

SCAN ASSOCIATES BERHAD

(Company No. : 525669-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of SCAN ASSOCIATES BERHAD ("Company") will be held at Tulip Room, Ground Floor, Menara Atlan, 161-B, Jalan Ampang, 50450 Kuala Lumpur on Thursday, 24 June 2010 at 2.30 p.m. for the following purposes:

AGENDA

Ordinary Business

- To lay the Audited Financial Statements for the financial year ended 31 December 2009 together with the Reports of the Directors and the Auditors thereon.
- Directors' fees
 - To approve the payment of Directors' fees of RM76,000 for the financial year ended 31 December 2009.
 - To approve the increase in Directors' fees by an amount of not more than RM56,000 in aggregate with effect from 1 January 2010.
- To re-elect the following Directors, who are retiring pursuant under Article 88 of the Articles of Association of the Company, and being eligible, offering themselves for re-election:
 - Prof. Dato' Dr. Norbik Bashah Bin Idris
 - Shaharil bin Abdul Malek
- To re-elect Andrew Su Meng Kit, who is retiring pursuant under Article 81 of the Articles of Association of the Company being eligible, offering himself for re-election.
- To appoint Messrs Baker Tilly Monteiro Heng as Auditors of the Company in place of the retiring Auditors, Messrs Khairuddin Hasyudeen & Razi, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix the auditors' remuneration. The notice of nomination pursuant to Section 172 (11) of the Companies Act, 1965 in respect of the nomination of Messrs Baker Tilly Monteiro Heng for appointment as Auditors of the Company in place of the retiring Auditors, Messrs Khairuddin Hasyudeen & Razi, has been received by the Company, a copy of which is marked as "Annexure A" in the Annual Report.

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

Special Business

To consider and if thought fit, pass the following ordinary resolutions:

- Authority to Issue and Allot Shares Pursuant to Section 132D of the Companies Act, 1965

Ordinary Resolution 7

"THAT pursuant to Section 132D of the Companies Act, 1965 ("the Act"), the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, until the conclusion of the next Annual General Meeting ("AGM") and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares does not exceed ten per centum (10%) of the issued share capital of the Company at the time of issue and THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued, subject to the Companies Act, 1965, the Articles of Association of the Company and approval from Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant bodies where such approval is necessary."

- Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Ordinary Resolution 8

"THAT subject to the Listing Requirements of Bursa Securities for the ACE Market ("Listing Requirements"), approval be and is hereby given to the Company and/or its subsidiaries to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with such Directors and/or major shareholders of the Company and/or its subsidiaries, as set out in Section 2 of the Circular to Shareholders dated 2 June 2010, which are necessary for day-to-day operations of the Company and/or its subsidiaries ("Shareholders' Mandate"), provided that:

- the transactions are in the ordinary course of business and are on normal commercial terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- the Shareholders' Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of the transactions conducted pursuant to the Shareholders' Mandate during the financial year; and

THAT the authority conferred by such Shareholders' Mandate shall continue to be in force until:

- the conclusion of the next AGM of the Company following this Ninth AGM, at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed; or
- the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earlier.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to the Shareholders' Mandate contemplated and/or authorised by this Ordinary Resolution."

BY ORDER OF THE BOARD

LIM MING TOONG (MAICSA 7000281)
MASHARUM BINTI ABDUL WAHAB (MAICSA 7041619)
SITI SARAH BINTI ABD RAHMAN (MAICSA 7059191)

COMPANY SECRETARIES

Kuala Lumpur
2 June 2010

Notes:

- A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend and vote in his/her stead. If a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member, he/she need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney or if such appointor is a corporation under its common seal or the hands of its attorney.
- The instrument appointing a proxy must be deposited at the Company Secretary's office at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P. Ramlee, 50250 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the AGM or any adjournment thereof.

Explanatory Note on the Special Business

Ordinary Resolution 7
Authority to Allot Shares pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company, from the date of the Annual General Meeting, to issue shares (other than bonus or rights issue) of the Company up to and not exceeding in total 10% of the issued share capital of the Company at the time of issue for such purpose as they considered would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 25 June 2009 and which will lapse at the conclusion of the Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisition.

Ordinary Resolution 8
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature

The proposed Ordinary Resolution 8, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.