



## SPRING GALLERY BERHAD

(Company No. 504718-U)

(Incorporated in Malaysia under the Companies Act, 1965)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of Spring Gallery Berhad ("SGB" or the "Company") will be held at Level 16, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Monday, 5 September 2016 at 9.00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

#### SPECIAL RESOLUTION 1

#### PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF SGB PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") INVOLVING THE CANCELLATION OF RM0.25 OF THE PAR VALUE OF EVERY EXISTING ORDINARY SHARE OF RM0.50 EACH TO RM0.25 EACH ("PROPOSED PAR VALUE REDUCTION")

"THAT subject to the passing of the Special Resolution 1 for the par value reduction of irredeemable convertible preference shares ("ICPS") at the Class Meeting of ICPS holders following this EGM, confirmation of the High Court of Malaya pursuant to Section 64 of the Act and approvals being obtained from the relevant authorities and parties, approval be and is hereby given to the Company to effect a reduction in the par value of every existing ordinary share of RM0.50 each to RM0.25 each and the credit arising therefrom shall be applied towards eliminating the accumulated losses of the Company as at the effective date of the Proposed Par Value Reduction and the balance arising thereafter will be credited to the retained earnings account of the Company which may be utilised in such manner as the Board of Directors of the Company ("Board") deems fit and as permitted by relevant and applicable laws in Malaysia;

AND THAT the Board be and is hereby authorised to do all such acts and things that they may consider necessary or expedient in the best interest of the Company to give effect to the Proposed Par Value Reduction with full power to assent to any term, condition, modification, variation and/or amendment as may be imposed or required by the relevant authorities and/or the High Court of Malaya."

#### SPECIAL RESOLUTION 2

#### PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF SGB TO FACILITATE THE PROPOSED PAR VALUE REDUCTION ("PROPOSED AMENDMENTS")

"THAT subject to the passing of the Special Resolution 1 above and also the approvals being obtained from the relevant authorities, the Memorandum of Association of the Company be amended by deleting the existing Clause VI of the Memorandum of Association of the Company in its entirety and replacing it with the following new Clause VI:

Existing	Proposed Amendments
<b>Memorandum of Association Clause VI</b> The Capital of the Company is <b>Ringgit Malaysia Five Hundred and Fifty Million (RM550,000,000.00)</b> divided into <b>One Billion (1,000,000,000)</b> ordinary shares of <b>Ringgit Malaysia Fifty sen (RM0.50)</b> each and <b>One Billion (1,000,000,000)</b> irredeemable convertible preference shares of <b>Ringgit Malaysia Five sen (RM0.05)</b> each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as for dividends, capital, voting or otherwise.	<b>Memorandum of Association Clause VI</b> The Capital of the Company is <b>Ringgit Malaysia Five Hundred and Fifty Million (RM550,000,000.00)</b> divided into <b>Two Billion (2,000,000,000)</b> ordinary shares of <b>Ringgit Malaysia Twenty Five sen (RM0.25)</b> each and <b>Two Billion (2,000,000,000)</b> irredeemable convertible preference shares of <b>Ringgit Malaysia Two Point Five sen (RM0.025)</b> each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as for dividends, capital, voting or otherwise.

#### By Order of the Board

**Lee Wai Ngan (LS00184)**

**Tan Kok Siong (LS0009932)**

Company Secretaries

Kuala Lumpur

12 August 2016

#### Notes:

1. Only depositors whose names appear in the Record of Depositors as at 29 August 2016 are entitled to attend, speak and vote at the meeting.
2. Where a member/ICPS holder of the Company is entitled to attend and vote at the meeting is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares/ICPS of the Company standing to the credit of the said Securities Account.
3. Where a member/ICPS holder of the Company is an exempt authorised nominee which holds ordinary shares/ICPS in the Company for multiple beneficial owners in one (1) 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. An exempt authorised nominee refers to an authorised nominee defined under Securities Industry (Central Depositories) Act, 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A (1) of SICDA.
4. Where a member/ICPS holder or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings/ICPS holdings to be represented by each proxy must be specified in the instrument appointing the proxies failing which, the appointment(s) shall be invalid.
5. A proxy may but need not be a member/ICPS holder of the Company. If the proxy is not a member/ICPS holder, the proxy need not be an advocate, an approved company auditor or a person approved by the Companies Commission of Malaysia.
6. The instrument appointing a proxy or proxies, in the case of an individual, shall be signed by the appointer or his/her attorney and in the case of a corporation, either under seal or under the hand of a duly authorised officer or attorney.
7. If there is no indication as to how a member/ICPS holder wishes his/her vote to be cast, the proxy will vote or abstain from voting at his/her discretion. In the event a member/ICPS holder duly executes the Form of Proxy but does not name any proxy, such member/ICPS holder shall be deemed to have appointed the Chairman of the meeting as his/her proxy.
8. To be valid, the instrument appointing a proxy or proxies shall be deposited at the Registered Office of the Company at Plaza 138, Suite 18.03, 18<sup>th</sup> Floor, 138 Jalan Ampang, 50450 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or at any adjournment thereof.