

SCOPE

SCOPE INDUSTRIES BERHAD
(Registration No. 200201023713 (591376-D))
(Incorporated in Malaysia)

ERRATA TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING (“EGM”)

4 May 2021

To: Dear Valued Shareholders of Scope Industries Berhad

Reference is made to the Company’s announcement made to Bursa Malaysia Securities Berhad on 3 May 2021 pertaining to the Notice of EGM.

We wish to inform that there is a typographical error in the Ordinary Resolution 2 of the Notice of EGM, where the by-laws of the Proposed ESS should be set out in Appendix II instead of Appendix I.

Save for the above-mentioned amendment, all other details and information in the Notice of the EGM remain valid and unchanged. A copy of the revised Notice of EGM is enclosed for your reference. We regret for any inconvenience caused.

Yours faithfully
SCOPE INDUSTRIES BERHAD

Lee Min Huat
Executive Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Scope Industries Berhad (“**Scope**” or “**the Company**”) will be conducted fully virtual through live streaming from the Broadcast Venue at Meeting Room, Scope Manufacturers (M) Sdn. Bhd. Lot 6181 Jalan Perusahaan 2, Kawasan Perindustrian Parit Buntar, 34200 Parit Buntar, Perak on Wednesday, 19 May 2021 at 2:00 p.m. for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 384,557,653 NEW ORDINARY SHARES IN SCOPE (“SCOPE SHARES” OR “SHARES”) (“RIGHTS SHARES”) AT AN ISSUE PRICE OF RM0.175 FOR EACH RIGHTS SHARE, ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING SCOPE SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED RIGHTS ISSUE”)

“THAT, subject to the approvals being obtained from the relevant authorities, approval be and is hereby given to the Board of Directors of Scope (“**Board**”) to:-

- (i) provisionally allot and issue by way of a renounceable rights issue of up to 384,557,653 Rights Shares on the basis of 1 Rights Share for every 2 existing Scope Shares held on the entitlement date at an issue price of RM0.175 per Rights Share to the shareholders of Scope whose names appear in the Record of Depositors of the Company as at the close of business on the entitlement date (“**Entitled Shareholders**”) to be determined and announced later by the Board with a minimum subscription level of 78,963,295 Rights Shares to raise minimum gross proceeds of RM13.82 million; and
- (ii) utilise the proceeds to be derived from the Proposed Rights Issue for the purposes as set out in the circular dated 4 May 2021 to the shareholders of the Company (“**Circular**”) and to vary the manner and/or purpose of such proceeds as the Board may deem fit and in the best interest of the Company, subject (where required) to the approval of the relevant authorities.

THAT in determining the shareholders’ entitlement to the Rights Shares, the fractional entitlements, if any, will be disregarded and dealt with in such manner as the Board in its sole and absolute discretion deems fit and expedient, and in the best interest of the Company;

THAT any Rights Shares which is not subscribed or validly subscribed will be made available for excess application by the other Entitled Shareholders and/or their renounee(s) and/or transferee(s) in a fair and equitable manner on a basis to be determined by the Board;

THAT the Rights Shares shall, upon allotment and issuance, rank equally in all respects with each other and with the then existing Scope Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, which may be declared, made or paid to shareholders, the entitlement date of which precedes the date of allotment of the Rights Shares;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and such things necessary and to execute, enter into, sign and deliver on behalf of the Company, all such documents and/or agreements as the Board may deem necessary and/or expedient and/or appropriate to implement and give full effect to complete the Proposed Rights Issue including without limitation, with full power to assent to any conditions, modifications, variations and/or amendments as the Board in their absolute discretion may deem fit or expedient or as required by the relevant authorities in order to carry out, finalise and give full effect to the Proposed Rights Issue.”

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF AN EMPLOYEES’ SHARE SCHEME (“ESS”) OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF SCOPE (EXCLUDING TREASURY SHARES, IF ANY) AT ANY ONE TIME DURING THE DURATION OF THE ESS FOR ELIGIBLE EMPLOYEES AND DIRECTORS OF SCOPE (“PROPOSED ESS”)

“THAT, subject to the approvals being obtained from all relevant authorities and/or parties in relation to the Proposed ESS, the Board of Directors of the Company be and is hereby authorised to undertake the following:-

- (i) to establish an ESS for the benefit of the eligible Directors (including non-executive Directors but shall not include alternate and/or substitute Directors) and employees of the Company and its subsidiaries (excluding subsidiaries which are dormant) (“**Scope Group**”) who meet the criteria of eligibility for participation in the Proposed ESS and to implement and administer the same in accordance with the by-laws of the Proposed ESS (“**By-Laws**”) which is set out in Appendix II of the Circular;
- (ii) to allot and issue and/or procure the transfer of such number of new or existing Scope Shares (as adjusted or modified from time to time pursuant to the By-Laws) from time to time as may be required for the purpose of or in connection with the Proposed ESS, provided that the total number of Scope Shares be allotted and issued and/or transferred pursuant to granting of Scope Shares (“**Shares Grants**”) and/or options to subscribe for and/or acquire Scope Shares (“**ESS Options**”) (collectively, the “**Awards**”) to the eligible Director(s) (including non-executive Directors but shall not include alternate and/or substitute Directors) and the eligible employees of Scope Group in relation to the Proposed ESS shall not exceed 15% in aggregate of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time throughout the duration of the Proposed ESS and such new Scope Shares shall, upon allotment and issuance, carry the same rights as the existing Scope Shares, save and except that the new Scope Shares would not be entitled to dividend, rights, allotments and/or other forms of distribution which may be declared, made or paid to shareholders of Scope, the entitlement date of which is prior to the date of allotment of the new Scope Shares to be issued pursuant to the exercise of the ESS Options;
- (iii) to set up a committee to implement and administer the Proposed ESS (“**ESS Committee**”);
- (iv) to make the necessary application to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for approval to deal in and for the listing of and quotation for the new Scope Shares (as adjusted or modified from time to time pursuant to the By-Laws) that may hereafter from time to time be allotted and issued pursuant to the Proposed ESS; and
- (v) to do all such acts and things necessary, execute all such documents and to enter into all such transactions, arrangements, agreements, deeds or undertakings, and to make such rules and regulations, or to impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESS;

AND THAT, the By-Laws which is in compliance with the ACE Market Listing Requirements of Bursa Securities a draft of which is set out in Appendix II of the Circular, be and is hereby approved and adopted and the Directors of the Company be and are hereby authorised with full power to modify and/or amend the By-Laws from time to time as may be required or deemed necessary in accordance with the provisions of the By-Laws relating to the amendments and/or modifications and to assent to any conditions, modifications, revaluations, variations and/or amendments as may be required by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient for the Proposed ESS to be in effect.”

ORDINARY RESOLUTION 3

PROPOSED ALLOCATION OF AWARDS TO LIM CHIUW HOO

“THAT, subject to the passing of Ordinary Resolution 2 and the approvals of all the relevant authorities being obtained, approval be and is hereby given to the Board or ESS Committee from time to time throughout the duration of the Proposed ESS, to offer and to grant to Lim Chiow Hoo, being the substantial shareholder and the Managing Director of Scope, Awards of not more than 10% of the total Awards to be issued and/or transferred to him pursuant to the Proposed ESS, subject always to the terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws.”

ORDINARY RESOLUTION 4

PROPOSED ALLOCATION OF AWARDS TO LEE MIN HUAT

“THAT, subject to the passing of Ordinary Resolution 2 and the approvals of all the relevant authorities being obtained, approval be and is hereby given to the Board or ESS Committee from time to time throughout the duration of the Proposed ESS, to offer and to grant to Lee Min Huat, being the substantial shareholder and the Executive Chairman of Scope, Awards of not more than 10% of the total Awards to be issued and/or transferred to him pursuant to the Proposed ESS, subject always to the terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws.”

By Order of the Board,

CHEE WAI HONG (BC/C/1470)

SSM PC No. 202008001804

TAN SHE CHIA (MAICSA 7055087)

SSM PC No. 202008001923

Company Secretaries

Penang

4 May 2021

Notes:-

1. The meeting will be conducted fully virtual where shareholders are only allowed to participate remotely via live streaming and online remote voting via Remote Participation and Electronic Voting (“RPEV”) facilities which are available on Boardroom Smart Investor Online Portal at <https://web.lumiag.com/>. With RPEV facilities, a shareholder may exercise his/her right to participate and vote at the meeting via the following mode of communication: i) Typed text in the Meeting Platform ii) E-mail questions to jameslee@scope.com.my prior to the meeting. Please follow the procedures provided in the Administrative Guide for the Extraordinary General Meeting in order to register, participate and vote remotely via RPEV facilities.
2. The Broadcast Venue is strictly a main venue of this Extraordinary General Meeting where the Chairman will be present in compliance with Section 327(2) of the Companies Act 2016. No members/proxies from the public will be physically present at the Broadcast Venue on the day of this Extraordinary General Meeting.
3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation.
4. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar’s office at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (ii) By electronic means through the Share Registrar’s website
The proxy form may be electronically lodged with the Company’s Share Registrar via Boardroom Smart Investor Online Portal at <https://boardroomlimited.my>.
5. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.
6. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
7. If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
8. Any authority pursuant to such appointment is made by a power of attorney must be deposited at the Share Registrar’s office at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time of holding the meeting.
9. For a corporate member who has appointed an authorised representative, please deposit the original/duly signed certificate of appointment of authorised representative at the Share Registrar’s office at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
10. 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.
11. 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.
12. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to the Article 69 of the Company’s Constitution and Rule 7.16(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors (“ROD”) as at 10 May 2021 and only a Depositor whose name appears on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy to attend and/or speak and/or vote in his/her behalf.
13. All resolutions as set out in this notice of Extraordinary General Meeting are to be voted by poll.