

(Incorporated in the Republic of Singapore)
(Registration Number: 197000535W)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 27 SEPTEMBER 2017

PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

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Note: The Singapore Exchange Securities Trading Limited (the "SGX-ST") assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Appendix. Shareholders who are in any doubt as to the action they should take, should consult their stockbrokers or other professional advisers immediately.

1. INTRODUCTION

1.1 Existing Shareholders' Mandate. At the extraordinary general meeting of k1 Ventures Limited (the "**Company**") held on 23 June 1997, shareholders of the Company (the "**Shareholders**") approved the grant of a mandate (the "**Shareholders' Mandate**") to enable the Company, its subsidiaries and associated companies (the "**k1 Group**") or any of them to enter into certain interested person transactions. Further details of the Shareholders' Mandate are set out in the Company's Circular to Shareholders dated 6 June 1997. The Shareholders' Mandate was modified with Shareholders' approval on 30 April 1999, 23 October 2002, 18 November 2003 and 31 October 2007, and was renewed annually with Shareholders' approval at the Company's Annual General Meetings.

At the Company's Annual General Meeting held on 27 October 2016 (the "**2016 AGM**"), approval of the Shareholders was obtained for the renewal of the Shareholders' Mandate.

1.2 Proposed Renewal of the Shareholders' Mandate. The Shareholders' Mandate approved at the 2016 AGM was expressed to take effect until the conclusion of the next Annual General Meeting of the Company, being the forthcoming Annual General Meeting which is scheduled to be held on 20 October 2017. Accordingly, the directors of the Company (the "**Directors**") propose that the Shareholders' Mandate be renewed at the forthcoming Annual General Meeting, to take effect until the following Annual General Meeting of the Company.

1.3 Annexure to this Appendix. The Shareholders' Mandate, including the rationale for, and the benefits to, the Company, the scope of the Shareholders' Mandate, the classes of Interested Persons and other general information relating to Chapter 9 of the listing manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), are set out in the Annexure to this Appendix.

2. DISCLOSURE IN ANNUAL REPORT

Disclosure has been made in the section on Interested Person Transactions in the Company's Annual Report for the financial year ended 30 June 2017 of the aggregate value of transactions in excess of S$100,000 conducted with Interested Persons (as described in paragraph 5 of the Annexure to this Appendix) pursuant to the existing Shareholders' Mandate during the financial year ended 30 June 2017, and disclosure shall be made in the Annual Reports for subsequent financial years that the Shareholders' Mandate continues in force, in accordance with the requirements of Chapter 9 of the Listing Manual.

3. AUDIT COMMITTEE'S STATEMENT

Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit Committee (comprising Professor Neo Boon Siong, Mr Tan Poh Lee Paul, and Professor Annie Koh) confirms that:

(a) the methods or procedures for determining the transaction prices under the Shareholders' Mandate have not changed since the 2016 AGM; and

(b) the methods or procedures referred to in paragraph 3(a) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

4. DIRECTORS' RECOMMENDATIONS

The Directors who are considered independent for the purposes of the proposed renewal of the Shareholders' Mandate are Mr Alexander Vahabzadeh, Dr Lee Suan Yew, Professor Neo Boon Siong and Professor Annie Koh (the "**Independent Directors**"). The Independent Directors are of the opinion that the entry into the Interested Person Transactions (as described in paragraph 6 of the Annexure to this Appendix) between the k1 Group and those Interested Persons (as described in paragraph 5 of the Annexure to this Appendix) in the ordinary course of the Company's business will be entered into to enhance the efficiency of the k1 Group and are in the best interests of the Company. For the reasons set out in paragraphs 2 and 3 of the Annexure to this Appendix, the Independent Directors recommend that Shareholders vote in favour of Ordinary Resolution 8 relating to the proposed renewal of the Shareholders' Mandate at the forthcoming Annual General Meeting.

5. ABSTENTION FROM VOTING

Mr Tan Poh Lee Paul, who is a nominee director of Keppel Corporation Limited ("**KCL**") on the board of directors of the Company, will abstain from voting his shareholdings in respect of Ordinary Resolution 8 relating to the proposed renewal of the Shareholders' Mandate at the forthcoming Annual General Meeting.

Temasek Holdings (Private) Limited ("**Temasek**"), KCL, Mr Steven Jay Green and their respective associates, including Kephinance Investment Pte Ltd (a subsidiary of KCL) and Greenstreet Partners, L.P. (associate of Mr Steven Jay Green), each being Interested Persons (as described in paragraph 5 of the Annexure to this Appendix) for the purpose of the Shareholders' Mandate, will abstain from voting their shareholdings in respect of Ordinary Resolution 8 relating to the proposed renewal of the Shareholders' Mandate at the forthcoming Annual General Meeting.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Shareholders' Mandate and the Company and its subsidiaries that are relevant to the Shareholders' Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where any information in this Appendix 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 is accurately and correctly extracted from these sources and/or reproduced in this Appendix in its proper form and context.

THE SHAREHOLDERS' MANDATE

1. INTRODUCTION

1.1 Chapter 9 of the Listing Manual

Chapter 9 of the Listing Manual ("**Chapter 9**") applies to transactions between a party that is an entity at risk and a counterparty that is an interested person. The objective of Chapter 9 (as stated in Rule 901 of the Listing Manual) is to guard against the risk that interested persons could influence a listed company, its subsidiaries or associated companies, to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders.

1.2 Main terms used in Chapter 9

An "**entity at risk**" means:

(a) the listed company;

(b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or

(c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company.

An "**interested person**" means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder.

An "**associate**" in relation to an interested person who is a director, chief executive officer, substantial shareholder or controlling shareholder (being an individual), means (i) an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer, substantial shareholder or controlling shareholder, (ii) the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family, substantial shareholder/his immediate family, or controlling shareholder/his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and (iii) any company in which the director/his immediate family, the chief executive officer/his immediate family, substantial shareholder/his immediate family or controlling shareholder/his immediate family has an aggregate interest (directly or indirectly) of 30 per cent. or more, and, where a substantial shareholder or controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they taken together have (directly or indirectly) an interest of 30 per cent. or more.

An "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles in Chapter 9.

An "**interested person transaction**" means a transaction between an entity at risk and an interested person.

1.3 Materiality Thresholds, Announcement Requirements, and Shareholders' Approval

Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and are hence excluded from the ambit of Chapter 9, immediate announcement, or, immediate announcement and shareholders' approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company's latest audited consolidated net tangible assets ("**NTA**")) are reached or exceeded.

In particular, shareholders' approval is required for an interested person transaction of a value equal to, or exceeding:

(a) five (5) per cent. of the listed company's latest audited consolidated NTA; or

(b) five (5) per cent. of the listed company's latest audited consolidated NTA, when aggregated with the values of other transactions entered into with the same interested person and/or its associates during the same financial year.

Based on the audited consolidated accounts of the Company and its subsidiaries (the "**Group**") for the financial year ended 30 June 2017, the audited consolidated NTA of the Group was approximately S$329.5 million. In relation to the Company, for the purposes of Chapter 9, in the current financial year and until such time that the audited consolidated results of the Group for the year ending 30 June 2018 are published by the Company, five (5) per cent. of the latest audited consolidated NTA of the Group would be approximately S$16.5 million.

1.4 Shareholders' General Mandate

Chapter 9 allows a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations, such as the purchase and sale of supplies and materials which may be carried out with the listed company's interested persons, but not for the purchase or sale of assets, undertakings or businesses.

2. RATIONALE FOR INTERESTED PERSON TRANSACTIONS

KCL is a substantial shareholder of the Company. KCL is also the holding company of other publicly listed companies on the SGX-ST, including Keppel Telecommunications & Transportation Ltd. Temasek, which is a substantial shareholder of a number of publicly listed companies, is also a substantial shareholder of KCL.

Due to the size of KCL's group of companies and with Temasek being a substantial shareholder of KCL, it is very likely that the k1 Group would in the ordinary course of business enter into transactions with the classes of Interested Persons as set out herein. Furthermore, one of the k1 Group's competitive advantages lies in the complementary strengths of its subsidiaries and associates with that of its Interested Persons. However, all Interested Person Transactions between the k1 Group and its Interested Persons are made at arm's length and on normal commercial terms.

3. BENEFIT OF SHAREHOLDERS' MANDATE

The Independent Directors are of the view that it would be in the interest of the k1 Group to continue with its Interested Person Transactions and would recommend that Shareholders renew the standing mandate allowing the k1 Group to enter into and continue with such Interested Person Transactions as set out in this Annexure in order to eliminate the need to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential transactions with such Interested Persons arise. As such Interested Person Transactions which are carried out by the k1 Group in its ordinary course of business are transactions necessary for its day-to-day operations and are numerous, a Shareholders' Mandate will substantially reduce the administrative time and inconvenience and expenses associated with the convening of such Shareholders' meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Company owing to the time-sensitive nature of commercial transactions.

The k1 Group will benefit from the Interested Persons' corporate expertise in the areas described in paragraph 6.1 below, derive operational efficiency due to the familiarity of the Interested Person with the services required by the k1 Group and financial leverage (such as bulk discounts enjoyed by the k1 Group on a group basis) in their dealings with third parties. In addition, as the relevant specialised sections of the treasury departments of the Interested Persons have direct links with financial institutions and are thereby able to obtain various rates or quotes on a daily basis and in an expedient manner, the k1 Group can benefit from competitive rates or quotes offered by such Interested Persons on the basis of the rates and quotes they have collated in relation to the placements of funds with, borrowings from, the entry into forex, swap and option transactions with, subscription of debt securities issued by, Interested Persons, the issue of debt securities to any Interested Person and the buying from, or selling to, any Interested Person of debt securities as more particularly described in paragraph 6.2 below.

4. SHAREHOLDERS' MANDATE

The Shareholders' Mandate is intended to facilitate transactions in the normal course of the k1 Group's business that are transacted from time to time with its Interested Persons provided that they are carried out at arm's length and on normal commercial terms and are not prejudicial to the interests of the Company and the Shareholders.

The renewal of the Shareholders' Mandate, if approved at the Annual General Meeting to be held on 20 October 2017, will continue in force until the next Annual General Meeting of the Company. Thereafter, it is intended that approval from Shareholders be sought for the renewal of the Shareholders' Mandate at the following Annual General Meeting.

Disclosure will be made in the Annual Report of the Company of the aggregate value of Interested Person Transactions conducted pursuant to the Shareholders' Mandate during the financial year.

The Shareholders' Mandate will not cover any transaction by the k1 Group with an Interested Person that is below S$100,000 in value as the threshold and aggregation requirements of Chapter 9 would not apply to such Interested Person Transactions.

5. CLASSES OF INTERESTED PERSONS

The Shareholders' Mandate will apply to Interested Person Transactions which are carried out with the following classes of Interested Persons:

(a) Temasek and its associates as defined in the Listing Manual (excluding KCL and its associates);

(b) KCL and its associates;

(c) Mr Steven Jay Green and his associates, including Greenstreet Partners, L.P.; and

(d) controlling shareholders of the Company (other than the controlling shareholders described in paragraphs 5(a) or 5(b) above) and their respective associates.

Transactions with interested persons (including the Interested Persons) that do not fall within the ambit of the Shareholders' Mandate will be subject to the relevant provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

6. NATURE OF THE TRANSACTIONS CONTEMPLATED UNDER THE SHAREHOLDERS' MANDATE

The Interested Person Transactions between the k1 Group and the Interested Persons which will be covered by the Shareholders' Mandate relate to recurrent transactions of a revenue or trading nature or those necessary for the k1 Group's day-to-day operations comprising the following:

6.1 General Transactions

General transactions contemplated by the k1 Group include the receipt of services as in the case of consultancy services related to the activities of the k1 Group and corporate services such as accounting, legal, taxation, financial, secretarial, corporate communications and other administrative services including computer-based services and staff secondments.

6.2 Corporate Treasury Transactions

Corporate treasury transactions contemplated by the k1 Group include the placement of funds with any Interested Person, the borrowing of funds from any Interested Person, the entry into with any Interested Person of forex, swap and option transactions for hedging purposes, the subscription of debt securities issued by any Interested Person, the issue of debt securities to any Interested Person and the buying from, or the selling to, any Interested Person of debt securities ("**Corporate Treasury Transactions**").

7. REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS

7.1 To ensure that the Interested Person Transactions are undertaken at arm's length and on normal commercial terms and consistent with the k1 Group's usual business practices and policies, the following guidelines will apply:

7.1.1 In relation to all Interested Person Transactions as enumerated under paragraph 6.1 above, the Company will require that quotations shall be obtained from the Interested Person and at least one similar service provider. All Interested Person Transactions as enumerated under paragraph 6.1 above shall not be approved unless such transactions are entered into at rates/prices of the service providers which are no more favourable to the Interested Persons than those extended to unrelated third

parties (including, where applicable, preferential rates/prices/discounts accorded to corporate customers or for bulk purchases), or on the service provider's usual commercial terms, or otherwise in accordance with other applicable industry norms. In cases where the Company is not able to obtain a quote from any similar service provider (for example, as a result of the sensitive nature of the transaction), the Company shall adopt the procedure set out in paragraph 7.7 below.

7.1.2 All Corporate Treasury Transactions must be consistent with the k1 Group's usual business practices and policies and will be reviewed by the management of the Company which reports to the Audit Committee.

7.2 In addition to the above guidelines, the following review and approval procedures will be implemented to supplement existing internal control procedures:

7.2.1 General Transactions

In relation to all Interested Person Transactions (other than Corporate Treasury Transactions) as enumerated under paragraph 6 above, transactions equal to or exceeding S$500,000 each in value will be reviewed and approved by the Audit Committee.

7.2.2 Corporate Treasury Transactions

In relation to Corporate Treasury Transactions:

Placements

In relation to the placement with any Interested Person of its funds, the Company will require that quotations shall be obtained from the Interested Person and at least one of the principal bankers of the k1 Group for rates for deposits with such bankers of an equivalent amount, and for the equivalent period, of the funds to be placed by the k1 Group. The k1 Group will only place its funds with the Interested Person, provided that the interest rate quoted is not less than the highest of the rates quoted by such principal bankers. In cases where the Company is not able to obtain a quote of the rate for the deposits for any reason whatsoever (for example, where the banks experience a situation where they have more cash deposits than they require), the Company shall adopt the procedure set out in paragraph 7.7 below.

Borrowings

In relation to the borrowing of funds from any Interested Person by the k1 Group, the Company will require that quotations shall be obtained from the Interested Person and at least one of the principal bankers of the k1 Group for rates for loans from such bankers of an equivalent amount, and for the equivalent period, of the funds to be borrowed. The k1 Group will only borrow funds from the Interested Person, provided that the interest rate quoted is not more than the lowest of the rates quoted by such principal bankers. In cases where the Company is not able to obtain a quote of the rate for the loan for any reason whatsoever (for example, where the banks have reached their exposure, credit or lending limits in respect of their lending activities, or, in respect of their lendings to the k1 Group), the Company shall adopt the procedure set out in paragraph 7.7 below.

Forex, Swaps and Options

In relation to forex, swap and option transactions with any Interested Person by the k1 Group, the Company will require that rate quotations shall be obtained from the Interested Person and at least one of the principal bankers of the k1 Group. The k1 Group will only enter into such forex, swap or option transactions with the Interested Person provided that such rates quoted are no less favourable than the rates quoted by such bankers. In cases where the Company is not able to obtain a quote of the rate for the forex, swap and/or option transactions for any reason whatsoever (for example, where the banks have reached their exposure, credit or lending limits in respect of their derivative transactions, or, in respect of their derivative transactions with the k1 Group), the Company shall adopt the procedure set out in paragraph 7.7 below.

Debt Securities

In relation to the subscription of debt securities issued by any Interested Persons, the issue of debt securities to any Interested Person and the buying from, or the selling to, any Interested Person of debt securities, the k1 Group will only enter into such transactions if the consideration for such debt securities will not be higher than the price(s) at which such debt securities are subscribed for by, issued to, bought from or sold to third parties, as the case may be.

In addition, the k1 Group will monitor the Corporate Treasury Transactions entered into by the k1 Group as follows:

Placements, Borrowings and Debt Securities

Where the gross aggregate value of funds placed with, borrowing of funds from, subscription of debt securities issued by, issue of debt securities to, the purchase of debt securities from, or the sale of debt securities to, the same Interested Person (as such term is construed under Chapter 9) shall at any time exceed:

(a) in the case of KCL and its unlisted subsidiary companies, the equivalent of in aggregate 100 per cent. of the consolidated shareholders' funds of the Company (based on its latest audited accounts); and

(b) in the case of other Interested Persons, the equivalent of in aggregate 25 per cent. of the consolidated shareholders' funds of the Company (based on its latest audited accounts),

each subsequent placement of funds with, borrowing of funds from, subscription of debt securities issued by, issue of debt securities to, the purchase of debt securities from, or the sale of debt securities to, the same Interested Person shall require the prior approval of the Audit Committee.

Placements of funds with, borrowing of funds from, subscription of debt securities issued by, issue of debt securities to, the purchase of debt securities from, or the sale of debt securities to, the same Interested Person which do not in the aggregate exceed the respective limits set out above will not require the prior approval of the Audit Committee but shall be reviewed on a half yearly basis by the Audit Committee.

Forex, Swaps and Options

Where the aggregate of the principal amount of all forex, swap and option transactions entered into with the same Interested Person exceeds at any one time the equivalent of 100 per cent. of the consolidated shareholders' funds of the Company (based on its latest audited accounts), each subsequent forex, swap and option transaction entered into with the same Interested Person shall require the prior approval of the Audit Committee.

Entry into of forex, swap and option transactions with the same Interested Person where the principal amounts thereof do not in the aggregate exceed the limit set out above will not require the prior approval of the Audit Committee but shall be reviewed on a half yearly basis by the Audit Committee.

7.3 A register will be maintained by the k1 Group to record all Interested Person Transactions (and the basis including the quotations obtained to support such basis, on which they are entered into) which are entered into pursuant to the Shareholders' Mandate. The management of the Company shall carry out a review of all Interested Person Transactions entered into pursuant to the Shareholders' Mandate.

7.4 The management of the Company shall, on an annual basis, report to the Audit Committee on Interested Person Transactions, and the basis of such transactions, entered into with the Interested Persons.

7.5 The Audit Committee has the overall responsibility for determining the review procedures with the authority to delegate to individuals within the Company as they deem appropriate. For the purpose of the approval process, if any member of the Audit Committee has an interest in a transaction to be reviewed by the Audit Committee, he will abstain from any decision making by the Audit Committee in respect of that transaction. Accordingly, where any member of the Audit Committee has an interest in the transaction to be reviewed by the Audit Committee, the approval of that transaction will be undertaken by the remaining member(s) of the Audit Committee.

7.6 Generally, the Audit Committee will only approve an Interested Person Transaction if the terms of the transaction are no less favourable than the terms offered to unrelated third parties, or in accordance with published or prevailing rates/prices or otherwise in accordance with prevailing industry norms. The Audit Committee may, as they deem fit, request for additional information pertaining to the transaction from independent sources or advisers, including the obtaining of valuations from professional valuers.

7.7 In the event that it is not possible to obtain quotations from unrelated third parties or to determine whether the terms of the Interested Person Transactions with the Interested Person are more or less favourable than the aggregate terms quoted by unrelated third parties, the Audit Committee will evaluate and weigh the benefits of and rationale for transacting with the Interested Person, and consider the efficiencies and flexibilities that could be derived by the Company in transacting with the Interested Person as compared with transacting with unrelated third parties, before deciding to approve or reject the Interested Person Transaction. In determining the terms of the transaction, the Audit Committee will evaluate such terms in accordance with prevailing industry norms (including, the reasonableness of the terms).

7.8 The Audit Committee will have the discretion to convene a Special Committee to review any Interested Person Transaction on an ad-hoc basis as and when it deems appropriate or necessary. The Special Committee shall comprise, but is not limited to, independent executives of the Company and/or independent professional parties. The Special Committee will evaluate and weigh the benefits of and rationale for transacting with the Interested Person, and consider the efficiencies and flexibilities that could be derived by the Company in transacting with the Interested Person as compared with transacting with unrelated third parties, before submitting a written recommendation to the Audit Committee. The Audit Committee will evaluate the recommendation from the Special Committee before deciding to approve or reject the Interested Person Transaction.

7.9 The Audit Committee will evaluate and review the review procedures adopted on a half yearly basis. If during a review by the Audit Committee, the Audit Committee is of the view that the established guidelines and procedures are not sufficient or appropriate to ensure that the Interested Person Transactions will be on normal commercial terms and will not be prejudicial to the interests of the Company and the Shareholders, it will take such actions as it deems appropriate and/or institute additional procedures as necessary to ensure that future transactions of a similar nature are on normal commercial terms and the Company will revert to Shareholders for a fresh mandate based on new guidelines and procedures for transactions with Interested Persons.