



## **KINETIC GROWTH FUND**

### **NOTICE OF EXTRA-ORDINARY GENERAL MEETING OF KINETIC GROWTH FUND LIMITED**

Notice is hereby given that the Extra-Ordinary General Meeting of **Kinetic Growth Fund Ltd** will be held at Kanu Restaurant, 46 Knolly Street, Suva on Monday, 20 January 2025, at 2:30pm to transact the following business;

1. To approve KGF entering into a loan guarantee agreement for investee company Island Quarries Pte Ltd

The following options are available to shareholders, media and other stakeholders to participate in the Extra – Ordinary General Meeting:

1. Attend in-person
2. Attend online through Zoom
3. Attend via proxy

Shareholders who wish to attend the Extra-Ordinary General Meeting on-line through Zoom must complete and send the Pre-Registration Form attached to this notice.

Shareholders who wish to appoint a proxy must complete the Proxy Form attached to this notice.

#### **SPECIAL BUSINESS:**

#### **Agenda Items:**

1. Approval of KGF entering into a loan guarantee agreement for investee company Island Quarries Ltd

*Explanatory Notes containing information in relation to the resolution accompanies the Notice of Meeting.*

By order of the Board of Directors.

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Griffon Emose  
**Company Secretary**

24 December 2024

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**Notes on Proxies:**

1. *A member who is unable to attend the meeting is entitled to appoint a proxy to attend the meeting and vote on his behalf.*
  2. *The proxy need not be a member of the company.*
  3. *A proxy form is enclosed with this notice of meeting. To be effective the form must reach the registered office of the company not less than 48 hours before the time for holding the meeting.*
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## **Explanatory Notes**

*This Explanatory Note is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the Notice of Extra-Ordinary General Meeting.*

*The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.*

*The following information should be noted in respect of the various matters contained in the Notice of Meeting.*

Under South Pacific Stock Exchange Listing Rule 61, KGF requires shareholder approval to enter into a contemplated loan guarantee agreement: Because Kinetic Growth Fund owns a majority, but not all, of the shares in Island Quarries Pte Ltd (IQL), IQL is a related body corporate and because the loan guarantee amount would exceed 5% of the market capitalisation of KGF (approximately \$775,000).

During the 12 months that KGF has had majority ownership of IQL, we have devoted substantial effort to build a solid foundation for the long-term success of the business, including addressing outstanding regulatory issues, developing a detailed business plan, securing lease renewals, securing landowner support, sourcing a manager for the business, and developing a financing plan. This staged work has positioned IQL to now seek financing to purchase necessary equipment to quickly scale operations to a level at which the business could supply high quality materials that are in high demand in Fiji and the region. To accomplish this work to date, KGF has arranged for both debt funding (which it has provided to IQL) and additional equity funding (of which KGF purchased half and individual board members and affiliates of the manager purchased half). This additional equity funding was at a substantial premium to the price at which KGF initially purchased shares in IQL. Our analysis suggests that long-term demand for IQL's products is likely to be strong and that once producing at scale, IQL could be a highly profitable business.

Providing a loan guarantee (backed by the asset value of the rental property portfolio that KGF owns) may facilitate IQL receiving financing on more favourable terms, while also providing KGF with loan guarantee income from IQL. The contemplated loan amount is \$5 million. Currently, KGF has secured borrowing on its rental properties of approximately 33% of their value. The loan guarantee would be for an amount up to approximately 38% of the investment properties' value.

KGF is both an owner of and lender to the related company IQL. KGF owns 76.7% of the ordinary shares of IQL, approximately \$685,000 in principal and interest in redeemable convertible notes, and \$175,000 of principal in a bridging loan (which will be repaid upon receipt of the commercial loan). For providing this loan guarantee, KGF will receive a fee on ordinary commercial terms from IQL.

The potential risks of the loan guarantee are that if IQL does not operate profitably, KGF may need to make some or all of the loan payments on behalf of IQL. Internal model projections show IQL's operating cash flow of at least 3.0x the maximum annual debt service. If the business operations do not achieve projected production or margin levels, there is the risk the debt service coverage may be lower. However, this would be backed by the significant value in the plant and equipment that will be purchased using the loan funding.



**KINETIC  
GROWTH FUND**

**PROXY FORM**

*(Pursuant to Section 157 and 158 of Companies Act 2015)*

Name of the Member: \_\_\_\_\_

Registered Address: \_\_\_\_\_

SIN: \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above-named Company, hereby appoint:

1. Name \_\_\_\_\_, of \_\_\_\_\_ or failing that;

2. Name \_\_\_\_\_, of \_\_\_\_\_

as my/our proxy to attend and vote on a show of hands and poll on my/our behalf at the Extra-Ordinary General Meeting of the Company, to be held on *20<sup>th</sup> January 2025 at 2:30pm at Kanu Restaurant, 46 Knolly Street, Suva* and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

RESOLUTIONS	* OPTIONAL (MARK X)		
	FOR	AGAINST	ABSTAIN
1 Approval of KGF entering into a loan guarantee agreement for investee company Island Quarries Ltd			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

Signature of Member(s): \_\_\_\_\_

**Notes:**

- \* It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For'/'Against'/'Abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority to conduct a poll.
- If a representative of the corporation is to attend the meeting, Annexure K - "Appointment of Corporate Representative" should be filled in. If the Corporate Representative wishes to appoint a Proxy, this Form must be duly filled in.
- The duly completed Proxy Form must be received by the Company before 2:30pm, Saturday, 18<sup>th</sup> January 2025, being not later than 48 hours before the commencement of the meeting. Any Proxy

Form received after that time will not be valid for the scheduled meeting. Proxy Forms should be delivered as follows:

- (i) Hardcopy: *Level 2, Plaza 1, FNPF Boulevard, 33 Ellery Street, Suva* or Central Share Registry Pte Ltd at *Shop 1 And 11, Sabrina Building, Victoria Parade, Suva*
- (ii) Email: [misau@kontiki.com.fj](mailto:misau@kontiki.com.fj) or [adivucago@kontiki.com.fj](mailto:adivucago@kontiki.com.fj)

## PRE-REGISTRATION FORM FOR ON-LINE ATTENDANCE

I / We named below, being a shareholder of the Company, wish to register my / our attendance for the Extra-Ordinary General Meeting through Zoom.

(Please tick only ONE box. Incomplete or incorrectly completed form will not be processed.)

I wish to attend the Extra-Ordinary General Meeting via Zoom.

I / We understand that the Company shall be entitled to reject the Pre-registration Form which is incomplete, improperly completed, illegible or where true intentions of the shareholder of the Company are not ascertainable from the instructions specified in the Preregistration Form.

Name(s) of Shareholder(s): \_\_\_\_\_

Name of attendee\* \_\_\_\_\_

Voter identification card number / Passport Number / Company Registration Number: \_\_\_\_\_

Shareholder Identification Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Contact Number(s): \_\_\_\_\_

Signature(s): \_\_\_\_\_

Date: \_\_\_\_\_

*\*Where authorized representatives of a company or proxy holder for a shareholder.*

### IMPORTANT:

Please note the following:

1. Full name and voter identification card number/ passport number(s) / company registration number is required for the purposes of verification.
2. By completing and submitting this form, you agree and acknowledge that the Company and/ or our service provider may collect, use and disclose your personal data, as contained in your submitted form for the purpose of processing and effecting your request.
3. Photographic, sound and / or video recordings of the Company's EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Company's EGM. Accordingly, the personal data of a shareholder of the Company (such as his name, his presence at the Company's EGM and any questions he may raise or motions he propose/ second) may be recorded by the Company for such purposes.
4. Shareholders should raise their hand to vote.

NOTE: This duly completed Pre-registration Form must be emailed to [misau@kontiki.com.fj](mailto:misau@kontiki.com.fj) and [adivucago@kontiki.com.fj](mailto:adivucago@kontiki.com.fj) before 2:30pm, Saturday, 18<sup>th</sup> January, 2025.

# APPOINTMENT OF CORPORATE REPRESENTATIVE

[Pursuant to Section 160 of Companies Act 2015]

**This form may be used by a company or other body corporate which is a security holder, or which has been appointed as a proxy by a security holder.**

*Insert the name of the body corporate making the appointment*

Hereby appoints

*Insert the name of the appointee. Please note that multiple representatives can be appointed but only one representative may exercise the body corporate's powers at any one time.*

to act as its representative at  all meetings **OR**  the meeting to be held on \_\_\_\_\_ (Date)

Of

**KINETIC GROWTH FUND LIMITED**

*Insert the name of the company holding the meeting*

**SIGNATURES- THIS MUST BE COMPLETED**

Common Seal (if applicable)	Director	Sole Director and Sole Secretary
	Director/ Company Secretary	Date
		/                  /

## Information

To be effective, the form must be received by Central Share Registry Pte Ltd / Kinetic Growth Fund Ltd, 48 hours before the EGM for receipt of Corporate Representative Appointment. The original form will be retained by the Company.

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of a company's members, creditors or debenture holders. The appointment may be by reference to a position held provided that the appointment identifies the position.

The appointment must be executed in accordance with the body corporate's Articles of Association and (if applicable) Section 53 of the Companies Act 2015. An appointment may be a standing one, which will continue until revoked.

If more than one representative is appointed, only one representative may exercise the body corporate's power at any one time.