investment. The Independent Directors believe that this is the optimal structure through which to compensate Greenstreet for its provision of the Services in relation to the KUH Investment.

4. INFORMATION ON MR STEVEN JAY GREEN AND GREENSTREET

4.1 Information. Mr Steven Jay Green, the chairman and chief executive officer of the Company, is the founder of Greenstreet, a privately owned limited partnership constituted under the laws of the State of Delaware, United States of America. Mr Steven Jay Green has a direct and indirect majority ownership interest in, as well as control of, Greenstreet (he directly and indirectly owns 64% of Greenstreet, and the balance of Greenstreet is owned through various trusts and partnerships for the benefit of his family members).

4.2 Shareholdings. Based on the Company's Register of Substantial Shareholders:

4.2.1 Greenstreet had a direct interest in 176,000,000 Shares, representing approximately 8.13% of the total number of issued Shares as at the Latest Practicable Date; and

4.2.2 Mr Steven Jay Green had a deemed interest in 305,332,800 Shares, representing approximately 14.10% of the total number of issued Shares as at the Latest Practicable Date, which Shares are held by Greenstreet and GFF, a private foundation controlled by him.

5. INTERESTED PERSON TRANSACTION

5.1 Chapter 9. Chapter 9 of the Listing Manual governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company's "interested persons", that is, the listed company's directors, chief executive officer, controlling shareholders and their respective associates. For these purposes, a "transaction" includes, *inter alia*, the provision or receipt of services.

In general, when this Chapter applies to a transaction with an "interested person" and the value of that transaction singly, or, when aggregated with the values of other transactions entered into with the same "interested person" in the same financial year equals or exceeds 5% of the listed company's latest audited consolidated NTA, that transaction shall be subject to the approval of the shareholders of the listed company.

5.2 Interested person transaction. Mr Steven Jay Green, the chairman and chief executive officer of the Company, has a direct and indirect majority ownership interest in, as well as control of, Greenstreet (he directly and indirectly owns 64% of Greenstreet, and the balance of Greenstreet is owned through various trusts and partnerships for the benefit of his family members). As such, Greenstreet is considered to be an associate of Mr Steven Jay Green for the purposes of Chapter 9 of the Listing Manual. Accordingly, Greenstreet would be considered to be an "interested person" vis-à-vis the Company, and the Greenstreet Management Agreement would be considered to be an "interested person transaction" under Chapter 9 of the Listing Manual.

5.3 Shareholders' approval. Based on the Existing Fee Structure set out in the 2010 Management Agreement and the Proposed Amendment (if approved by the Shareholders at the EGM), the amount payable to Greenstreet under the Greenstreet Management Agreement may equal or exceed 5% of the Group's audited NTA of S\$256,519,000 as at 30 June 2014.

In addition, as the Proposed Amendment involves an amendment to the terms of the 2010 Management Agreement previously approved by the Shareholders at the 2010 EGM, the Directors have convened the EGM for the purpose of seeking Shareholders' approval for the Proposed Amendment.

- 5.4 No other interest.** Save as disclosed in this Circular, and based on the information available to the Company as at the Latest Practicable Date, none of the Directors or substantial Shareholders has any interest, direct or indirect, in the Greenstreet Management Agreement and/or the Proposed Amendment otherwise than through their interests (if any) in the Shares.
- 5.5 Abstention from voting.** GFF, Greenstreet and Mr Steven Jay Green will abstain, and will undertake to ensure that their respective associates will abstain, from voting on the ordinary resolution to be proposed at the EGM. In addition, Mr Steven Jay Green will decline to accept appointment as proxy for Shareholders at the EGM unless the Shareholder concerned (being a Shareholder other than Greenstreet, GFF or an associate of Greenstreet, GFF and/or Mr Steven Jay Green) shall have given specific instructions in his Proxy Form as to the manner in which his vote is to be cast in respect of the ordinary resolution to be proposed at the EGM.
- 5.6 Previous interested person transactions.** Other than transactions of less than S\$100,000 in value, and transactions carried out under the Shareholders' mandate for transactions with interested persons (which was renewed at the Company's Annual General Meeting held on 24 October 2013 and valid until the next Annual General Meeting of the Company) and save as otherwise disclosed herein, the Company has not entered into any other interested person transaction since the beginning of the current financial year up to the Latest Practicable Date.

6. IFA ADVICE TO THE INDEPENDENT DIRECTORS, AUDIT COMMITTEE VIEW AND RECOMMENDATION OF THE INDEPENDENT DIRECTORS

- 6.1 IFA.** Ernst & Young Corporate Finance Pte Ltd has been appointed as the independent financial adviser to the Independent Directors in relation to the Proposed Amendment. EYCF's advice is set out in its letter to the Independent Directors dated 10 October 2014, which is set out in the **Appendix** to this Circular.

Shareholders are advised to consider carefully the opinion of EYCF to the Independent Directors as set out in the IFA Letter and the recommendation of the Independent Directors set out in paragraph 6.4 of this Circular.

Having regard to the considerations set out in the IFA Letter, and subject to the assumptions and qualifications set out therein, EYCF is of the opinion that the Proposed Amendment (including the Amendment Agreement and the terms thereof) is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. Accordingly, EYCF advises the Independent Directors to recommend that Shareholders vote in favour of the Proposed Amendment (including the Amendment Agreement and the terms thereof).

- 6.2 Audit Committee.** The Audit Committee has considered the Proposed Amendment (including the Amendment Agreement and the terms thereof) and the opinion of EYCF as set out in the IFA Letter. The Audit Committee is of the view that the Proposed Amendment (including the Amendment Agreement and the terms thereof) is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

6.3 Audit Committee review procedures. The Audit Committee will review the fees paid to Greenstreet under the Greenstreet Management Agreement on a quarterly basis and the terms of the Greenstreet Management Agreement on an annual basis, to ensure that the Greenstreet Management Agreement remains in the best interest of the Company.

Where the Greenstreet Management Agreement requires a determination to be made by or on behalf of the Company as to whether any fees or costs incurred by Greenstreet or any third party are reasonable, the Audit Committee (or a person authorised by the Audit Committee) will review these costs and expenses in order to make such determination.

6.4 Independent Directors' recommendation. Having considered the Proposed Amendment (including the Amendment Agreement and the terms thereof), the rationale and benefit of the Proposed Amendment, as well as the opinion of EYCF as set out in the IFA Letter, the Independent Directors are of the view that the Proposed Amendment (including the Amendment Agreement and the terms thereof) is in the best interests of the Company. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the ordinary resolution to be proposed at the EGM.

In giving the above recommendation, the Independent Directors have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Shareholder. As each Shareholder would have a different investment portfolio, and different objectives and considerations, the Independent Directors recommend that any individual Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Mr Steven Jay Green, who is an associate of Greenstreet for the purposes of Chapter 9 of the Listing Manual, has and will abstain from making any recommendation to Shareholders in respect of the ordinary resolution to be proposed at the EGM.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

7.1 Directors' Interests in Shares. The interests of the Directors in the Shares as recorded in the Company's Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Directors	Direct Interest	Deemed Interest	Total Interest	
	No. of Shares	No. of Shares	No. of Shares	% ⁽¹⁾
Steven Jay Green ⁽²⁾	–	305,332,800	305,332,800	14.10
Lee Suan Yew	255,000	–	255,000	0.012
Teo Soon Hoe	102,500	–	102,500	0.005
Tan Poh Lee Paul (alternate director to Teo Soon Hoe)	12,500	–	12,500	0.001
Alexander Vahabzadeh ⁽³⁾	109,000	265,000,000	265,109,000	12.24
Neo Boon Siong	109,000	–	109,000	0.005

	Direct Interest	Deemed Interest	Total Interest	
Directors	No. of Shares	No. of Shares	No. of Shares	% ⁽¹⁾
Annie Koh	23,000	–	23,000	0.001

Notes:

- (1) Based on 2,165,618,003 Shares in issue as at the Latest Practicable Date.
- (2) Greenstreet, an entity controlled by Mr Steven Jay Green, has a direct interest in 176,000,000 Shares. GFF, a private foundation controlled by Mr Steven Jay Green, has a direct interest in 129,332,800 Shares. Therefore, Mr Steven Jay Green is deemed to have an interest in the 305,332,800 Shares collectively held by Greenstreet and GFF.
- (3) BVSH, which is a wholly-owned subsidiary of BVI, has a direct interest in 265,000,000 Shares. As Mr Alexander Vahabzadeh owns 50% of the issued shares in the capital of BVI, he is therefore deemed to have an interest in the Shares held by BVSH.

7.2 Substantial Shareholders' Interests in Shares. The interests of the substantial Shareholders in the Shares as recorded in the Company's Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

	Direct Interest	Deemed Interest	Total Interest	
Substantial Shareholders	No. of Shares	No. of Shares	No. of Shares	% ⁽¹⁾
Kephinace Investment Pte Ltd	780,313,190	–	780,313,190	36.03
Keppel Corporation Limited ⁽²⁾	–	780,313,190	780,313,190	36.03
Temasek Holdings (Private) Limited ⁽³⁾	–	780,313,190	780,313,190	36.03
Greenstreet Partners, L.P.	176,000,000	–	176,000,000	8.13
Green Family Foundation, Inc.	129,332,800	–	129,332,800	5.97
Steven Jay Green ⁽⁴⁾	–	–	305,332,800	14.10
Kamal Bahamdan ⁽⁵⁾	135,000	265,000,000	265,135,000	12.24
BV Singapore Holdings Limited	265,000,000	–	265,000,000	12.24
BV Investment Holdings Limited ⁽⁶⁾	–	265,000,000	265,000,000	12.24
Alexander Vahabzadeh ⁽⁷⁾	109,000	265,000,000	265,109,000	12.24

Notes:

- (1) Based on 2,165,618,003 Shares in issue as at the Latest Practicable Date and the declarations received by the Company from the Directors and substantial Shareholders up to the Latest Practicable Date.
- (2) KCL holds all the issued shares in KPI and is therefore deemed to have an interest in Shares held by KPI.
- (3) Temasek has a direct and deemed interest in more than 20% of the ordinary shares in KCL and is therefore deemed to have an interest in the Shares held by KPI.
- (4) Mr Steven Jay Green controls Greenstreet and GFF and is therefore deemed to have an interest in the Shares collectively held by Greenstreet and GFF.
- (5) Mr Kamal Bahamdan owns 50% of the shares of BVI and is therefore deemed to have an interest in the Shares held by BVSH.

- (6) BVI owns 100% of the voting shares of BVSH and is therefore deemed to have an interest in the Shares held by BVSH.
- (7) Mr Alexander Vahabzadeh owns 50% of the shares of BVI and is therefore deemed to have an interest in the Shares held by BVSH.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 30 to 31 of this Circular, will be held at Four Seasons Hotel, Four Seasons Ballroom (Level 2), 190 Orchard Boulevard, Singapore 248646 on 28 October 2014 at 3.00 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modification(s), the ordinary resolution set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1 Appointment of proxies. A Shareholder who is unable to attend the EGM and wishes to appoint a proxy to attend and vote at the EGM on his behalf will find enclosed in this Circular a Proxy Form which he is requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time appointed for the EGM.

9.2 When depositor regarded as Shareholder. A depositor shall not be regarded as a Shareholder entitled to attend the EGM and vote thereat unless his name appears on the Depository Register at least 48 hours before the time appointed for the EGM.

10. CONSENT FROM IFA

EYCF has given and has not, as at the Latest Practicable Date, withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter, and all references thereto, in the form and context in which they appear in this Circular.

11. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the final form of the draft Amendment Agreement;
- (b) the consent from EYCF referred to in **paragraph 10** of this Circular;
- (c) the annual report of the Company for the financial year ended 30 June 2014; and
- (d) the memorandum and articles of association of the Company.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Greenstreet Management Agreement, the Proposed Amendment, the Company and its subsidiaries, and the Directors are not

aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully

For and on behalf of
The Board of Directors of
k1 VENTURES LIMITED

Neo Boon Siong
Independent Director
10 October 2014

APPENDIX

LETTER FROM EYCF TO THE INDEPENDENT DIRECTORS

10 October 2014

**The Independent Directors of
k1 Ventures Limited**
1 HarbourFront Avenue,
#18-01 Keppel Bay Tower
Singapore 098632

Dear Sirs:

THE PROPOSED AMENDMENT TO THE MANAGEMENT AGREEMENT ENTERED INTO BETWEEN K1 VENTURES LIMITED ("K1 VENTURES" OR THE "COMPANY") AND GREENSTREET PARTNERS L.P. ("GREENSTREET") (AS AMENDED AND RESTATED FROM TIME TO TIME), AS AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") LISTING MANUAL (THE "LISTING MANUAL")

1. INTRODUCTION

The directors of the Company (the "**Directors**") are convening an extraordinary general meeting to be held on 28 October 2014 ("**EGM**") to seek approval from the registered holders of the ordinary shares in the capital of the Company (the "**Shareholders**") for the Company to enter into the proposed amendment agreement with Greenstreet (the "**Amendment Agreement**") which sets out the proposed amendment to the third amended and restated Greenstreet Management Agreement dated 26 August 2014 (the "**2014 Management Agreement**") pursuant to which Greenstreet shall be entitled to the new carried interest component with respect to the KUH Investment (the "**KUH Carried Interest**") that may be payable to Greenstreet (the "**Proposed Amendment**"). The details of the Proposed Amendment, the Amendment Agreement, the 2014 Management Agreement and other information relating to the ordinary resolution to be proposed at the EGM are set out in the circular to the Shareholders dated 10 October 2014 (the "**Circular**").

Mr Steven Jay Green, the chairman and chief executive officer of the Company, has a direct and indirect majority ownership interest in, as well as control of, Greenstreet (he directly and indirectly owns 64% of Greenstreet, and the balance of Greenstreet is owned through various trusts and partnerships for the benefit of his family members). As such, Greenstreet is considered to be an associate of Mr Steven Jay Green for the purposes of Chapter 9 of the Listing Manual. Accordingly, Greenstreet is an "interested person" vis-à-vis the Company, and the management agreement entered into between the Company and Greenstreet (as amended and restated from time to time) (the "**Greenstreet Management Agreement**") is considered an "interested person transaction" under Chapter 9 of the Listing Manual.

Based on the Company's Register of Substantial Shareholders, both Greenstreet and Mr Steven Jay Green were also substantial Shareholders as at 29 September 2014, being the latest practicable date prior to the printing of the Circular (the "**Latest Practicable Date**").

Based on the fee structure under the 2010 Management Agreement setting out the fees payable to Greenstreet (the "**Existing Fee Structure**"), the amount payable to Greenstreet under the 2010 Management Agreement may equal or exceed 5% of the Group's audited net tangible assets ("**NTA**") of S\$185,314,000 as at 30 June 2010. Shareholders had, at the extraordinary general meeting of the Company held on 15 October 2010 (the "**2010 EGM**"), approved the Company's entry into the 2010 Management Agreement.

Based on the Existing Fee Structure and the Proposed Amendment (if approved by the Shareholders at the EGM), the amount payable to Greenstreet under the Greenstreet Management Agreement may equal or exceed 5% of the Group's audited NTA of S\$256,519,000 at as 30 June 2014.

In addition, as the Proposed Amendment involves an amendment to the terms of the 2010 Management Agreement, the Directors have convened the EGM for the purpose of seeking Shareholders' approval for the Proposed Amendment.

In relation to the above, the Directors who are considered independent for the purposes of the Proposed Amendment (the "**Independent Directors**") have appointed Ernst & Young Corporate Finance Pte Ltd ("**EYCF**") as independent financial adviser to advise the Independent Directors on whether the Proposed Amendment (including the Amendment Agreement and the terms thereof) is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

We have prepared this letter for the use of the Independent Directors for the purposes of their consideration of the Proposed Amendment (including the Amendment Agreement and the terms thereof). This letter forms part of the Circular which provides, *inter alia*, the details of the Proposed Amendment and the Amendment Agreement. Unless otherwise defined, all terms in the Circular have the same meaning in this letter.

2. TERMS OF REFERENCE

EYCF has been appointed to evaluate the Proposed Amendment (including the Amendment Agreement and the terms thereof) and to advise the Independent Directors on whether the Proposed Amendment (including the Amendment Agreement and the terms thereof) is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

Our views as set forth in this letter are based on the prevailing market, economic and financial conditions, and our analysis of the information provided in the Circular as well as information provided to us by the Company and its representatives, as of the Latest Practicable Date. Accordingly, this opinion shall not take into account any event or condition which occurs after the Latest Practicable Date.

We are not and were not involved in any aspect of the negotiations pertaining to the Proposed Amendment and the Amendment Agreement, nor were we involved in the deliberations leading up to the decision by the Directors to enter into the Amendment Agreement and to adopt the Proposed Amendment. The scope of our appointment does not require us to express, and we do not express, a view on the growth prospects of the Company and its direct and indirect subsidiaries (the "**Group**"). We are, therefore, not expressing any view herein as to the prices at which the ordinary shares in the capital of the Company (the "**Shares**") may trade or on the future financial performance of the Group upon entering into the Amendment Agreement and adopting the Proposed Amendment.

In the course of our evaluation of the Proposed Amendment (including the Amendment Agreement and the terms thereof), we have held discussions with the representatives of the Company. We have also examined and relied on publicly available information in respect of the Company collated by us as well as information provided to us by the Company's representatives, including information in the Circular. We have not independently verified such information furnished to us or any representation or assurance made to us, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. Nevertheless, the Directors have confirmed to us that to the best of their knowledge and belief, the information provided to us (whether written or verbal) as well as the information contained herein and in the Circular constitutes a full and true disclosure, in all material respects, of all material facts and there is no material information the omission of which would make any of the information contained herein or in the Circular inaccurate, incomplete or misleading in any material respect.

We have also made reasonable enquiries and used our judgment in assessing such information and have found no reason to doubt the reliability of such information. We have further assumed that all statements of fact, belief, opinion and intention made by the Directors in the Circular have been reasonably made after due and careful enquiry. We have not conducted any review of the business, operations and financial condition of Company or the arrangements described in the Proposed Amendment and the Amendment Agreement.

Our opinion is delivered for the use and benefit of the Independent Directors in connection with and for the purpose of their consideration of the Proposed Amendment (including the Amendment Agreement and the terms thereof). Any recommendations that the Independent Directors may make to the Shareholders in relation to the Proposed Amendment (including the Amendment Agreement and the terms thereof) shall remain the responsibility of the Independent Directors.

In preparing this letter, we have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, we would advise the Independent Directors to recommend that any individual Shareholder who may require specific advice in relation to his Shares should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

Our opinion in relation to the Proposed Amendment (including the Amendment Agreement and the terms thereof) should be considered in the context of the entirety of this letter and of the Circular.

3. THE GREENSTREET MANAGEMENT AGREEMENT

We note that Greenstreet has been retained by the Company to provide consultancy services on investment opportunities for the Group and management services in respect of all other aspects of managing the Group and its business activities (the "**Services**") pursuant to the Greenstreet Management Agreement originally entered into on 18 November 2003 (and amended and/or restated from time to time). Pursuant to a recent internal restructuring of the Group, the 2010 Management Agreement was bifurcated into two separate management agreements; the 2014 Management Agreement and the DFS Agreement (as defined in the Circular) (together, the "**2014 Restructured Management Agreements**").

We note that Shareholders' approval was not required for the 2014 Restructured Management Agreements as they do not contain any substantive change to the terms and arrangements under the 2010 Management Agreement. The fees paid under the 2014 Restructured Management Agreements are identical in amount as the fees paid pursuant to the Existing Fee Structure approved by the Shareholders at the 2010 EGM, save that the portion of the fees payable to Greenstreet relating to the services provided under the DFS Agreement shall be paid by DFS pursuant to the terms of the DFS Agreement.

4. THE PROPOSED AMENDMENT

Salient information relating to the Proposed Amendment is set out in Section 3 of the Circular.

4.1 Details of the Proposed Amendment

The excerpt from Section 3.1 of the Circular in relation to the Proposed Amendment, which is set out in the Amendment Agreement, is reproduced below:

"3.1 Proposed Amendment.

*The Company and Greenstreet wish to amend the 2014 Management Agreement such that Greenstreet shall be entitled to the KUH Carried Interest, being a proposed new carried interest component that may be payable to Greenstreet with respect to the KUH Investment. For the avoidance of doubt, the structure of the KUH Carried Interest (as more particularly described below) is similar to the existing carried interest structure in relation to new investments made by any k1 Party following the effective date of the Greenstreet Management Agreement as set out under the Existing Fee Structure and which was approved by the Shareholders at the 2010 EGM. As the investment in KUH was made in 2003, prior to the 2010 EGM, the KUH Investment is not considered a new investment for the purpose of the existing carried interest structure in relation to new investments under the Existing Fee Structure and accordingly, Greenstreet does not receive any carried interest in relation to the KUH Investment under the Existing Fee Structure. The KUH Carried Interest shall be based upon the "realised net profits" (as more particularly described below), received by the relevant k1 Party(ies) following 1 July 2014, after the return of (i) the sum of US\$41,000,000 ("**KUH Threshold**") plus 100% of the aggregate amount of all other unreturned capital, if any, invested by the relevant k1 Party(ies) following 1 July 2014 in connection with the KUH Investment ("**KUH Total Threshold**") and (ii) the aggregate amount of monthly fees paid to Greenstreet by any k1 Party following 1 July 2014, if any, in respect of the KUH Investment ("**KUH Monthly Fees**"). Under the KUH Carried Interest, Greenstreet will receive a carried interest in the "realised net profits" in excess of a 10% compound annual rate of return to the relevant k1 Party(ies) calculated as follows: (i) up to 10% of the net profits until the returns to the relevant k1 Party(ies) exceed 15% per annum, compounded annually, and (ii) 15% on net profits in excess of such return, as more fully described below.*

The KUH Threshold mentioned above is derived assuming a compound annual rate of return of 10% on the aggregate amount of capital actually invested by such k1 Party in connection with the KUH Investment up to 30 June 2014 (taking into account cumulative distributions received by such k1 Party up to 30 June 2014 in addition to the cumulative management fees paid or deemed to have been paid to Greenstreet up to 30 June 2014 attributable to the KUH Investment).

For these purposes, "realised net profits" means any and all amounts (cash or non-cash) received by or paid to the relevant k1 Party(ies) on or following 1 July 2014 in respect of the KUH Investment that exceed the sum of (i) the KUH Total Threshold and (ii) the KUH Monthly Fees, including any amounts received by or paid to that k1 Party in the form of dividends, repayment of principal, payment of fees, proceeds from the sale of the KUH Investment (or any portion thereof) or otherwise.

This means that Greenstreet will not earn any KUH Carried Interest on the basis of "paper profits" under the Proposed Amendment. The relevant k1 Party(ies) must actually realise a return of the KUH Total Threshold, plus a compound annual rate of return of 10% in addition to a reimbursement of the KUH Monthly Fees.

Specifically, all distributions received by any k1 Party in respect of the KUH Investment after 1 July 2014 (whether in the form of dividends, repayment of principal, payment of fees, proceeds from the sale of the KUH Investment (or any portion thereof) or otherwise) will be apportioned between such k1 Party and Greenstreet, as follows:

- 3.1.1 first, 100% to such k1 Party until such k1 Party has received an amount equal to the sum of (A) the KUH Total Threshold and (B) the KUH Monthly Fees;*
- 3.1.2 second, 100% to such k1 Party until such k1 Party has received an amount equal to 10% compound annual rate of return on the KUH Total Threshold;*
- 3.1.3 third, 100% to Greenstreet until Greenstreet has received an amount equal to 10% of the sum of (A) the aggregate amount credited to the applicable k1 Party pursuant to sub-paragraph 3.1.2 above, and (B) the amount previously credited or then being credited to Greenstreet pursuant to this sub-paragraph 3.1.3;*
- 3.1.4 fourth, (A) 90% to such k1 Party, and (B) 10% to Greenstreet, until such k1 Party has received an aggregate amount pursuant to this sub-paragraph 3.1.4 and sub-paragraphs 3.1.1 and 3.1.2 above equal to a 15% compound annual rate of return on the KUH Total Threshold;*
- 3.1.5 fifth, 100% to Greenstreet until Greenstreet has received an aggregate amount pursuant to this sub-paragraph 3.1.5 and sub-paragraphs 3.1.3 and 3.1.4(B) above equal to 15% of the aggregate amount credited to such k1 Party and Greenstreet pursuant to sub-paragraphs 3.1.2, 3.1.3, 3.1.4 and this sub-paragraph 3.1.5; and*
- 3.1.6 thereafter, (A) 85% to such k1 Party, and (B) 15% to Greenstreet.*

In connection with the Proposed Amendment, the Company and Greenstreet intend to enter into the Amendment Agreement.

For the avoidance of doubt, save for the Proposed Amendment, no other amendments are proposed to be made to the Existing Fee Structure."

5. ASSESSMENT OF THE TERMS OF THE PROPOSED AMENDMENT

In evaluating the Proposed Amendment, we have considered the following pertinent factors for our assessment:

- (i) rationale for the Proposed Amendment;
- (ii) comparison of the fees payable to Greenstreet pursuant to the Proposed Amendment (the “**Management Fees**”) with fees paid by selected companies that are listed on the SGX-ST and other stock exchanges for services rendered to or by their interested persons;
- (iii) calculation methodology of the KUH Threshold;
- (iv) financial effects of the transactions contemplated under the Proposed Amendment; and
- (v) other relevant factors.

5.1 Rationale for the Proposed Amendment

We note the rationale of the Independent Directors for entering into the Amendment Agreement and adopting the Proposed Amendment as set out in Section 3.3 of the Circular, and have reproduced it below.

“The Company currently engages Greenstreet to provide the Services pursuant to the Greenstreet Management Agreement. One of Greenstreet’s primary functions is to pro-actively manage investments for the purpose of enhancing value on behalf of the Group and the Shareholders. Under the Existing Fee Structure, Greenstreet only receives a monthly fee of US\$37,650 in relation to the KUH Investment which is intended to be a reimbursement of overhead, personnel and other costs incurred by Greenstreet in managing the KUH Investment, rather than as a compensation component. Due to the substantial amount of time and resources that have been committed, and that will continue to be committed, by Greenstreet to the KUH Investment, the Independent Directors have determined that it is necessary that a compensation structure be put in place that adequately incentivises Greenstreet to obtain maximum value for the Company in respect of the KUH Investment. The KUH Carried Interest component pursuant to the Proposed Amendment is designed to ensure that any carried interest payments in respect of the KUH Investment is paid to Greenstreet only upon the relevant k1 Party(ies) receiving the return of its invested capital for the KUH Investment, the reimbursement of monthly fees paid and deemed paid in respect of the KUH Investment, and a 10% compound annual rate of return on the KUH Investment. The carried interest structure avoids the granting of equity based compensation which would be immediately dilutive to Shareholders. The carried interest structure also ensures that Greenstreet will only receive carried interest payments to the extent that the Group has realised tangible returns on the KUH Investment. The Independent Directors believe that this is the optimal structure through which to compensate Greenstreet for its provision of the Services in relation to the KUH Investment.”

5.2 Comparison of the Management Fees with fees paid by selected companies that are listed on the SGX-ST

Based on our search on various databases and publicly available sources, we have selected certain companies listed on the SGX-ST and other stock exchanges with disclosed service arrangements with their interested persons (the “Comparable Service Arrangements”).

Shareholders should note that due to the differences in, inter alia, geographical spread, underlying performance metrics and benchmarks, industry sector of underlying investments, investment asset category, track record and future prospects, accounting standards and policies, any comparison made with respect to the Comparable Service Arrangements are for illustrative purposes only. The Comparable Service Arrangements are not directly comparable to the arrangements under the Proposed Amendment, Amendment Agreement and 2014 Management Agreement, and the list of Comparable Service Arrangements is by no means exhaustive.

Accordingly, for the purposes of our evaluation, we have compared the fees paid in relation to the Comparable Service Arrangements to the Management Fees to be paid by k1 Ventures to Greenstreet pursuant to the Proposed Amendment.

Company	Business description	Party contracting with interested person	Interested person	Nature of interested person transaction	Fees description
A. Companies listed on the SGX-ST					
ARA Asset Management Limited (“ARA”)	Manager of listed office, retail and industrial REITs in Singapore, Hong Kong and Malaysia; private real estate funds; and a specialist equity fund investing in REITs and listed infrastructure and utilities trusts in Asia-Pacific.	ARA	Various REITs, private real estate funds and specialist equity fund to which ARA acts as REIT manager	<ul style="list-style-type: none"> • ARA’s main responsibilities are to manage the assets for the benefit of all unitholders, set strategic direction and risk management policies, and make recommendations to the trustee 	<ul style="list-style-type: none"> • REIT base fee of 0.3%-0.4% of property value • REIT acquisition fee of 1.0% of acquisition price • REIT divestment fee of 0.5% of sale price • Strategic advisory fee of S\$4.0mn p.a. (Suntec) • Private real estate funds portfolio management fee of 1%-2% of committed/invested capital or portfolio value • REIT performance or variable fee of 3.0%-4.5% of net property income receivable monthly • Private real estate funds performance fee of 10%-40% p.a. of IRR in excess of hurdle rates of 10%-20% p.a. upon occurrence of realisation events

Company	Business description	Party contracting with interested person	Interested person	Nature of interested person transaction	Fees description
Asian Pay Television Trust ("APTT")	APTT is a business trust focused on acquiring, operating and maintaining mature, cash generating pay-TV and broadband companies in Taiwan, Hong Kong, Japan and Singapore. APTT is sponsored by Macquarie Capital Group Limited.	APTT	Macquarie APTT Management Pte. Ltd (the "Trustee-Manager")	<ul style="list-style-type: none"> The Trustee-Manager is responsible for sourcing, screening and executing potential investment opportunities per the Trust's investment mandate, active asset management, capital management and regulatory/stakeholder compliance 	<ul style="list-style-type: none"> Base fee is fixed at \$7mn p.a. (subject to increases in Singapore consumer price index) Acquisition fee of 0.5%-1.0% on investment enterprise value Divestment fee of 0.5% of enterprise value of divested investment Performance fee where actual exceed Base DPU of 3% on first 25% of increase, 6% on next 25% increase, 12% on next 25% increase and 18% on any excess of 75% above base DPU
CitySpring Infrastructure Trust ("CitySpring")	CitySpring is an infrastructure business trust sponsored by Temasek Holdings Pte Ltd.	CitySpring	CitySpring Infra Mgmt Pte. Ltd. ("CSIM") as trustee-manager	<ul style="list-style-type: none"> CSIM is responsible for unitholder interests and undertaking CitySpring's investment and financing strategies, asset acquisition and disposal policies and managing portfolio assets 	<ul style="list-style-type: none"> Base fee of 1.0% of market capitalisation of CitySpring, subject to minimum of \$3.5mn p.a. Performance fee of 20% of total unit returns in a quarter in excess of total returns in MSCI Asia Pacific (ex-Japan) Utilities Index
Frasers Hospitality Trust. ("FHT")	A global hotel and serviced residence trust with an initial portfolio of 12 assets in Asia, Australia and the UK.	FH-REIT (<i>FHT comprises stapled securities of FH-REIT and FH-BT</i>)	Frasers Hospitality Asset Management Pte. Ltd. ("REIT Manager")	<ul style="list-style-type: none"> REIT Manager's primary responsibility is to manage FH-REIT's assets and liabilities for the benefit of the of all FH-REIT unitholders, including setting business plans and implementing strategy 	<ul style="list-style-type: none"> Base fee of 0.3% pa of the value of gross assets Acquisition fee of 0.5%-1.0% on acquisition price, underlying value or price of debt securities Divestment fee of 0.5% of sale price, underlying value or price of debt securities Performance fee of 5.5% p.a. of the aggregate distributable income of FHT

Company	Business description	Party contracting with interested person	Interested person	Nature of interested person transaction	Fees description
Global Investments Limited ("Global Investments")	Global Investments is an open ended balanced mutual fund that invests in stocks of companies operating across diversified sectors, being operating lease assets, loan portfolio and securitisation assets, and alternative assets.	Global Investments	ST Asset Mgmt Ltd ("STAM")	<ul style="list-style-type: none"> STAM's duties and responsibilities include assets and investments management as agent, portfolio review and monitoring, and consultation and management services 	<ul style="list-style-type: none"> Base fee of 1.0% on Net Investment Value ("NIV") up to \$1.5bn and 1.5% on NIV in excess of \$1.5bn Fixed fee of \$600,000 p.a. Acquisition fee of 1% of total risk capital invested plus share of investment company debt Divestment fee of 3% of proceeds subject to profit after divestment ("PFD") being positive and capped at PFD Debt raising fee of 0.5% of senior and 0.7% of mezzanine /subordinated debt raised Incentive fee of 20% of average market capitalisation increase over benchmark of 8% p.a. less deficit carried forward from last 3 years, calculated each half year
IREIT Global ("IREIT")	A REIT that principally invests in European income producing real estate, primarily in office real estate as well as general real estate purposes. Its initial investment portfolio is in Germany.	IREIT	IREIT Global Group Pte. Ltd ("IGG")	<ul style="list-style-type: none"> IGG is to set the strategic direction of IREIT and give recommendations to the trustee on the acquisition, divestment, development and/or enhancement of assets of IREIT in accordance with its stated investment strategy. 	<ul style="list-style-type: none"> Base fee of 10.0% pa of the annual distributable income Acquisition fee of 1% of either: acquisition price; underlying value; or debt securities of acquired real estate (or real estate company) Divestment fee of 0.5% of property or debt security Performance fee of 25.0% of the difference in distribution per unit ("DPU") from the preceding financial year multiplied by weighted average number of units

Company	Business description	Party contracting with interested person	Interested person	Nature of interested person transaction	Fees description
B. Companies listed on other stock exchanges					
Ares Management LP ("Ares") Listed on NYSE	A global alternative asset manager with approximately US\$74bn of AUM and principal activities of tradable credit, direct lending, private equity and real estate.	Ares	Ares Capital Corporation ("ARCC")	<ul style="list-style-type: none"> Ares provides advisory services to their funds for investment selection and management 	<ul style="list-style-type: none"> Private equity ("PE") group funds management fees are 1.5% to 2.0% of total capital commitments during the investment period PE group performance fees of c. 20% of each incentive eligible fund's profits, subject to preferred return of c. 8% p.a.
Central China Securities Co., Ltd. ("CCSC") Listed on SEHK	A securities firm based in Henan with strategic presence in the PRC. Principal operations in brokerage, investment banking, investment management and proprietary trading.	CCSC	Various collective asset management schemes	<ul style="list-style-type: none"> CCSC charges its counterparty (i.e. the asset management scheme) management fees 	<ul style="list-style-type: none"> Annual management fee between 0.3% and 2.0% of AUM Performance fee of either (1) 20-50% when ROI exceeds a threshold or benchmark, or (2) 100% above a specified return, depending on the asset management scheme
TPG Specialty Lending, Inc ("TPGSL") Listed on NYSE	TPGSL is focused on lending to US-domiciled mid-market companies via senior secured loans, mezzanine loans and investments in corporate bonds and equities.	TPGSL	Adviser is TSL Advisers, LLC ("TSL")	<ul style="list-style-type: none"> TSL acts as investment adviser and administrator to TPGSL, with responsibilities including sourcing and management of the portfolio 	<ul style="list-style-type: none"> Base management fee of 1.5% p.a. of gross assets Incentive fee comprises two components being (1) pre-incentive fee of up to 17.5% of net investment income over a 1.5% hurdle rate, and (2) capital gains fee of 17.5% of net capital gains

Company	Business description	Party contracting with interested person	Interested person	Nature of interested person transaction	Fees description
The Company	An investment holding company	The Company	Greenstreet	Pursuant to the Greenstreet Management Agreement, Greenstreet provides the Services	<ul style="list-style-type: none"> • Monthly fee of US\$200,000, which may be reduced (not below US\$50,000) as existing investments are sold. • Monthly management fee, which is based upon newly invested capital after the date of the 2010 Management Agreement; and • A carried interest, which is based upon the realised net profits, after the return of invested capital and management fees paid to Greenstreet if any, generated with respect to each new investment. • The KUH Carried Interest

Based on the table above, we note that the general key management fee categories of the nine (9) Comparable Service Agreements include base fees, activity-based fees and/or performance or incentive fees. The fee arrangements utilise the following mechanisms upon which the compensation of the interested person is calculated:

- (a) Base fees may be set on a fixed dollar amount or a fixed percentage of a performance metric such as income, asset value, market capitalisation or capital commitments;
- (b) Activity-based fees, such as acquisition or divestment fees, are typically set as a fixed percentage of the price, capital invested or underlying value of acquired/disposed assets; and
- (c) Performance or incentive fees are set as a fixed percentage of income, return on investment, actual performance against a benchmark or a base specified performance metric or increase in distributable income over preceding periods.

We have considered the performance or incentive fees under the Comparable Service Agreements to be comparable to the fee arrangement set out in the Proposed Amendment and understand that Greenstreet does not receive any activity-based fees as described in (b) above. We note that, similar to the Proposed Amendment, the Comparable Service Agreements set out the details on the mechanisms and underlying metrics that provide the basis of calculation of the performance or incentive fees to be paid to the interested persons. We further note that actual performance or incentive fees, which could have a significant impact on overall compensation of the interested person, are variable and contingent upon actual performance of the underlying investments.

5.3 The KUH Threshold

The KUH Carried Interest to be payable to Greenstreet shall be based upon the “realised net profits” (as described in Section 3.1 of the Circular), after the return of (i) the KUH Total Threshold and (ii) the KUH Monthly Fees.

The KUH Monthly Fees is based on the Existing Fee Structure and there is no change from the monthly fees set out in the 2010 Management Agreement which was approved by the Shareholders during the 2010 EGM.

The KUH Total Threshold is equivalent to the sum of US\$41,000,000 plus 100% of the aggregate amount of all other unreturned capital, if any, invested by the relevant k1 Party(s) following 1 July 2014 in connection with the KUH Investment.

As set out in Section 3.1 of the Circular, we note that the KUH Threshold of US\$41,000,000 was derived by the Company and Greenstreet, taking into consideration the following:

- (a) the aggregate amount of capital actually invested by the relevant k1 Party in connection with the KUH Investment up to 30 June 2014;
- (b) the cumulative distributions received by the relevant k1 Party up to 30 June 2014;
- (c) the cumulative management fees paid or deemed to have been paid to Greenstreet up to 30 June 2014 attributable to the KUH Investment; and
- (d) an assumed 10% compound annual rate of return on the KUH Investment.

We note that the assumed 10% compound annual rate of return was based on the preferred compounded annual rate of return set out in the 2010 Management Agreement.

We further note that the Proposed Amendment stipulates that in determining the KUH Carried Interest, the preferred return of 10% compounded annually will be applied to the KUH Total Threshold. This means that Greenstreet will not earn any KUH Carried Interest unless the relevant k1 Party realises a return of (i) the KUH Total Threshold, (ii) the amount equal to the KUH Monthly Fees, and (iii) a return of 10% compounded annually.

5.4 Financial effects of the Proposed Amendment

As set out in Section 3.2 of the Circular, we note that the financial effects of the Proposed Amendment cannot be ascertained as at the Latest Practicable Date as the KUH Carried Interest under the Proposed Amendment relates to a potential future payment. The amount of the KUH Carried Interest, if any, payable to Greenstreet under the Proposed Amendment is dependent on future events which cannot be determined at this time, in particular, the amount and timing of future distributions received from KUH, if any, and the corresponding investment returns attributable to the KUH Investment.

5.5 Other relevant factors

5.5.1 Audit Committee review procedures

We note that the audit committee of the Company (the “**Audit Committee**”) will review the fees paid to Greenstreet under the Greenstreet Management Agreement, including the Proposed Amendment, on a quarterly basis and the terms of the Greenstreet Management Agreement on an annual basis, to ensure that the Greenstreet Management Agreement remains in the best interest of the Company.

Where the Greenstreet Management Agreement requires a determination to be made by or on behalf of the Company as to whether any fees or costs incurred by Greenstreet or any third party are reasonable, the Audit Committee (or a person authorised by the Audit Committee) will review these costs and expenses in order to make such determination.

5.5.2 Approval of the Board of Directors

We note that under the other principal terms of the Greenstreet Management Agreement, final approval with respect to the business, investments and prospective investments and other activities of the Company rests with the Board of Directors and accordingly, Greenstreet’s performance of the Services will be subject to such written directions, policies and restrictions as may be adopted by the Board of Directors.

5.5.3 Alignment of Greenstreet’s interests with those of the Company

We note that the Independent Directors believe that the Proposed Amendment would incentivise Greenstreet to obtain maximum value for the Company in respect of the KUH Investment.

6. CONCLUSION

In arriving at our opinion, we have taken into account, *inter alia*, the following factors:

- (a) rationale for the Proposed Amendment;
- (b) comparison of the Management Fees with fees paid by selected companies that are listed on the SGX-ST and on other stock exchanges for services rendered to or by their interested persons;
- (c) calculation methodology of the KUH Threshold;
- (d) financial effects of the transactions contemplated under the Proposed Amendment; and
- (e) other relevant factors.

Having regard to the considerations set out in this letter and the information available as at the Latest Practicable Date, we are of the opinion that the Proposed Amendment (including the Amendment Agreement and the terms thereof) is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. Accordingly, we advise the Independent Directors to recommend that Shareholders vote in favour of the Proposed Amendment (including the Amendment Agreement and the terms thereof).

This letter is addressed to the Independent Directors for their benefit, in connection with and for the purpose of their consideration of the Proposed Amendment (including the Amendment Agreement and the terms thereof). The recommendation made by them to the Shareholders in relation to the Proposed Amendment (including the Amendment Agreement and the terms thereof) shall remain the responsibility of the Independent Directors.

The opinion set forth is based on publicly available information and information provided to us by the representatives of the Company and therefore do not reflect any projections or the future financial performance of the Company.

The opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matter stated herein and does not apply by implication to any matter.

Yours faithfully
For and on behalf of
Ernst & Young Corporate Finance Pte Ltd

Luke Pais
Managing Director

Elisa Montano
Director

K1 VENTURES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 197000535W)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of k1 Ventures Limited ("**Company**") will be held at Four Seasons Hotel, Four Seasons Ballroom (Level 2), 190 Orchard Boulevard, Singapore 248646 on 28 October 2014 at 3.00 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modification(s), the following Ordinary Resolution:

THE PROPOSED AMENDMENT TO THE THIRD AMENDED AND RESTATED MANAGEMENT AGREEMENT BETWEEN THE COMPANY AND GREENSTREET PARTNERS L.P. DATED 26 AUGUST 2014

RESOLVED THAT:

- (a) approval be and is hereby given for the proposed amendment to the 2014 Management Agreement (as defined below) pursuant to which Greenstreet Partners, L.P. ("**Greenstreet**") shall be entitled to a new carried interest component with respect to the KUH Investment (as defined below), details of which are set out in the circular to shareholders of the Company dated 10 October 2014 ("**Proposed Amendment**");
- (b) approval be and is hereby given for the Company to enter into the amendment agreement ("**Amendment Agreement**"), a draft of which, for the purposes of identification, has been subscribed to by the Chairman of the Extraordinary General Meeting, with Greenstreet to effect the Proposed Amendment;
- (c) the directors of the Company ("**Directors**") and each of them be and are/is hereby authorised to perform, complete and do all such acts and things (including approving, amending, modifying, supplementing and executing all such documents including, without limitation, the Amendment Agreement, as may be required), as they and/or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the Proposed Amendment, the Amendment Agreement and this Ordinary Resolution; and
- (d) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by the Directors or any of them in connection with the Proposed Amendment, the Amendment Agreement and this Ordinary Resolution be and are hereby approved, confirmed and ratified.

For the purposes of this Ordinary Resolution:

"**2014 Management Agreement**" means the third amended and restated management agreement dated 26 August 2014 between the Company and Greenstreet pursuant to which Greenstreet provides consultancy services on investment opportunities for the Company and its subsidiaries and management services in respect of all other aspects of managing the Company and its subsidiaries and their business activities (other than the services provided by Greenstreet under the DFS Agreement);

"**DFS**" means DFS Holdings I Corp., an indirect wholly-owned subsidiary of the Company;

“DFS Agreement” means the agreement dated 26 August 2014 between DFS and Greenstreet, pursuant to which Greenstreet provides consultancy services on investment opportunities for DFS and management services in respect of all other aspects of managing DFS and its business activities throughout the United States; and

“KUH Investment” means the investment by the Company and/or its affiliate(s) in Knowledge Universe Holdings, LLC, whether made prior to or following the date of the Amendment Agreement.

BY ORDER OF THE BOARD

Winnie Mak
Company Secretary
10 October 2014

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting of the Company (“EGM”) is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. The proxy form must be deposited at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632, not less than 48 hours before the time appointed for holding the EGM.
2. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

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k1 Ventures Limited

Co Reg No.: 197000535W

(Incorporated in the Republic of Singapore)

EXTRAORDINARY GENERAL MEETING Proxy Form

IMPORTANT: CPF Investors

1. For investors who have used their CPF monies to buy k1 Ventures Limited's shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the Extraordinary General Meeting as observers have to submit their requests through their CPF Approved Nominees so that their CPF Approved Nominees may register, within the specified timeframe, with k1 Ventures Limited's Share Registrar. (CPF Approved Nominees: please refer to Note No. 7 below on the reverse side of this form for the required details)
4. CPF investors who wish to vote must submit their voting instructions to their CPF Approved Nominees to enable them to vote on their behalf.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 10 October 2014.

I/We, _____ (Name) (NRIC/Passport Number) _____

of _____ (Address)

being a member(s) of k1 Ventures Limited (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

as my/our proxy/proxies to vote on my/our behalf at the Extraordinary General Meeting of the Company to be held at Four Seasons Hotel, Four Seasons Ballroom (Level 2), 190 Orchard Boulevard, Singapore 248646 on Tuesday, 28 October 2014 at 3.00 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place), and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting and at any adjournment thereof.

Resolution	Number of Votes For*		Number of Votes Against*	
The Proposed Amendment to the third amended and restated management agreement between k1 Ventures Limited and Greenstreet Partners, L.P. dated 26 August 2014				

* If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant resolution, please indicate the number of Shares in the boxes provided.

Dated this _____ day of _____ 2014

Total Number of Shares held	
-----------------------------	--

Signature(s) or Common Seal of Member(s)

IMPORTANT: Please read the notes overleaf before completing this Proxy Form.

Notes:

1. Please insert the total number of shares of the Company ("Shares") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you only have Shares registered in your name in the Register of Members, you should insert that number of Shares. However, if you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members of the Company, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all of the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company. Where a member of the Company appoints two proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named proxy.
3. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 not less than 48 hours before the time appointed for the Extraordinary General Meeting.

fold along this line (1)

Affix
Postage
Stamp

The Company Secretary
k1 Ventures Limited
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632

fold along this line (2)

4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of its officer or attorney duly authorised in writing. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney or other authority or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
6. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company shall reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
7. CPF Approved Nominees acting on the request of CPF investors who wish to attend the Extraordinary General Meeting as observers are required to submit in writing, a list with details of the CPF investors' name, NRIC/Passport numbers, addresses and number of Shares held. The list, signed by an authorised signatory of the CPF Approved Nominee, has to reach the Company's Share Registrar, B.A.C.S. Private Limited at 63 Cantonment Road, Singapore 089758 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting.