

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

CIRCULAR DATED 27 SEPTEMBER 2017

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

If you have sold all your ordinary shares in the capital of k1 Ventures Limited (the “**Company**”), please forward this Circular and the attached Proxy Form immediately to the purchaser or to the stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser.

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



K1 VENTURES LIMITED

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED CAPITAL REDUCTION

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	18 October 2017, at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	20 October 2017, at 3.00 p.m., or as soon thereafter following the conclusion or adjournment of the Annual General Meeting to be held at 2.30 p.m. on the same day and at the same place
Place of Extraordinary General Meeting	:	Suntec Singapore Convention and Exhibition Centre Rooms 324 – 326, Level 3 1 Raffles Boulevard Suntec City Singapore 039593

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“Board”	:	The Board of Directors
“Books Closure Date”	:	A date to be announced by the Company on which the Transfer Books and the Register will be closed in order to determine the entitlements of Shareholders under the Proposed Capital Reduction
“Cash Distribution”	:	The proposed cash distribution by the Company to Shareholders of up to S\$0.3035 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date, amounting to an aggregate distribution of up to S\$131,453,008.05, as described in paragraph 1.1 of the Letter to Shareholders in this Circular
“CDP”	:	The Central Depository (Pte) Limited
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore
“Company”	:	k1 Ventures Limited
“Court”	:	The High Court of the Republic of Singapore
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on pages 15 to 16 of this Circular
“FY2017”	:	The financial year ended 30 June 2017
“Group”	:	The Company and its subsidiaries
“Guggenheim Disposal”	:	The disposal of the Company’s entire interests in Guggenheim Capital, LLC
“Immediate Suspension”	:	The suspension of trading of the Shares on and from the Market Day immediately following the date on which the Guggenheim Disposal is completed for an indefinite period of time
“KUE Disposal”	:	The disposal of the Company’s entire interests in KUE 3 LP and Knowledge Universe Holdings, LLC
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 15 September 2017
“Market Day”	:	A day on which the SGX-ST is open for trading in securities

DEFINITIONS

“NAV”	:	Net asset value, being total assets less total liabilities and non-controlling interests
“Notice of EGM”	:	The notice of EGM set out on pages 15 to 16 of this Circular
“Proposed Capital Reduction”	:	The proposed capital reduction exercise to be carried out by the Company pursuant to Section 78G of the Companies Act to effect the Cash Distribution, details of which are set out in paragraph 1.1 of the Letter to Shareholders in this Circular
“Register”	:	The Register of Members of the Company
“Resolution”	:	The special resolution relating to the Proposed Capital Reduction to be proposed at the EGM
“Securities Accounts”	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	B.A.C.S. Private Limited
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“S\$”	:	Singapore dollars
“Transfer Books”	:	The share transfer books of the Company
“US\$”	:	United States dollars
“VWAP”	:	Volume weighted average share price
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

The term “**subsidiaries**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

DEFINITIONS

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 any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

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

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

INDICATIVE TIMETABLE

The following are indicative dates and times for the Proposed Capital Reduction for illustrative purposes only⁽¹⁾:

Last date and time for lodgement of Proxy Forms for the EGM ⁽²⁾	:	18 October 2017 at 3.00 p.m.
Date and time of the EGM	:	20 October 2017 at 3.00 p.m., or as soon thereafter following the conclusion or adjournment of the Annual General Meeting to be held at 2.30 p.m. on the same day and at the same place
<i>Expected date of payment of final dividend of S\$0.065 per Share</i>	:	<i>On or about 8 November 2017</i>
<i>Expected date of completion of the Guggenheim Disposal</i>	:	<i>On or about 20 November 2017</i>
<i>Expected date of Immediate Suspension</i>	:	<i>On or about 21 November 2017</i>
<i>Expected announcement date of the Books Closure Date</i>	:	<i>On or about 5 December 2017</i>
<i>Expected date for approval of the Court for the Proposed Capital Reduction</i>	:	<i>On or about 12 December 2017</i>
<i>Expected announcement date of Court sanction for the Proposed Capital Reduction</i>	:	<i>On or about 12 December 2017</i>
<i>Expected Books Closure Date</i>	:	<i>On or about 13 December 2017 at 5.00 p.m.</i>
<i>Expected effective date of the Proposed Capital Reduction</i>	:	<i>On or about 14 December 2017</i>
<i>Expected payment date for the Cash Distribution pursuant to the Proposed Capital Reduction</i>	:	<i>On or about 26 December 2017</i>

Notes:

- (1) Save for the date and time by which the Proxy Forms must be lodged and the date and time of the EGM, the timetable above is only indicative and the actual dates of the events in italics will be announced in due course by way of SGXNET announcement(s) released on the SGX-ST.
- (2) All Proxy Forms must be duly completed and deposited at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632, not later than 48 hours before the time appointed for the EGM. Completion and return of a Proxy Form will not preclude a Shareholder from attending and voting at the EGM if he so wishes. Any appointment of a proxy or proxies shall be deemed to be revoked if a Shareholder attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the EGM.

LETTER TO SHAREHOLDERS

K1 VENTURES LIMITED

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

Directors:

Prof. Neo Boon Siong (Independent Chairman)
Mr. Jeffrey Safchik (Executive Director and
Chief Executive Officer)
Dr. Lee Suan Yew (Independent Director)
Mr. Alexander Vahabzadeh (Non-Executive Director)
Prof. Annie Koh (Independent Director)
Mr. Paul Tan (Non-Executive Director)

Registered Office:

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

27 September 2017

To: The Shareholders of k1 Ventures Limited

Dear Sir/Madam

1. INTRODUCTION

- 1.1 Proposed Capital Reduction.** On 16 August 2017, the Directors announced that the Company intends to distribute up to S\$131,453,008.05 in aggregate to Shareholders by way of the Proposed Capital Reduction. The Proposed Capital Reduction is subject to, *inter alia*, the approval of Shareholders and the Court. The Proposed Capital Reduction will involve a cash distribution (the “**Cash Distribution**”) by the Company to Shareholders of up to S\$0.3035 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date, amounting to an aggregate distribution of up to S\$131,453,008.05.
- 1.2 EGM.** The Directors are convening the EGM to seek the approval of Shareholders for the Proposed Capital Reduction by way of a special resolution which requires the approval of at least 75 per cent. of all Shares voted by Shareholders who are present and voting at the EGM.
- 1.3 Circular.** The purpose of this Circular is to provide Shareholders with information relating to the Proposed Capital Reduction, as well as to seek the approval of Shareholders for the special resolution relating to the Proposed Capital Reduction to be proposed at the EGM (the “**Resolution**”).

2. THE PROPOSED CAPITAL REDUCTION

- 2.1 Proposed Capital Reduction.** As at the Latest Practicable Date, the Company had an issued share capital of approximately S\$131,470,102¹ comprising 433,123,585 Shares. As at the Latest Practicable Date, the Company had cash and cash equivalents in an amount of approximately S\$36 million. The Company is proposing to return up to S\$0.3035 in cash for each Share held by Shareholders or on their behalf as at the Books Closure Date. Based on the number of existing issued Shares of 433,123,585 as at the Latest Practicable Date, an aggregate amount of up to S\$131,453,008.05 may be returned to Shareholders pursuant

¹ As set out in the Company’s business profile extracted from the Accounting and Corporate Regulatory Authority of Singapore on the Latest Practicable Date.

LETTER TO SHAREHOLDERS

to the Proposed Capital Reduction. The Proposed Capital Reduction would allow the Company to return substantially all of the Company's issued share capital to Shareholders. Any distribution amount greater than S\$0.3035 per Share would exceed the issued share capital of approximately S\$131,470,102.

- 2.2 Effects of the Proposed Capital Reduction.** The Proposed Capital Reduction will not result in any change in the number of Shares held by any Shareholder. Each Shareholder will hold the same number of Shares before and immediately after the Proposed Capital Reduction.
- 2.3 Funds for the Proposed Capital Reduction.** The Proposed Capital Reduction will be funded from existing cash and cash equivalents of approximately S\$36 million as at the Latest Practicable Date in addition to sale proceeds of approximately US\$221 million (S\$304 million) from the disposal of the Company's entire interests in Guggenheim Capital, LLC ("**Guggenheim Disposal**") as announced on 28 July 2017. The Company is undertaking the Proposed Capital Reduction in order to distribute surplus cash to Shareholders.
- 2.4 Illustration.** The following illustrates the position of a Shareholder who holds 100 Shares as at the Books Closure Date:

	Shareholder
Shareholding before the Proposed Capital Reduction	
Number of Shares currently held	100
Shareholding after the Proposed Capital Reduction	
Cash received	Up to S\$30.35
Number of Shares held after the Proposed Capital Reduction	100

In summary, Shareholders will receive up to S\$30.35 in cash for every 100 Shares (or up to S\$0.3035 in cash for each Share) held as at the Books Closure Date. Shareholders holding odd lots of Shares (i.e. lots other than board lots of 100 Shares) will likewise receive up to S\$0.3035 in cash for each Share held by them or on their behalf as at the Books Closure Date. The aggregate amount received by each Shareholder will be rounded down to the nearest cent. The shareholding of each Shareholder in the Company shall remain unchanged after the Proposed Capital Reduction.

- 2.5 Conditions to the Proposed Capital Reduction.** The Proposed Capital Reduction is subject to, *inter alia*:
- 2.5.1** the completion of the Guggenheim Disposal having taken place;
- 2.5.2** the approval of Shareholders by way of a special resolution for the Proposed Capital Reduction at the EGM;
- 2.5.3** the approval of the Court for the Proposed Capital Reduction; and
- 2.5.4** all other relevant approvals and consents being obtained.

LETTER TO SHAREHOLDERS

- 2.6 Payment Date.** On the lodgement of the copy of the Order of Court approving the Proposed Capital Reduction, together with the other documents as prescribed under the Companies Act, with the Accounting and Corporate Regulatory Authority of Singapore, the Proposed Capital Reduction shall take effect, and the Cash Distribution will become payable.
- 2.7 Rationale.** As previously announced, following the completion of the KUE Disposal and Guggenheim Disposal, the Company would have disposed of substantially all of its assets and property. It is the Company's intent to distribute its excess cash to Shareholders. The Proposed Capital Reduction will allow the Company to distribute excess cash that cannot otherwise be distributed by way of a dividend distribution which is limited to revenue reserves amounting to S\$198,004,000 following the anticipated completion of the Guggenheim Disposal (as reflected in Appendix 2).

On 1 June 2017, the Company announced the completion of the disposal of KUE 3 LP. Gross sales proceeds from the KUE Disposal of US\$36.5 million (which is prior to any deductions for U.S. income taxes and the Greenstreet carried interest) is partially being distributed to Shareholders by way of a proposed final dividend of S\$0.065 per Share as announced with the unaudited full financial year results released on 1 August 2017. The proposed final dividend, if approved at the Annual General Meeting to be held on 20 October 2017, will be paid to Shareholders on 8 November 2017. After the Company distributes its excess cash to Shareholders following the completion of the Guggenheim Disposal, the Company is expected to take steps to commence voluntary liquidation, but will also consider other options which are consistent with the Company's stated objective of monetisation of investments and distribution of excess cash. In light of the above, the Board has reviewed the capital structure of the Company and is of the view that the capital of the Company is in excess of its requirements. The Proposed Capital Reduction will allow the Company to return an aggregate of up to S\$131,453,008.05 to Shareholders.

2.8 Taxation

2.8.1 General

Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or on any tax implications arising from the Proposed Capital Reduction and Cash Distribution. Shareholders should consult their own professional advisers as to any tax implications that may arise from the Proposed Capital Reduction or Cash Distribution.

2.8.2 Tax implications under Singapore Law

In relation to the Cash Distribution to be made to Shareholders pursuant to the Proposed Capital Reduction, as the amounts which are to be paid to Shareholders pursuant to the Cash Distribution will be paid out of the reduction of the existing issued and paid-up share capital of the Company, the Cash Distribution should generally be regarded as a return of capital and not taxable for the Shareholders unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the Shareholders.

LETTER TO SHAREHOLDERS

3. FINANCIAL EFFECTS AND PRO FORMA BALANCE SHEET

The pro forma financial effects of the Proposed Capital Reduction and the pro forma balance sheet of the Group after the Proposed Capital Reduction are set out in Appendix 1 and Appendix 2 respectively to this Circular. The pro forma financial effects and the pro forma balance sheet are for illustration purposes only and may not reflect the actual financial position of the Group after the Proposed Capital Reduction.

4. ADMINISTRATIVE PROCEDURES FOR THE PROPOSED CAPITAL REDUCTION

4.1 Books Closure Date. Persons registered in the Register, and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be entitled to receive a Cash Distribution of up to S\$0.3035 for each Share held by them or on their behalf as at the Books Closure Date.

Persons registered in the Register, and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be considered for the purposes of the Proposed Capital Reduction on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date.

The Company will announce the Books Closure Date as soon as practicable.

4.2 Shareholders holding Scrip Shares. Shareholders who hold Shares registered in their own names in the Register and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver their existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least 12 Market Days prior to the Books Closure Date in order for their Securities Accounts maintained with CDP to be credited with the relevant Shares by the Books Closure Date.

4.3 Payment of the Cash Distribution. Payment of the Cash Distribution pursuant to the Proposed Capital Reduction will be made in the following manner:

4.3.1 Shareholders holding Scripless Shares

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date, will have the cheques for payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction despatched to them by CDP by ordinary post at their own risk. Alternatively, such Shareholders will have payment of their respective entitlements to the Cash Distribution under the Proposed Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions. The Company will arrange for the relevant funds to be remitted to CDP on or around the eighth Market Day after the Books Closure Date and CDP will arrange for payment to be made to Shareholders in the manner set out above.

4.3.2 Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register as at the Books Closure Date will have the cheques for payment of their entitlements to the Cash Distribution under the Proposed Capital Reduction despatched to them by ordinary post at their own risk. The Company will arrange for the relevant funds to be remitted to the Share Registrar on or around the eighth Market Day after the Books Closure Date and the Share Registrar will arrange for cheques to be despatched to Shareholders in the manner set out above.

LETTER TO SHAREHOLDERS

5. EFFECT OF THE PROPOSED CAPITAL REDUCTION ON SHARE PRICE

5.1 VWAP. For illustrative purposes only, based on the six-month VWAP of the Company of approximately S\$0.7145 for the period from 17 February 2017 to 16 August 2017, being the date of the Company's announcement of the Proposed Capital Reduction, the theoretical six-month VWAP as adjusted for the Proposed Capital Reduction would be approximately S\$0.4110.

5.2 Last Transacted Price. For illustrative purposes only, based on the last transacted price of the Shares as at the Latest Practicable Date of S\$0.7750, the theoretical price of the Shares after the Proposed Capital Reduction would be S\$0.4715.

6. TRADING SUSPENSION

Following completion of the Guggenheim Disposal, the Company would have disposed of substantially all of its assets and property. To avoid any market speculation on the value of the Company, the Company intends to suspend the trading of its Shares on and from the Market Day immediately following the date on which the Guggenheim Disposal is completed for an indefinite period of time ("**Immediate Suspension**"). This is consistent with Rule 1018(1) of the Listing Manual of the SGX-ST, which provides that a company's securities will normally be suspended if the assets of an issuer were to consist wholly or substantially of cash or short-dated securities. The Company has obtained a confirmation from the SGX-ST that it has no objections to the Immediate Suspension.

7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

7.1 Directors' Interests. The interests of the Directors in the Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date are set out below:

Directors	Direct Interest	Number of Shares		
		% ⁽¹⁾	Deemed Interest	%
Neo Boon Siong	48,800	0.011	–	–
Jeffrey Safchik	–	–	–	–
Lee Suan Yew	78,000	0.018	–	–
Alexander Vahabzadeh ⁽²⁾	48,800	0.011	53,000,000	12.24
Annie Koh	31,600	0.007	–	–
Tan Poh Lee Paul	2,500	0.001	–	–

Notes:

(1) Percentages are based on 433,123,585 Shares as at the Latest Practicable Date.

(2) The interests of Alexander Vahabzadeh arise from his direct interest as well as his interest in BV Singapore Holdings Ltd. Please see paragraph 7.2 below.

LETTER TO SHAREHOLDERS

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

Substantial Shareholders	Direct Interest	Number of Shares		
		% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
Kephinace Investment Pte Ltd	156,085,138	36.04	–	–
Keppel Corporation Limited (“KCL”)	–	–	156,085,138 ⁽²⁾	36.04
Temasek Holdings (Private) Limited (“Temasek”)	–	–	156,085,138 ⁽³⁾	36.04
Greenstreet Partners L.P.	35,200,000	8.13	–	–
Green Family Foundation, Inc (“GFF”)	25,866,560	5.97	–	–
Steven Jay Green	–	–	61,066,560 ⁽⁴⁾	14.10
Alexander Vahabzadeh	48,800	0.01	53,000,000 ⁽⁵⁾	12.24
Kamal Bahamdan	27,000	0.01	53,000,000 ⁽⁵⁾	12.24
BV Singapore Holdings Ltd	53,000,000	12.24	–	–

Notes:

- (1) Percentages are based on 433,123,585 Shares as at the Latest Practicable Date.
- (2) The deemed interests of KCL arise from its interest in Kephinace Investment Pte Ltd, a wholly-owned subsidiary of KCL.
- (3) The deemed interests of Temasek arise from its interest in KCL.
- (4) The deemed interests of Steven Jay Green arise from his interests in Greenstreet Partners L.P. and GFF.
- (5) The interests of Alexander Vahabzadeh and Kamal Bahamdan arise from their direct interests as well as their interests in BV Singapore Holdings Ltd.

8. DIRECTORS' RECOMMENDATIONS

Having considered the terms of and the rationale for the Proposed Capital Reduction, the Directors are of the opinion that the Proposed Capital Reduction is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the special resolution relating to the Proposed Capital Reduction at the EGM.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 15 to 16 of this Circular, will be held on Friday, 20 October 2017 at Suntec Singapore Convention and Exhibition Centre, Rooms 324 – 326, Level 3, 1 Raffles Boulevard Suntec City, Singapore 039593 at 3.00 p.m., or as soon thereafter following the conclusion or adjournment of the Annual General Meeting 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 any modifications, the Resolution as set out in the Notice of EGM.

10. NOTICE OF BOOKS CLOSURE DATE

The Books Closure Date for the purpose of determining Shareholders' entitlements pursuant to the Proposed Capital Reduction will be announced at a later date.

LETTER TO SHAREHOLDERS

11. ACTION TO BE TAKEN BY SHAREHOLDERS

11.1 Lodgement of Proxies. If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 not later than 3.00 p.m. on 18 October 2017. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes. However, any appointment of a proxy or proxies by such Shareholder shall be deemed to be revoked if the Shareholder attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

11.2 When Depositor regarded as Shareholder. A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM.

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 Proposed Capital Reduction, the Company, and its subsidiaries which are relevant in the context of the Proposed Capital Reduction, 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.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to the date of the EGM:

- (i) the Constitution of the Company; and
- (ii) the Company's Annual Report for FY2017.

Yours faithfully
For and on behalf of the Board of Directors of
k1 Ventures Limited

Neo Boon Siong
Chairman

APPENDIX 1
PRO FORMA FINANCIAL EFFECTS

- 1. Assumptions.** The pro forma financial effects of the Proposed Capital Reduction on the NAV per Share, the share capital and the leverage ratios of the Group have been prepared based on the audited consolidated financial statements of the Group for FY2017. The pro forma financial effects are purely for illustration purposes only and may not reflect the actual financial position of the Group after the Proposed Capital Reduction.
- 2. NAV.** Assuming an aggregate amount of S\$131,453,008.05 will be returned to Shareholders, the pro forma financial effects of the Proposed Capital Reduction on the NAV of the Group for FY2017 are as follows:

	Before the Proposed Capital Reduction	Pro Forma After the Proposed Capital Reduction
NAV (S\$'000)	329,475	198,022
NAV per Share (S\$)	0.761	0.457

- 3. Share Capital.** The Proposed Capital Reduction will not have any impact on the number of Shares held by Shareholders. Assuming an aggregate amount of S\$131,453,008.05 will be returned to Shareholders, the pro forma financial effects of the Proposed Capital Reduction on the share capital of the Company for FY2017 are as follows:

	Shares	Value (S\$)
Share capital as at 30 June 2017	433,123,585	131,470,102
Pro forma adjusted issued share capital after the Proposed Capital Reduction and the Cash Distribution	433,123,585	17,094

- 4. Leverage Ratios.** The Group has no outstanding borrowings as at 30 June 2017.

APPENDIX 2
PRO FORMA BALANCE SHEET OF THE GROUP

1. **Assumptions.** The pro forma balance sheet of the Group after the Proposed Capital Reduction has been prepared based on the audited consolidated financial statements of the Group for FY2017, and the anticipated completion of the Guggenheim Disposal under the assumption that (i) the Company's entire interests in Guggenheim Capital, LLC is disposed for book value, and (ii) an aggregate amount of S\$131,453,008.05 is being returned to Shareholders by way of the Proposed Capital Reduction. The pro forma balance sheet of the Group after the Proposed Capital Reduction is purely for illustration purposes only and may not reflect the actual financial position of the Group after the Proposed Capital Reduction.

2. **Group Balance Sheet**

As at 30 June 2017

	Before Proposed Capital Reduction \$'000	After Proposed Capital Reduction \$'000
Share capital	131,471	18
Reserves	198,004	198,004
Share capital & reserves	329,475	198,022
Represented by:		
Current assets		
Debtors	13,969	13,969
Investments	303,688	–
Bank balances, deposits and cash	54,652	226,887
	372,309	240,856
Current liabilities		
Creditors	34,557	34,557
Provision for taxation	8,277	8,277
	42,834	42,834
Net current assets	329,475	198,022
Net assets	329,475	198,022

NOTICE OF EXTRAORDINARY GENERAL MEETING

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 (the “**Company**”) will be held at Suntec Singapore Convention and Exhibition Centre, Rooms 324 – 326, Level 3, 1 Raffles Boulevard Suntec City, Singapore 039593 on Friday, 20 October 2017 at 3.00 p.m., or as soon thereafter following the conclusion or adjournment of the Annual General Meeting 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 modifications, the following resolution:

Special Resolution

Approval of the Proposed Capital Reduction

RESOLVED THAT pursuant to Article 53 of the Constitution of the Company and contingent upon the completion of the disposal of the Company’s entire interests in Guggenheim Capital, LLC and the approval of the High Court of the Republic of Singapore:

- (a) the issued share capital of the Company shall be reduced by the sum of up to S\$131,453,008.05, and such reduction be effected by returning the sum of up to S\$131,453,008.05 from the issued share capital of the Company to the shareholders of the Company (“**Shareholders**”, being registered holders of the Shares (as defined below), other than the Company, except that where the registered holder is The Central Depository (Pte) Limited, the term “**Shareholders**” shall mean Depositors (other than the Company), as defined under the Securities and Futures Act, Chapter 289 of Singapore), on the basis of up to S\$0.3035 for each issued ordinary share in the capital of the Company (each, a “**Share**”) held by a Shareholder or on his/her behalf as at a books closure date to be determined by the Directors (the “**Proposed Capital Reduction**”). The aggregate amount received by each Shareholder will be rounded down to the nearest cent; and
- (b) the Directors, the Chief Financial Officer and any of them be and are hereby authorised to do all acts and things and to execute all such documents as he or she may consider necessary or expedient to give effect to this Resolution.

BY ORDER OF THE BOARD OF
K1 VENTURES LIMITED

Winnie Mak
Company Secretary

27 September 2017

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Extraordinary General Meeting ("EGM"). Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than one proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

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. 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, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), and (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.



K1 VENTURES LIMITED

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

EXTRAORDINARY GENERAL MEETING PROXY FORM

IMPORTANT

1. Relevant Intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) may appoint more than two proxies to attend and vote at the Extraordinary General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy ordinary shares in the capital of k1 Ventures Limited ("Shares"), this circular is forwarded to them at the request of their Agent Banks/SRS Operators and is sent solely FOR INFORMATION ONLY.
3. This proxy form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. A CPF/SRS investor who wishes to attend the Extraordinary General Meeting as proxy has to submit his request to his Agent Bank/SRS Operator so that his Agent Bank/SRS Operator may appoint him as its proxy within the specified timeframe. (Agent Banks/SRS Operators: Please refer to Notes 2(b) and 5 on the reverse side of this form on the required details.)

Personal Data Privacy

By submitting an instrument appointing proxy or proxies and/or representative(s), a member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 27 September 2017.

I/We, _____ (Name) _____ (NRIC/Passport/UEN 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 attend, speak and vote on my/our behalf at the Extraordinary General Meeting of the Company to be held on Friday, 20 October 2017 at Suntec Singapore Convention and Exhibition Centre, Rooms 324 – 326, Level 3, 1 Raffles Boulevard Suntec City, Singapore 039593 at 3.00 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting 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.

Special Resolution	Number of Votes For*	Number of Votes Against*
Approval of the Proposed Capital Reduction		

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

Dated this _____ day of _____ 2017

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 to proxy form:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you only have Shares registered in your name in the Register of Members of the Company, 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, 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) A member of the Company entitled to attend and vote at a meeting of the Company, and who is not a Relevant Intermediary, is entitled to appoint not more than two proxies to attend, speak and vote instead of him. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. 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.
 - (b) A member of the Company who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at a meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's form of proxy appoints more than one proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy. In relation to a Relevant Intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.
 - (c) "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.
3. A proxy need not be a member of the Company.

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. Completion and return of an instrument appointing a proxy or proxies shall not preclude a member from attending and voting in person at the Extraordinary General Meeting. Any appointment of a proxy or proxies will be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy or proxies to the Extraordinary General Meeting.
5. 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.
6. 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.
7. 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.
8. 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 (including any related attachment) 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 as at 72 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.