



SPRING GALLERY BERHAD

(Company No. 504718-U)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF CLASS MEETING

NOTICE IS HEREBY GIVEN THAT a Class Meeting of ICPS holders ("CM") 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 9.30 a.m. or immediately upon the conclusion or adjournment (as the case may be) of the Extraordinary General Meeting of the Company to be held at the same venue on the same day at 9.00 a.m., whichever is later, 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 VIA THE CANCELLATION OF RM0.025 OF THE PAR VALUE OF EVERY EXISTING IRREDEEMABLE CONVERTIBLE PREFERENCE SHARE ("ICPS") OF RM0.05 EACH TO RM0.025 EACH PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") ("PROPOSED PAR VALUE REDUCTION")

"THAT subject to the passing of the Special Resolution 1 for the par value reduction of ordinary shares at the Extraordinary General Meeting preceding this CM, confirmation of the High Court of Malaya pursuant to Section 64 of the Act, the passing of the Special Resolution 2 below 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 ICPS of RM0.05 each to RM0.025 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 ARTICLES 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, Article 5 of the Articles of Association of the Company be amended as follows:

Existing	Proposed Amendments
<p>Articles of Association</p> <p>Article 5</p> <p>Irredeemable Convertible Preference Shares ("ICPS")</p> <p>The ICPS shall have the rights and privileges and be subject to the conditions as set out below:-</p> <p><u>Salient Terms</u></p> <p>Par value: RM0.05 per ICPS.</p> <p>SGB Shares or Shares: Ordinary shares of RM0.50 each in the Company.</p>	<p>Articles of Association</p> <p>Article 5</p> <p>Irredeemable Convertible Preference Shares ("ICPS")</p> <p>The ICPS shall have the rights and privileges and be subject to the conditions as set out below:-</p> <p><u>Salient Terms</u></p> <p>Par value: RM0.025 per ICPS.</p> <p>SGB Shares or Shares: Ordinary shares of RM0.25 each in the Company.</p>

AND THAT the Board be and are hereby authorised to do all acts, deeds and things and execute all necessary documents with full power to make any modifications, variations and/or amendments in any manner as they may be in the best interest of the Company or as may be required by the relevant authorities and to take all steps as they may deem necessary and expedient in order to implement, finalise and give full effect to the Proposed Amendments."

By Order of the Board

Lee Wai Ngan (LS00184)
Tan Kok Siong (LS0009932)

Company Secretaries

Kuala Lumpur

12 August 2016

Notes:

- 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.
- Where an ICPS holder of the Company 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 ICPS of the Company standing to the credit of the said Securities Account.
- Where an ICPS holder of the Company is an exempt authorised nominee which holds 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.
- Where an 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 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.
- A proxy may but need not be an ICPS holder of the Company. If the proxy is not an ICPS holder, the proxy need not be an advocate, an approved company auditor or a person approved by the Companies Commission of Malaysia.
- 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.
- If there is no indication as to how an ICPS holder wishes his/her vote to be cast, the proxy will vote or abstain from voting at his/her discretion. In the event an ICPS holder duly executes the Form of Proxy but does not name any proxy, such ICPS holder shall be deemed to have appointed the Chairman of the meeting as his/her proxy.
- 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, 18th 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.