

Kresta Holdings Ltd

ACN 008 675 803

Notice of General Meeting and Explanatory Statement

Date of Meeting

Friday, 12 April 2019

Time of Meeting

11.00am (WST)

Place of Meeting

380 Victoria Road, Malaga

Western Australia 6090

This is an important document. Please read it carefully and in its entirety. If you do not understand it please consult with your professional advisers.

If you are unable to attend the Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions set out in that form.

Notice of General Meeting
Kresta Holdings Limited
ACN 008 675 803

Notice is given that the General Meeting of Kresta Holdings Limited ACN 008 675 803 (the **Company**) will be held at 380 Victoria Road, Malaga, Western Australia on Friday, 12 April 2019 commencing at 11.00am (WST).

The Explanatory Statement to this Notice of Meeting forms part of the Notice and provides additional information on matters to be considered at the General Meeting.

Definitions of capitalised terms used in the Notice of Meeting and Explanatory Statement are set out in the Explanatory Statement.

Business of the Meeting

1. RESOLUTION 1 – REMOVAL OF AUDITOR

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

“That, pursuant to section 329(1) of the Corporations Act 2001 (Cth) and for all other purposes, Ernst & Young, the current auditor of the Company, be removed as the auditor of the Company effective from the date of the Meeting.”

2. RESOLUTION 2 – APPOINTMENT OF AUDITOR

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

“That, subject to the passing of Resolution 1, for the purpose of Section 327D of the Corporations Act 2001 (Cth), and for all other purposes, Mazars Risk & Assurance Pty Limited having been nominated for appointment as the Company’s Auditor and having consented in writing to act, be appointed as auditor of the Company effective from the date of the Meeting effective from the date of the Meeting.”

By order of the Board:

Date: 15 March 2019

Signed:



Name:

MingMing, Zhang

Company Secretary

VOTING INSTRUCTIONS

1. Required Majorities

Resolution 1 is an **ordinary resolution** and will be passed only if supported by a majority of the votes cast by Shareholders entitled to vote on Resolution 1 in person, by proxy, or by an authorised representative.

Resolution 2 is a **special resolution** and will be passed only if supported by at least 75% of the votes cast by Shareholders entitled to vote on Resolution 2 in person, by proxy, or by an authorised representative.

2. Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Meeting and should be read in conjunction with it. Shareholders are specifically referred to the Definitions Section in Section 5 of the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Meeting and the Explanatory Statement.

3. Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that body corporate's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

To vote by proxy, the Proxy Form (together with the original of any power of attorney or other authority, if any, or certified copy of that power of attorney or other authority under which the Proxy Form is signed) must be received at the Company no later than 11.00am (WST) on Wednesday, 10 April 2019, which will be no more than 48 hours before the date of the Meeting. Proxy Forms received after that time will be invalid.

Details for sending your proxy form are as follows.

Address: Kresta Holdings Limited
Attn: Company Secretary
PO Box 3036
Malaga DC WA 6945

Facsimile: Australia: (08) 9249 7806 International: +61 8 9249 7806

Email: shareholder@khl.com.au

4. Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Company has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 11.00am (WST) on Wednesday, 10 April 2019, which will be no more than 48 hours before the date of the Meeting. Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlements to attend and vote at the Meeting.

EXPLANATORY STATEMENT TO SHAREHOLDERS

KRESTA HOLDINGS LIMITED

ACN 008 675 803

IMPORTANT NOTICE

Shareholders should read this Explanatory Statement in full and if they have any questions, obtain professional advice before making any decisions in relation to the Resolutions to be put to Shareholders at the meeting.

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting to be held at 380 Victoria Road, Malaga, Western Australia on Friday, 12 April 2019 commencing at 11.00am (WST).

You should read this Explanatory Statement in full before making any decision in relation to the Resolutions. If Shareholders are in doubt about what to do in relation to the Resolutions, they should consult a financial or other professional adviser.

2. RESOLUTION 1 – REMOVAL OF AUDITOR

On 13 March 2019, the Company received a notice of intention to move a resolution to remove the Company's current auditor, Ernst & Young, from a Shareholder with at least 5% of the votes that may be cast on the resolution pursuant to section 329(1A) of the Corporations Act (**Notice of Intention**).

In accordance with the requirements of section 329(2) of the Corporations Act, a copy of the Notice of Intention was sent to Ernst & Young and lodged with ASIC on 15 March 2019. Under section 329(3) of the Corporations Act, Ernst & Young is entitled, within 7 days of receipt of the Notice of Intention, to make representations in writing to the Company and to request those representations be sent to shareholders prior to the General Meeting.

The Notice of Intention was received shortly after the Company was advised by Ernst & Young that it had lodged an application with ASIC on 24 January 2019 seeking ASIC's consent for its resignation as auditor of the Company and that ASIC had subsequently refused the application.

The process initiated as detailed above will allow the Company's shareholders to vote on the proposed change of the Company's auditor.

The Directors recommend that Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 – APPOINTMENT OF AUDITOR

Under section 327D of the Corporations Act, the Company may at a general meeting immediately appoint an auditor to replace an auditor removed under section 329 of the Corporations Act.

Resolution 2 is a special resolution seeking the appointment of Mazars Risk & Assurance Pty Limited (**Mazars**) as the new auditor of the Company. As required by the Corporations Act, a nomination for Mazars to be appointed as the auditor of the

Company has been received from a shareholder of the Company. A copy of the nomination of Mazars as the Company's auditor is set out in Annexure A.

Mazars has given consent to be appointed auditor to the Company with effect from the passing of Resolution 2, and has not withdrawn its consent, in accordance with section 328A of the Corporations Act.

The Directors recommend that Shareholders vote in favour of Resolution 2.

If Resolutions 1 and 2 are passed, the appointment of Mazars as the Company's auditor will take effect at the close of the General Meeting. Resolution 2 is subject to the passing of Resolution 1.

4. DEFINITIONS

In this Explanatory Statement and Notice:

General Meeting or **Meeting** mean the general meeting of the Shareholders of the Company convened by the Notice.

ASX means ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the auditor of the Company.

Board means the board of Directors.

Company or **Kresta** means Kresta Holdings Limited ACN 008 675 803.

Constitution means the Constitution of the Company in effect immediately prior to and during the General Meeting.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Notice means this notice of General Meeting.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution to be considered at the Meeting as contained in the Notice.

Section means a section of this Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

WST means Australian Western Standard Time.

ANNEXURE A – NOMINATION OF AUDITOR**Notice of nomination of auditor**

Date 13 March 2019

The Board of Directors
Kresta Holdings Limited
380 Victoria Road
Malaga WA 6090

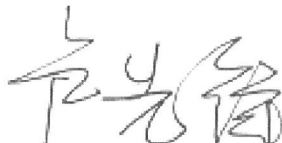
Dear Directors

Notice of nomination of auditor of Kresta Holdings Limited ABN 26 008 675 803 (Company)

In accordance with section 328B(3) of the *Corporations Act 2001 (Cth) (Act)*, Suntarget (Hong Kong) Trading Co Limited nominates Mazars Risk & Assurance Pty Limited for appointment as auditor of the Company at the next general meeting of the Company.

Please distribute copies of this Notice of Nomination as required by section 328B(3) of the Act.

Signed for and on behalf of Suntarget (Hong Kong) Trading Co Limited by its duly authorised representative:



.....
Signature of authorised representative

XianFeng Lu

.....
Name of authorised representative
(please print)

Kresta Holdings Limited
ACN 008 675 803
Proxy form

Name: _____

Address: _____

SRN / HIN: _____

Appointment of Proxy

I / We being a member(s) of Kresta Holdings Limited and entitled to attend and vote appoint:

 (Write here the name of the person you are appointing)

or failing the attendance at the meeting of the person named, or if no person is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting and to vote in accordance with the following directions on this proxy form (or if no directions have been given, to the extent permitted by law as the proxy sees fit) at the General Meeting of Kresta Holdings Ltd to be held at 380 Victoria Road, Malaga, Western Australia at 11.00am (WST) on Friday, 12 April 2019 (**Meeting**) and at any adjournment of that Meeting.

The Chairman of the Meeting intends to vote all undirected proxies in favour of all resolutions.

Votes on items of business (please mark **X** to indicate your directions)

		FOR	AGAINST	ABSTAIN
Resolution 1	Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appointment of second proxy

If two proxies are being appointed, the proportion of voting rights this proxy represents is: %

Authorised Signature(s) This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual / Security holder 1
 Sole Director, Sole Co Secretary

Security Holder 2
 Director

Security Holder 3
 Director/Company Secretary

Contact Details:

Email Address: _____ Contact Telephone Number: _____

Voting By Proxy – How to complete the Proxy Form

Your name, Address and Shareholder Details

Please complete your name and address as it appears on the share register of Kresta Holdings Ltd and insert your SRN/HIN number.

Appointment of a Proxy

Please write the name of that person you wish to appoint as proxy in the space indicated. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman will be your proxy and vote on your behalf. A proxy need not be a shareholder of Kresta Holdings Ltd.

Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy will vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second proxy

If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company, or you may copy this form. Where more than one proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes.

To appoint a second proxy you must state the percentage of your voting rights on each of the first Proxy Form and the second Proxy Form and return both forms together.

Authorised Signature(s)

You must sign this form as follows in the spaces provided:

- Individual: in the case of one holder, the holder must sign.
 - Joint Holding in the case of joint holders the Proxy Form must be signed by all holders.
 - Power of attorney if signed under a power of Attorney, you must have already lodged it with the Company, or alternatively, attach a certified copy of the power of Attorney to this Proxy Form when you return it.
 - Companies a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also the sole Secretary can also sign this. If the company (pursuant to section 204A of the Corporations Act 2001 (Cth)) does not have a company secretary, a sole director may sign alone. Please indicate the office held signing in the appropriate space.
- by

If a representative of a company Shareholder is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the Meeting or at the registration desk on the day of the Meeting. A form of the certificate may be obtained from the Company.

Lodgement of Proxy Form

This Proxy Form and any Power of Attorney or other authority under which it is signed must be received no later than 11.00am (WST) on Wednesday, 10 April 2019. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Documents may be lodged by:

- Delivering it to Kresta Holdings Ltd at 380 Victoria Road, Malaga, Western Australia 6090
- Posting it to Kresta Holdings Ltd at PO Box 3036 Malaga DC WA 6945
- Faxing it to the Company on its facsimile number at +61 8 9249 7806
- Emailing it to the Company at shareholder@khl.com.au (Important: Please include SRN/HIN if emailing Proxy)