

K-Star

K-STAR SPORTS LIMITED

(Incorporated in Singapore under the Companies Act (Chapter 50) of Singapore)
(Company Registration Number 200820976H)
(Registered as a Foreign Company in Malaysia under the Companies Act 1965 of Malaysia)
(Malaysian Branch Registration Number 995214-D)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of K-Star Sports Limited ("K-Star" or "Company") will be held at Permai 1, First Floor, Kota Permai Golf & Country Club, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 9 March 2018 at 3.00 p.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions with or without modifications:-

ORDINARY RESOLUTION 1

PROPOSED PLACEMENT OF UP TO 87,912,000 NEW ORDINARY SHARES IN K-STAR ("K-STAR SHARES") ("PLACEMENT SHARES"), REPRESENTING 30% OF K-STAR'S TOTAL NUMBER OF ISSUED SHARES ("PROPOSED PLACEMENT")

"**THAT** subject to passing of Ordinary Resolution 2 and approvals of all relevant authorities and/or parties being obtained (if required), approval be and is hereby given to the Board of Directors of K-Star ("**Board**") to allot and issue up to 87,912,000 Placement Shares, representing 30% of K-Star's total number of issued shares, in the manner and upon the terms and conditions set out in the circular to the shareholders of the Company dated 22 February 2018 ("**Circular**");

THAT the Placement Shares be placed to the following parties:

Proposed Placees	Percentage of Allocation	No. of Placement Shares
Datin Tan Siew Ching	50%	43,956,000
Third party investors to be finalised at a later date	50%	43,956,000
Total	100%	87,912,000

THAT the issue price be fixed by the Board at a later date ("**Price-Fixing Date**") after receipt of all relevant approvals for the Proposed Placement. In any event, the issue price shall not be priced at:

- a discount of more than 10% from the 5-day volume weighted average market price of K-Star Shares immediately prior to the Price-Fixing Date, and
- a price lower than RM0.065 per Placement Share;

THAT the Board be and is hereby authorised to utilise the proceeds from the Proposed Placement for such purposes and in such manner as set out in Section 2.1.4 of the Circular and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient subject (where required) to the approval of the relevant authorities and in the best interest of the Company;

THAT such Placement Shares shall, upon allotment and issue, rank *pari passu* in all respects with the then existing K-Star Shares, except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the Placement Shares;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary to give effect and complete the Proposed Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Placement."

ORDINARY RESOLUTION 2

PROPOSED ISSUE OF UP TO 152,380,800 FREE WARRANTS ("WARRANTS") ON THE BASIS OF 2 WARRANTS FOR EVERY 5 EXISTING K-STAR SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED FREE WARRANTS ISSUE")

"**THAT** subject to passing of Ordinary Resolution 1 and approvals of all relevant authorities and/or parties being obtained (if required), approval be and is hereby given to the Board to issue up to 152,380,800 Warrants on the basis of 2 Warrants for every 5 existing K-Star Shares held by the shareholders of the Company whose names appear on the Company's Record of Depositors at the close of business on an entitlement date to be determined later by the Board;

THAT approval be and is hereby given to the Board to create and issue the Warrants and such additional warrants as may be required or permitted to be issued as a consequence of the adjustments based on the salient terms of the Warrants as set out in Appendix I of the Circular and further subject to the terms and conditions of a deed poll to be executed by the Company ("**Deed Poll**");

THAT fractional entitlements arising from the Proposed Free Warrants Issue, if any, will be disregarded and shall be dealt with in such manner as the Board in its absolute discretion deems fit, expedient and in the best interest of the Company;

THAT approval be and is hereby given to the Board to allot and issue such number of new K-Star Shares arising from the exercise of the Warrants during the exercise period of the Warrants in accordance with the terms of the Deed Poll;

THAT such new K-Star Shares to be issued arising from the exercise of the Warrants will, upon allotment and issuance, rank *pari passu* in all respects with the then existing K-Star Shares, except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment of the new K-Star Shares;

THAT the Board be and is hereby authorised to enter into and execute the Deed Poll constituting the Warrants and to do all acts, deeds and things as they may deem fit or expedient in order to implement, finalise and give effect to the Deed Poll;

THAT the Board be and is hereby authorised to utilise the proceeds from the Proposed Free Warrants Issue for such purposes and in such manner as set out in Section 2.2.3 of the Circular and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient subject (where required) to the approval of the relevant authorities and in the best interest of the Company;

AND THAT the Board be and is hereby authorised to do all acts, deeds and things as they may consider necessary or expedient in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as it may deem fit and/or as may be required or imposed by the relevant authorities, and to take all steps and to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or parties and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Free Warrants Issue."

ORDINARY RESOLUTION 3

PROPOSED DIVERSIFICATION OF THE PRINCIPAL ACTIVITIES OF K-STAR AND ITS SUBSIDIARIES TO INCLUDE CONSTRUCTION AND RELATED ACTIVITIES ("PROPOSED DIVERSIFICATION")

"**THAT** subject to the approvals of all relevant authorities and/or parties being obtained (if required), approval be and is hereby given to the Board to diversify the principal activities of the Company and its subsidiaries to include construction and related activities;

AND THAT the Board be and is hereby authorised to do all such acts, deeds and things as are necessary to give full effect to the Proposed Diversification with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities/parties and as the Board deems fit, appropriate and in the best interest of K-Star."

By order of the Board of
K-STAR SPORTS LIMITED

THUM SOOK FUN
Company Secretary

22 February 2018

Notes:

- A Member may appoint not more than 2 proxies to attend and vote at the same General Meeting. In any case where a 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. A member of the Company entitled to attend, participate, speak and vote at a meeting of the Company, shall be entitled to appoint any person as his proxy to attend, participate, speak and vote instead of a Member at the meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to participate and speak at the meeting.
- An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and in the case of individual, shall be signed by the appointor or his attorney. In the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
- The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy in accordance with item 5 below, failing which the instrument may be treated as invalid.
- An instrument appointing a proxy whether executed in the States of Malaysia or outside the States of Malaysia shall be attested by a solicitor, commissioner of oaths, notary public, consul or magistrate, but the Directors may from time to time waive or modify this requirement either generally or in a particular case.
- An instrument appointing a proxy must be left at the office of K-Star's Share Registrar at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
- Where a member of the Company is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- For the purpose of determining a member who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 51(B) (b) of the Company's Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at 2 March 2018. Only a depositor whose name appears therein shall be entitled to attend the said meeting or appoint a proxy to attend and/or vote on his stead.