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28 Oct 2010

### (I) PUBLIC REPRIMAND ON SCAN ASSOCIATES BERHAD (II) PUBLIC REPRIMAND AND TOTAL FINES OF RM13,500 ON 3 DIRECTORS

#### Breach of Rule 9.22(1), Rule 9.23(1) and Rule 16.11(b) of the Listing Requirements of Bursa Malaysia Securities Berhad For The MESDAQ Market ("MMLR")

- Bursa Malaysia Securities Berhad ("Bursa Securities") publicly reprimands Scan Associates Berhad ("SCAN" or "the Company") for breaches of Rule 9.22(1) and Rule 9.23(1) of the MMLR.

In addition, the Company is required to ensure all its directors and the relevant personnel of the Company attend a training programme in relation to compliance with the listing requirements particularly pertaining to financial statements.

2. Rule 9.22(1) of the MMLR states that a listed company must give Bursa Securities for public release, an interim financial report that is prepared on a quarterly basis as soon as figures have been approved by the Board of Directors of the listed company, and in any event not later than 2 months after the end of each quarter of a financial year.

Pursuant to Rule 9.23(1) of the MMLR, a listed company must ensure that a research report is prepared and submitted to Bursa Securities for public release, not later than 2 months after the end of each half of a financial year.

3. SCAN had breached Rule 9.22(1) and Rule 9.23(1) of the MMLR in respect of the delay in submission of the following reports :-

No	Reports	Due Date for Submission	Date of Submission	Delay
1.	Quarterly report for the financial period ended 31 December 2008 ("CR 31/12/08")	28 February 2009	23 March 2009	15 market days
2.	Research report for the financial year ended 31 December 2008			

The reason for the delay in submission of the CR 31/12/08 which was due to the pending investigative audit into the financial impact of the alleged misappropriation of funds by the former Chief Executive Officer does not absolve the Company's and directors' obligations to take reasonable measures to ensure the timely submission of the CR 31/12/08. This is particularly in the light that the Board was informed of the possible misappropriation of fund by the Company since end of May 2008 whilst the due date for submission of the CR 31/12/08 was on 28 February 2009.

4. Rule 16.11(b) of the MMLR states that a director of a listed issuer must not permit, either knowingly or where he had reasonable means of obtaining such knowledge, a listed issuer to commit a breach of the MMLR.

Bursa Securities has also found that the directors of SCAN had failed to discharge their duties pursuant to Rule 16.11(b) of the MMLR in respect of compliance by the Company of its obligations under the MMLR.

The directors found to be in breach and the penalties imposed are :-

No.	Directors	Penalty
1.	<b>Professor Dato' Dr. Norbik Bashah Bin Idris</b> Executive Director <i>Appointed on 9 September 2000</i> <i>Appointed as Chief Executive Officer on 27 May 2009</i>	Public Reprimand and fine of RM7,500
2.	<b>Encik Shaharil Bin Abdul Malek</b> Executive Director <i>Appointed on 8 July 2008</i>	Public Reprimand and fine of RM3,000
3.	<b>Dato' Nasri Bin Nasrun</b> Independent & Non-Executive Director Audit Committee member <i>Appointed on 9 September 2000</i>	Public Reprimand and fine of RM3,000

5. The finding of breach and imposition of the above penalties on SCAN and the directors are made pursuant to Rule 16.17 of the MMLR upon completion of due process and after taking into consideration all facts and circumstances of the matter including in relation to the directors, the roles and responsibilities of the respective directors in the Company particularly pertaining to the maintenance and preparation of financial statements.

6. Bursa Securities views the contraventions seriously and cautions SCAN and its Board of Directors on their responsibility to maintain appropriate standards of corporate responsibility and accountability to SCAN's shareholders and the investing public.

