



STERLING PROGRESS BERHAD

(FORMERLY KNOWN AS 1 UTOPIA BERHAD)

(Company No. 679361-D)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("EGM") of Sterling Progress Berhad (formerly known as 1 Utopia Berhad) ("SPB" or the "Company") will be held at Level 16, Persoft Tower, 6B Persiaran Tropicana, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 October 2016 at 10.30 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without any modifications, the following resolutions:

SPECIAL RESOLUTION

PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF SPB VIA THE CANCELLATION OF RM0.075 OF THE PAR VALUE OF EVERY EXISTING ORDINARY SHARES OF RM0.100 EACH IN SPB TO RM0.025 EACH IN SPB PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") ("PROPOSED PAR VALUE REDUCTION")

"THAT subject to and conditional upon the sanction of the High Court of Malaya pursuant to Section 64 of the Act and approvals being obtained from the relevant authorities and parties (where required), approval be and is hereby given to the Company to implement a reduction in the par value of the ordinary shares of RM0.100 each in SPB to RM0.025 each in SPB and the credit arising therefrom shall be applied towards reducing or 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 with full powers to take all steps and do all such acts and things that it may consider necessary or expedient in the best interest of the Company to give full effect to the Proposed Par Value Reduction with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed or required by the relevant authorities and/or the High Court of Malaya."

ORDINARY RESOLUTION

PROPOSED SHARE CONSOLIDATION OF EVERY FOUR (4) ORDINARY SHARES OF RM0.025 EACH IN SPB INTO ONE (1) NEW ORDINARY SHARE OF RM0.100 EACH IN SPB ("CONSOLIDATED SHARE") AFTER THE PROPOSED PAR VALUE REDUCTION ("PROPOSED SHARE CONSOLIDATION")

"THAT subject to and conditional upon the passing of the Special Resolution above, the completion of the Proposed Par Value Reduction and also the approvals being obtained from the relevant authorities, approval be and is hereby given to the Company to consolidate every four (4) existing ordinary shares of RM0.025 each in SPB into one (1) new ordinary share of RM0.100 each in SPB ("Consolidated Shares");

THAT the Consolidated Shares shall, upon allotment and issuance, rank *pari passu* in all respects with each other;

THAT fractional entitlements arising from the Proposed Share Consolidation, if any, shall be disregarded and dealt with by the Board in such manner at its absolute discretion as deems fit or expedient in the best interest of the Company;

AND THAT the Board be and is hereby authorised with full powers to take all steps and do all such acts and things as it may consider necessary or expedient and/or appropriate in the best interest of the Company to give full effect to the Proposed Share Consolidation with full powers to assent to any conditions, modifications, variations and/or amendments whether required by the relevant authorities or otherwise deemed to be in the best interest of the Company."

By Order of the Board

LEE PENG LOON (MACS 01258)
P'NG CHIEW KEEM (MAICSA 7026443)
Joint Company Secretaries

Penang

Dated: 5 October 2016

Notes:

1. A proxy may but need not be a member of the Company or a qualified legal practitioner or an approved company auditor or a person approved by the Registrar of Companies.
2. To be valid, the proxy form, duly completed must be deposited at the Registered Office of the Company at 51-21-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member(s) duly executes the proxy form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, PROVIDED ALWAYS that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
3. A member shall be entitled to appoint two (2) or more proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member is an exempt authorised nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds.
5. If the appointor is a corporation, this form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only a depositor whose name appear on the Record of Depositors on 21 October 2016 shall be eligible to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.