

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 THE ANNUAL GENERAL MEETING 2019

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting 2019 ("AGM 2019") of the Company will be held at Danau 3, First Floor, Kota Permai Golf & Country Club, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Tuesday, 28 May 2019 at 11:00 a.m. for the following purposes:-

AGENDA

As Ordinary Business:-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Directors' Statement and Auditors' Report thereon. (refer to Note 8)
2. To re-elect Mr. Ding JianPing, who is retiring pursuant to Article 91 of the Company's Constitution. (Ordinary Resolution 1)
3. To re-elect Dato' Quah Hoe Phang @ Stephen Quah, who is retiring pursuant to Article 97 of the Company's Constitution. (Ordinary Resolution 2)
4. To re-appoint Messrs. Foo Kon Tan LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 3)

As Special Business:-

To consider and if thought fit, to pass the following resolutions with or without modifications:-

5. **ORDINARY RESOLUTION NO. 1**
- PAYMENT OF DIRECTORS' FEES (Ordinary Resolution 4)

"THAT the Directors' Fees amounting to RMB400,000/- for the financial year ending 31 December 2019, be and is hereby approved for payment."

6. **ORDINARY RESOLUTION NO. 2**
- AUTHORITY TO ISSUE NEW ORDINARY SHARES PURSUANT TO SECTION 161 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE ("THE ACT") (Ordinary Resolution 5)

"THAT pursuant to Section 161 of the Act and the Company's Constitution and subject to the approvals from Bursa Malaysia Securities Berhad and other relevant government/ regulatory authorities, where such approval is necessary, the Directors of the Company be and are hereby empowered pursuant to Section 161 of the Act to issue shares in the capital of the Company at any time until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, and upon such terms and conditions and for such purposes and to such persons as the Board of Directors may, in their absolute discretion, deem fit, provided that the value of shares to be issued, when aggregated with the value of any such shares issued during the preceding twelve (12) months does not exceed 10% of the value of the issued share capital (excluding treasury shares) of the Company for the time being AND THAT the Board of Directors be and is also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

7. To transact any other business of which due notice shall be given.

BY ORDER OF THE BOARD

THUM SOOK FUN

Company Secretary

Date: 26 April 2019

Notes:-

(A) Information for Shareholders/Proxies

1. A Member may appoint not more than two (2) proxies to attend and vote at the same General Meeting. In any case where a form of proxy appoints more than one (1) 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.
2. 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.
3. 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.
4. 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.
5. An instrument appointing a proxy must be left at the Malaysian Share Registrar of the Company situated at c/o Securities Services Holdings Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, Kuala Lumpur, Wilayah Persekutuan, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.
6. Where a member of the Company is an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ["SI(CD)A"], 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.
7. For the purpose of determining a member who shall be entitled to attend the AGM 2019, 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 SI(CD)A to issue a General Meeting Record of Depositor as at 21 May 2019. 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.

(B) Audited Financial Statements for the financial year ended 31 December 2018

8. This Agenda item is meant for discussion only, as the provision of Section 201(1) of the Companies Act (Chapter 50) of Singapore does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda is not put forward for voting.

(C) Re-election of Directors

9. Article 91 of the Company's Constitution states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Article 97 of the Company's Constitution states that any Director who is appointed either to fill a casual vacancy or as an addition to the existing Directors, shall hold office until the next AGM and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotations at that meeting.

In determining the eligibility of the Directors to stand for re-election at the forthcoming AGM 2019, the Nomination Committee ("NC") has considered the following:-

- (i) Evaluation on the effectiveness of the Individual Directors, the Board as a Whole and all Board Committees; and
- (ii) For Independence Non-Executive Directors ("INEDs") only, the level of independence demonstrated by the INEDs and their ability to act in the best interest of the Company.

The Board has conducted a separate assessment of independence of the INEDs, the evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Report of the Company.

The Board approved the NC's recommendation for the retiring Directors pursuant to Article 91 and 97 of the Company's Constitution, respectively. All the retiring Directors have consented to their re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NC and Board meetings, where applicable.

(D) Re-appointment of Auditors

10. The Audit Committee ("AC") have assessed the suitability, objectivity and independence of Messrs. Foo Kon Tan LLP as External Auditors of the Company for the financial year ended 31 December 2018. The Board has in turn reviewed the recommendation of the AC and recommended the same be tabled to the shareholders for approval at the forthcoming AGM 2019 of the Company under Resolution 3. The evaluation criteria adopted as well as the process of assessment by the AC and Board, respectively, have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2018 of the Company.

(E) Payment of Directors' Fees

11. The Directors' fees proposed for the financial year ending 31 December 2019 are calculated based on the number of scheduled Board and Committee meetings for 2019 and assuming that all Directors will hold office until the end of the financial year. This resolution is to facilitate payment of Directors' fees on a current financial year basis. In the event the Directors' fees proposed is insufficient (e.g. due to additional meetings or enlarged Board Size), approval will be sought from the shareholders at the next Annual General Meeting for additional fees to meet the shortfall.

(F) Authority to Issue Shares pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore

12. The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore at the AGM 2019 of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the Annual General Meeting 2018 of the Company held on 27 June 2018 to issue and allot shares not exceed ten per centum (10%) of the value of the issued share capital of the Company (hereinafter referred to as the "Previous Mandate").

The Previous Mandate granted by the shareholders had not been utilised hence no proceed was raised therefrom.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting solely for such issuance and allotment of shares. This authority unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.