



*Raffles Capital Limited*

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**Notice of Annual General Meeting  
and Explanatory Statement**

For the Meeting of Members to be held  
at Level 2, 131 Macquarie Street Sydney NSW 2000 on Tuesday 31<sup>st</sup> May 2017 at 2pm.

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**This is an important document. Please read it carefully.**

Please speak to your professional advisers if you have any questions about this document or how to vote at the Meeting.

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## NOTICE OF THE ANNUAL GENERAL MEETING

### Raffles Capital Limited

ACN 009 106 049

Notice is hereby given that the Annual General Meeting of members of Raffles Capital Limited (the **Company**) will be held at the registered office of the Company, Level 2, Hudson House, 131 Macquarie Street, Sydney NSW 2000 at 2pm on 31 May 2017.

#### Ordinary Business

**1. Financial Statements and Reports**

To receive the Company's financial statements and the reports of the Directors and the Auditors thereon for the financial year ended 31 December 2016.

**2. Resolution 1: Ordinary resolution to approve Remuneration Report**

To consider and if thought fit, to pass, the following **as a non-binding resolution**:

*"That the Directors' Remuneration Report for the year ended 31 December 2016 be and is hereby adopted for the purposes of the Corporations Act 2001".*

Note: this Remuneration Report is set out on pages 9 to 10 of the Directors' Report contained in the 2016 Annual Report in accordance with Section 250R(3) of the *Corporations Act 2001* (the **Corporations Act**).

#### Voting Exclusion Statement

The company will disregard any votes cast on Resolution 1 (in any capacity, whether as proxy or as shareholder) by any of the following:

- a) Key Management Personnel; and
- b) Closely Related Parties of Key Management Personnel.

However, the Company need not disregard a vote if it is:

- c) Cast by a person as a proxy appointed in accordance with the directions of the proxy form that specifies how the proxy is to vote on Resolution 1; and the vote is not cast on behalf of a person described in subparagraphs (a) and (b) above; or
- d) Cast by the chair of the Meeting as proxy appointed in accordance with the directions of the proxy form for a person who is entitled to vote, and such appointment on the proxy form expressly authorises the chair to exercise the proxy even if the resolution is connected directly with the remuneration report; and the vote is not cast on behalf of a person described in subparagraphs (a) and (b) above.

**3. Resolution 2: Election of Directors**

To consider, and if thought fit, pass the following resolution **as an ordinary resolution**:

*"That Richard Holstein, retiring in accordance with Article 49.1.3 of the Company's Constitution, be elected as a director of the Company".*

Note: The experience and qualifications of Mr Holstein are provided in the 2016 Annual Report tabled at this Annual General Meeting.

**4. Ratification of previous share issues**

**Resolution 3: Ordinary Resolution to ratify previous share issue (Placement Shares)**

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders of the Company hereby approve and ratify the allotment and issue of 600,000 fully paid ordinary shares at an issue price of 20 cents each on the terms and conditions set out in the Explanatory Statement."*

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**Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 3 by:

- a) Any person who participated in the shares issued under this Resolution 3; or
- b) An associate of that person.

However, the Company will not disregard the vote if:

- c) It is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- d) It is cast by the person chairing of the Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

**5. Other Business**

To transact any other business which may be brought before an Annual General Meeting, under the Company's Constitution and the Corporations Act.



Henry Kinstlinger  
Company Secretary  
28<sup>th</sup> April 2017

**This Notice of Meeting is accompanied by an Explanatory Statement to Shareholders that explains the purpose of the Meeting and the resolutions to be considered at the Meeting.**

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# Raffles Capital Limited

ACN 009 106 049

## Definitions

In the Notice of Meeting, words importing the singular include the plural and vice versa.

**Act** means the Corporations Act;

**ASIC** means the Australian Securities & Investments Commission;

**ASX** means ASX Limited (ACN 008 624 691) and the Australian Securities Exchange;

**AU\$ or \$** means Australian Dollars;

**Chairman** means the chairman of the Meeting;

**Claim** includes a claim, notice, demand, action, proceeding, litigation, prosecution, arbitration, investigation, judgment, award, damage, loss, cost, expense or Liability however arising, whether present, unascertained, immediate, future or contingent, whether based in contract, tort or statute and whether involving a third party or a party to the Share Sale and Purchase Agreement or otherwise;

**Company** means RAF;

**Corporations Act** means the *Corporations Act 2001* (Cth);

**Current Directors** means Li Ying (Abigail) Zhang, Benjamin Amzalak and Richard Holstein;

**Explanatory Statement** means this Explanatory Statement that accompanies this Notice;

**Liability** includes all liabilities, losses, damages, costs, interest, fees, penalties, fines, assessments, forfeiture and expenses of whatever description (whether actual, contingent or prospective);

**Listing Rule** means the official listing rules of the ASX;

**Meeting** means the general meeting of RAF, the subject of this Notice;

**Member** means a shareholder of the Company;

**Notice** means this notice of meeting dated 28<sup>th</sup> April 2017;

**Related Party** as has the same definition as it is defined in the Corporations Act;

**Resolution** means the resolutions set out in this Notice;

**Security holders or Shareholders** means the shareholders of the Company from time to time;

**Share** means a fully paid ordinary share in the Company;

**Subsidiary Company** means the Company's holding in its wholly owned subsidiary companies;

**US\$** means the lawful currency of the United States of America;

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# Raffles Capital Limited

ACN 009 106 049

## Explanatory Statement

### Introduction

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This Explanatory Statement is provided to shareholders of Raffles Capital Limited (the **Company** or **RAF**) to explain the Resolutions to be put to Shareholders at the General Meeting to be held at Level 2 Hudson House, 131 Macquarie St Sydney NSW 2000 at 2pm on 31 May 2017.

Please speak to your professional advisers if you have any questions about this document or how to vote at the Meeting.

### Voting and Proxy Instructions

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- (a) Shareholders, who are unable to attend and vote at the Meeting or any adjournment thereof, are entitled to appoint a proxy. Shareholders can appoint a body corporate or an individual as their proxy.
- (b) A Shareholder who is entitled to cast at least two or more votes at the Meeting is entitled to appoint one or more proxies.
- (c) Where a Shareholder is entitled to, and does appoint more than one proxy, each proxy must be appointed to represent a specified portion of the Shareholder's voting rights. If a Shareholder appoints two proxies but does not specify how many votes each proxy may exercise, each proxy may exercise half the votes. A proxy need not be a Shareholder of the Company.
- (d) Should a Shareholder desire to direct the proxy how to vote, the Shareholder should place a mark in the appropriate box, otherwise the proxy form will be deemed to constitute a direction to vote as the proxy decides.
- (e) Proxies will only be valid and accepted by the Company by email to [hkinstlinger@rafflescapital.com.au](mailto:hkinstlinger@rafflescapital.com.au) or by faxing completed Proxy Forms to +61 2 9251 7500 to be received not later than 48 hours before the Meeting.
- (f) Instructions in regard to lodging your proxy vote are provided on the enclosed proxy form.
- (g) If the proxy form is signed by an attorney, the original power of attorney under which the proxy form was signed (or a certified copy) must also be received by Company not less than 48 hours before the time of the Meeting.
- (h) If you appoint a proxy, you may still attend the Meeting. However, your proxy's right to speak and vote are suspended while you are present. Accordingly, you will be asked to revoke your proxy if you register at the Meeting.
- (i) If a representative of a corporation is to attend the Meeting, an appropriate document appointing the representative should be produced to the Chairman prior to the Meeting.

### Directors Associations

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Current Directors have no associations that are material for the purpose of this Notice of Meeting.

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## Resolution Summaries

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### 1. Resolution 1: Ordinary resolution to approve Remuneration Report

The Company's Remuneration Report for the financial year ended 31 December 2016 is set out on pages 9 to 10 of the 2016 Annual Report. The Annual Report is also available at [www.rafflescapital.com.au](http://www.rafflescapital.com.au).

A 25% or higher "no" vote at the meeting on Resolution 1 will trigger a reporting obligation to explain in its next AGM how any concerns of shareholders are being addressed. Shareholders are recommended by the Company to carefully read the Remuneration Report and raise any concerns or questions they may have regarding the Remuneration Policies.

For more details please see Section B of the Explanatory Statement to which shareholders must have regard to before voting on this resolution.

### 2. Resolution 2: Election of Directors

Resolution 2 seeks to re-appoint Richard Holstein as a Director of the Company, in accordance with Article 49.1.3 of the Company's Constitution. Mr Holstein's qualifications and experience are provided in the 2016 Annual Report.

For more details please see Section C of the Explanatory Statement to which shareholders must have regard to before voting on this resolution.

For more details please see Section D of the Explanatory Statement to which shareholders must have regard to before voting on this resolution.

## A: Further Information or Clarification

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If shareholders have any questions regarding anything in this Notice of Meeting or Explanatory Statement, please contact the Company Secretary on +61 2 9251 7177 or at [hkinstlinger@rafflescapital.com.au](mailto:hkinstlinger@rafflescapital.com.au).

As a company listed on the ASX and a "disclosing entity" under the Corporations Act, the Company is subject to regular reporting and disclosure obligations, which require it to announce price sensitive information as soon as it becomes aware of that information. The Company's most recent announcements are available from its website.

Further announcements concerning the Company will continue to be made available on the website after the date of this Notice of Meeting.

ASX maintains files containing publicly available information about entities listed on its exchange.

The Company's files are available for inspection from ASX during normal business hours and are available on the website at [www.rafflescapital.com.au](http://www.rafflescapital.com.au).

The Company is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by the Company may be obtained, or inspected at, ASIC offices.

The following documents are available for inspection free of charge prior to the General Meeting during normal business hours at the Company's registered address:

- the Constitution;
- the Company's annual reports for the financial years;
- the Company's interim reports for the 6 month periods; and
- the Company's public announcements.

The annual and interim reports and public announcements are also available on the ASX Announcements website.

## B: Resolution 1: Ordinary resolution to approve Remuneration Report

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The Company released the 2016 Annual Report for the period ended 31 December 2016 to the market on 30 March 2017. The 2016 Annual Report is available at [www.rafflescapital.com.au](http://www.rafflescapital.com.au). Directors recommend that shareholders read the 2016 Annual Report prior to voting on Resolution 1.

Shareholders are to note that Resolution 1 is a non-binding resolution. The effect of a "no" vote of more than 25% is that the Company at its next AGM will address shareholder concerns regarding remuneration policies. If shareholders have any queries regarding the remuneration of Key Management Personnel prior to the Meeting, please contact the Company Secretary.

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The Remuneration Report can be found on pages 9-10 of the 2016 Annual Report as tabled at this Notice of Meeting.

The Directors unanimously recommend that shareholders vote in favour of Resolution 1.

## **C: Resolution 2: Election of Directors**

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### **1. Company Constitution**

Article 48.3 of the Company's Constitution states that the Company in general meeting may appoint a director. Article 49.1 states that directors must compulsorily retire. A copy of the Company Constitution can be provided to Shareholders on request to the Company Secretary.

### **2. Resolution 2: Ordinary Resolution to elect Richard Holstein as a director**

Pursuant to Article 49.1.3 of the Company's constitution, Richard Holstein will retire as a director of the Company and is seeking re-election. Richard Holstein was initially appointed a director on 5 December 2014.

Mr Holstein's experience and qualifications are provided in the 2016 Annual Report tabled at this Annual General Meeting. A copy is also available at [www.rafflescapital.com.au](http://www.rafflescapital.com.au).

### **3. Directors Recommendations**

Aside from the individual Director seeking re-election, the Directors unanimously recommend that shareholders vote in favour of Resolution 2.

## **D: Resolution 3: Ratification of issue of Placement shares**

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Resolution 3 seeks shareholder ratification of the issue of 600,000 fully paid ordinary shares at an issue price of 20 cents per share by a private placement announced to the ASX on 28<sup>th</sup> April 2017 under section 708(8) of the Corporations Act (Placement Shares).

Subject to certain exceptions, Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 months period which amount to more than 15% of the Company's ordinary securities on issue at the commencement of that period without shareholder approval.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold in Listing Rule 7.1. If subsequent approval to 'personal offer' is provided by shareholders, it will "refresh" the Company's ability to issue shares up to the 15% limit without the need for shareholder approval.

The Company seeks shareholder ratification of the issue of shares under the personal offer, so that the Company will have flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of ASX Listing Rule 7.5, the following information is provided to shareholders to allow them to assess Resolution 5:

- a) A total number of 600,000 shares were allotted and issued.
- b) The shares were issued at an issue price of \$0.20 per share.
- c) The private placement of the Placement Shares was an "excluded offer" to sophisticated investors determined in accordance with Section 708 of the Corporations Act. The shares were placed with a sophisticated investor in accordance with Section 708 of the Corporation Act.
- d) None of the allottees is a related party of the Company.
- e) The shares issued were fully paid ordinary shares and rank equally in all respects with the existing fully paid ordinary shares on issue.
- f) The securities were issued on 28<sup>th</sup> April 2017.
- g) The funds raised will be used to fund working capital.
- h) A Voting Exclusion Statement is included for the purpose of Resolution 3.

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## Voting Information

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### 1. Voting Entitlement at the Annual General Meeting in accordance with Regulation 7.11.37 of the Corporations Regulations 2001.

For the purpose of determining a person's entitlement to vote at the Annual General Meeting, a person will be recognised as a member of the Company and the holder of shares if that person is registered as a holder of those shares at 5.00 pm AEST on 29 May 2017, being within 48 hours of the Annual General Meeting.

### 2. Votes of Members

On a show of hands, each member present in person or by proxy (or, in the case of a body corporate, by a representative) at the Annual General Meeting shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) shall have one vote for each share held provided that all shares are fully paid.

### 3. Voting

Please note that for a resolution to be passed, except where otherwise indicated, a simple majority of votes from shareholders attending in person or voting by proxy is required.

### 4. Amendments to proxy voting

Shareholders are advised that the Federal government has introduced the Corporations Amendment (improving Accountability on Director and Executive Remuneration) Act 2011 (Cth) (the CA Act), which came into effect on 1 July 2011. The CA Act introduced new prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (ie. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given informed consent, in the form of an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel (Informed Consent).

In light of these legislative requirements, the Company recommends that shareholders consider the following options to ensure the validity of their votes:

- a) that shareholders direct proxies on a remuneration related resolution instead of leaving them undirected; or
- b) that shareholders nominate a proxy who is not a member of Key Management Personnel or any of their Closely Related Parties to vote on a remuneration related resolution; or
- c) that shareholders who wish to vest their undirected proxies in the chair on a remuneration related resolution ensure that they follow instructions provided on the proxy form in order to provide Informed Consent.



**RAFFLES CAPITAL LIMITED**  
(ACN 009 106 049)

**ANNUAL GENERAL MEETING OF SHAREHOLDERS  
PROXY FORM**

**Please complete, sign and return this document to:**

To: The Secretary  
Raffles Capital Limited  
Level 2, Hudson House  
131 Macquarie Street  
SYDNEY NSW 2000

fax executed form to: +61 (2) 9251 7500  
email executed form to: [corporate@rafflescapital.com.au](mailto:corporate@rafflescapital.com.au)  
By 5.00 pm AEST on 29 May 2017.

I / We .....  
being a member of Raffles Capital Limited (the **Company**) appoint:

**Name of proxy:** .....

**Address of proxy:** .....

Or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my / our proxy to act generally at the Meeting on my / our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of the Company on 31 May 2017 and at any adjournment of or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:**

Where I / we have appointed the Chairman of the Meeting as my / our proxy (or the Chairman becomes my / our proxy by default), I / we expressly authorise the Chairman to exercise my / our proxy on Resolution 1 (except where I / we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box below.

The Chairman intends to vote all undirected proxies that he receives in favour of each resolution to be brought before the meeting, except where the Chairman is expressly forbidden to do so, under the *Corporations Act 2001* (Cth).

**Items of Business**

Please mark ☒ to indicate your directions

**PLEASE NOTE:** If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or poll and your votes will not be counted in computing the required majority.

RESOLUTIONS	FOR	AGAINST	ABSTAIN
Resolution 1 – Ordinary Resolution to adopt the Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Ordinary resolution to elect Richard Holstein as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ordinary resolution to approve the Placement shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the meeting intends to vote all available proxies in favour of each item of business.

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## SIGNATURE OF MEMBER (S)

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

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

Contact Name: \_\_\_\_\_ Contact Phone (daytime): \_\_\_\_\_

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### Notes on Proxies

1. Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box, your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.
2. A member entitled to attend and vote at this meeting is entitled to appoint not more than two proxies to attend and vote in his stead pursuant to the Constitution.
3. If a member appoints one proxy only, that proxy shall be entitled to vote on a show of hands, but if a member appoints two proxies neither shall be entitled to vote on a show of hands.
4. Where more than one proxy is appointed, each proxy must be appointed to represent a specific portion of the member's voting rights. Otherwise each proxy may exercise half of your votes.
5. A proxy need not be a security holder of the Company.
6. Signing instructions:

**Individual:** Where the holding is in one name, the security holder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the security holders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry or the Company, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to Section 204A of the *Corporations Act* 2001 (Cth)) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

For your vote to be effective, the completed proxy form must be received by 5.00 pm AEST on 29 May 2017.

Please advise of any change of address by completion of the section below:

My new address is: