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PROPOSED MEMBERS' VOLUNTARY LIQUIDATION

1. INTRODUCTION

The Board of Directors of k1 Ventures Limited (the "**Company**") wishes to announce that the Company intends to undertake a proposed members' voluntary liquidation of the Company (the "**Proposed Members' Voluntary Liquidation**"). Following the approval by shareholders of the Company ("**Shareholders**") of the Proposed Members' Voluntary Liquidation, the Company will be automatically delisted from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the liquidators will proceed with the dissolution of the Company.

2. THE PROPOSED MEMBERS' VOLUNTARY LIQUIDATION

2.1 Background. Completion of the disposal of the Company's entire interests in Guggenheim Capital, LLC (the "**Guggenheim Disposal**") took place in the U.S. on 17 November 2017 for a gross cash consideration of approximately US\$221 million (prior to deductions for U.S. income taxes and the Greenstreet carried interest). Following the completion of the Guggenheim Disposal, the Company has disposed of substantially all its assets and property. To avoid any market speculation on the value of the Company, the Company has suspended the trading of shares in the capital of the Company (the "**Shares**") on and from 20 November 2017 for an indefinite period of time.

Consistent with the Company's prior stated objective of distributing excess cash to its Shareholders, the Company distributed or will distribute:

- (i) a final dividend of S\$0.065 per Share for the financial year ended 30 June 2017 and the aggregate amount of S\$28,153,033.66 to Shareholders on 8 November 2017 (the "**Final Dividend**");
- (ii) a cash distribution of S\$0.3035 per Share (the "**CR Cash Distribution**") and the aggregate amount of S\$131,453,008.05 to Shareholders on 22 December 2017 pursuant to the capital reduction exercise carried out by the Company pursuant to Section 78G of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"); and
- (iii) an interim dividend of S\$0.3585 per Share for the financial year ending 30 June 2018 and the aggregate amount of S\$155,274,809.85 to Shareholders to be paid on 19 January 2018 (the "**Interim Dividend**").

In total, the Company distributed or will distribute S\$0.7270 per Share and an aggregate amount of S\$314,880,851.56 in excess cash by way of the Final Dividend, the CR Cash Distribution and the Interim Dividend.

As announced previously, upon the distribution of excess cash to its Shareholders, the Company will take steps to commence voluntary liquidation.

As the Company's intention is to commence voluntary liquidation and it does not intend to acquire a new business to satisfy the SGX-ST's requirements for a new listing under Rule 1018(1) of the listing manual of the SGX-ST ("**Listing Manual**") following completion of the Guggenheim Disposal, the Company has also obtained an exemption from the SGX-ST that the Company would not be required under Rule 1018(1) of the Listing Manual to place its cash and short-dated securities in an escrow account upon completion of the Guggenheim Disposal, subject to the Company distributing its excess cash to its Shareholders on a pro-rata basis (save for amounts necessary to pay for the Company's expenses in relation to any such distributions and the Proposed Members' Voluntary Liquidation).

- 2.2 Conditions for the Proposed Members' Voluntary Liquidation.** The Proposed Members' Voluntary Liquidation is subject to the approval of Shareholders by way of certain resolutions relating to the Proposed Members' Voluntary Liquidation (including a special resolution for the approval of the Proposed Members' Voluntary Liquidation) being passed at an extraordinary general meeting of the Company to be convened (the "**EGM**"). The special resolutions proposed at the EGM would require the approval of at least 75 per cent. of all Shares voted by Shareholders who are present and voting at the EGM.

3. RATIONALE FOR THE PROPOSED MEMBERS' VOLUNTARY LIQUIDATION

As previously announced, following the completion of the Guggenheim Disposal, the Company has disposed of substantially all of its assets and property. Consistent with the Company's stated objective of the monetization of its investments and the distribution of excess cash to its Shareholders, the Company will distribute its excess cash to its Shareholders by way of the Final Dividend, the CR Cash Distribution and the Interim Dividend.

The trading of the Shares has been suspended from 20 November 2017 for an indefinite period of time and the Company does not intend to acquire a new business to satisfy the SGX-ST's requirements for a new listing under Rule 1018(1) of the Listing Manual.

On the foregoing basis and in accordance with the Company's stated intent, the Company intends to commence members' voluntary liquidation and dissolution of the Company in accordance with the provisions of the Companies Act.

4. AUTOMATIC DELISTING OF THE COMPANY

The Company will be automatically delisted from the SGX-ST on and from the market day immediately following the date of the EGM (the "**Automatic Delisting**") if Shareholders approve all the resolutions relating to the Proposed Members' Voluntary Liquidation proposed at the EGM. The Company has obtained a confirmation from the SGX-ST that it has no objections to the Automatic Delisting.

Shareholders should therefore note that the Automatic Delisting will take place after their approval is obtained for all the resolutions relating to the Proposed Members' Voluntary Liquidation proposed at the EGM.

5. DESPATCH OF CIRCULAR

A circular containing, *inter alia*, further information on the Proposed Members' Voluntary Liquidation and the EGM will be despatched to Shareholders in due course.

When in any doubt in relation to the Company's securities, Shareholders are advised to seek independent advice from their stockbroker, bank manager, accountant, solicitor or any other professional adviser.

BY ORDER OF THE BOARD OF
K1 VENTURES LIMITED

Winnie Mak
Company Secretary

12 January 2018