

SCOPE

SCOPE INDUSTRIES BERHAD

(Company No: 591376-D)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Scope Industries Berhad (591376-D) ("**Scope**" or "**Company**") will be held at Bamboo Room, Scope Manufacturers (M) Sdn Bhd, Lot 6181, Jalan Perusahaan 2, Kawasan Perindustrian Parit Buntar, 34200 Parit Buntar, Perak on Thursday, 18 April 2013 at 11.00 a.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:-

ORDINARY RESOLUTION 1

PROPOSED MERGER OF THE BUSINESSES OF SCOPE AND MATANG HOLDINGS BERHAD ("MATANG") THROUGH THE TRANSFER OF THE ENTIRE BUSINESS AND UNDERTAKINGS, INCLUDING ALL ASSETS AND LIABILITIES, OF MATANG TO SCOPE FOR A TOTAL CONSIDERATION OF RM145,000,000 ("PROPOSED MERGER")

"THAT subject to the passing of ordinary resolutions 3 and 4, approvals of all relevant authorities and/or persons being obtained and/or relevant requirements for completion being met, approval be and is hereby given for the Company for the proposed merger of the businesses of Scope and Matang through the transfer of the entire business and undertakings, including all assets and liabilities of Matang to Scope for a total consideration of RM145,000,000 to be satisfied via the issuance of 580,000,000 new ordinary shares of RM0.10 each in Scope ("**Scope Shares**") ("**Merger Consideration Shares**") at an issue price of RM0.25 per Scope Share in accordance to the terms and conditions of the conditional business merger agreement dated 19 November 2012, including any modifications, variations, amendments and additions thereto from time to time;

AND THAT the Merger Consideration Shares shall, upon allotment and issue, rank pari passu in all respects with the existing Scope Shares except that they shall not be entitled to any dividends, rights, allotment and/or other distributions, the entitlement date of which precedes the relevant dates of allotment of such Merger Consideration Shares;

AND THAT the Board of Directors of the Company ("**Board**") be and is hereby empowered and authorised to take all such steps and do all acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver on behalf of the Company, all such documents as they may deem necessary, expedient and/or appropriate to implement and give full effect to and complete the Proposed Merger with full powers to assent to any conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit and/or as may be imposed or permitted by any other relevant authorities in connection with the Proposed Merger."

ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN BENUA MUTIARA SDN BHD ("BENUA") FOR A TOTAL CONSIDERATION OF RM31,720,000 ("PROPOSED BENUA ACQUISITION")

"THAT subject to the passing of ordinary resolution 4, approvals of all relevant authorities and/or persons being obtained and/or relevant requirements for completion being met, approval be and is hereby given for the Company for the proposed acquisition of 500,000 ordinary shares of RM1.00 each in Benua, representing 100% of the issued and paid-up share capital of Benua for a total consideration of RM31,720,000 ("**Purchase Consideration**") from Agriculturists Incorporated Sdn Bhd, Agriculturists Incorporated Development Sdn Bhd and Chew Kong Yoon (Collectively referred to as "**Vendors**") to be satisfied via the following:-

- the assumption of the liabilities and repayment obligation by Scope of the outstanding amount due from the Vendors and their related parties (including but not limited to the amount due from an affiliate company and other receivables which comprise of amount due from parties related to the Vendors or existing directors of Benua) to Benua ("**Net Amount Due From Vendors and Related Parties**") as at the completion date of the Proposed Benua Acquisition, the amount of which will be confirmed by the auditors of Benua, provided always that the Net Amount Due From Vendors and Related Parties as at the completion date shall not take into the account receivables due from the parties related to the Vendors or existing directors of Benua, arising from normal on-going trade transactions or within its ordinary course of business of Benua and the credit period for such receivable amounts does not exceed forty five (45) days; and
- the issuance by Scope of up to 126,880,000 new Scope Shares at an issue price of RM0.25 per Share ("**Benua Consideration Shares**") to the Vendors whereby the final number of Benua Consideration Shares to be issued shall be determined at the completion date, being the Purchase Consideration less the Net Amount Due From Vendors and Related Parties as at the completion date;

AND THAT the Benua Consideration Shares shall, upon allotment and issue, rank pari passu in all respects with the existing Scope Shares except that they shall not be entitled to any dividends, rights, allotment and/or other distributions, the entitlement date of which precedes the relevant dates of allotment of such Benua Consideration Shares;

AND THAT the Board be and is hereby empowered and authorised to take all such steps and do all acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver on behalf of the Company, all such documents as they may deem necessary, expedient and/or appropriate to implement and give full effect to and complete the Proposed Benua Acquisition with full powers to assent to any conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit and/or as may be imposed or permitted by any other relevant authorities in connection with the Proposed Benua Acquisition."

ORDINARY RESOLUTION 3

PROPOSED EXEMPTION UNDER PARAGRAPH 16, PRACTICE NOTE 9 OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2010 TO MATANG AND PARTIES ACTING IN CONCERT WITH MATANG FROM THE OBLIGATION TO EXTEND A TAKE-OVER OFFER FOR ALL THE REMAINING SECURITIES IN SCOPE NOT ALREADY OWNED BY THEM UPON COMPLETION OF THE PROPOSED MERGER ("PROPOSED EXEMPTION")

"THAT, subject to the passing of ordinary resolution 1 and the approval being obtained from the Securities Commission Malaysia and in compliance with the Malaysian Code on Take-Overs and Mergers, 2010, approval be and is hereby given for the proposed exemption to Matang and parties acting in concert with Matang, from the obligation to extend a mandatory take-over offer for all the remaining securities in Scope not already owned by them upon the completion of the Proposed Merger;

AND THAT the Board be and are hereby authorised to do all such acts and things and to take such steps that are necessary to give full effect to the Proposed Exemption."

ORDINARY RESOLUTION 4

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL FROM RM100,000,000 COMPRISING 1,000,000,000 SCOPE SHARES TO RM200,000,000 COMPRISING 2,000,000,000 SCOPE SHARES ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT approval be and is hereby given to the Board to increase the authorised share capital of Scope from RM100,000,000 comprising 1,000,000,000 Scope Shares to RM200,000,000 comprising 2,000,000,000 Scope Shares.

AND THAT the Memorandum and Articles of Association will accordingly be amended to reflect the increase in the authorised share capital".

SPECIAL RESOLUTION

PROPOSED CHANGE OF NAME OF THE COMPANY TO MATANG SCOPE BERHAD ("PROPOSED CHANGE OF NAME")

"THAT subject to the passing of Ordinary Resolution 1, the name of the Company be and is hereby changed from Scope Industries Berhad to Matang Scope Berhad with effect from the date of the Certificate of Incorporation on the Change of Name of Company issued by the Companies Commission of Malaysia;

AND THAT the name of the Company wherever it appears in the Memorandum and Articles of Association will accordingly be amended to reflect the change;

AND FURTHER THAT the Board be and are hereby authorised to do all such acts, deed and things as are necessary to give full effect to the Proposed Change of Name."

BY ORDER OF THE BOARD

CHEE WAI HONG (MIA 17181)
FOO LI LING (MAICSA 7019557)
Company Secretaries

Penang

27 March 2013

Notes:

- A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- The proxy form must be duly completed and deposited at the Registered Office of the Company, 51-13-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang not less than forty-eight (48) hours before the time for holding the meeting.
- A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting.
- Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.