SALCON BERHAD ("SALCON" OR "THE COMPANY") MATERIAL LITIGATION PURSUANT TO PARAGRAPH 9.04(f) OF THE BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS

Material litigation involving JR Engineering and Medical Technologies (M) Sdn Bhd ("JREMT"), a 51.0%-owned subsidiary of Nusantara Jasakita Sdn Bhd which in turn is a wholly-owned subsidiary of the Company and Aspen Glove Sdn Bhd ("AGSB")

We refer to our announcements on 19 December 2022 and 17 February 2023. Unless otherwise stated, the abbreviations used in this announcement shall have the same meaning as set out in the earlier announcement.

- 1. In relation to the Originating Summons (Summons No.: BA-24NCC-118-12/2022) Salcon wishes to update as follows:
 - (a) AGSB's originating summons was allowed on 20 February 2023. JREMT had appealed against this decision. The appeal is pending at the Court of Appeal in Civil Appeal No.: B-02(NCC)(A)-344-03/2023. The first case management for the appeal is fixed on 31 May 2023.
 - (b) JREMT's Interim Injunction Application [defined in paragraph 1(i) of the announcement dated 17 February 2023] was dismissed on 24 February 2023. JREMT had appealed against this decision. The appeal is pending at the Court of Appeal in Civil Appeal No.: B-02(IM)(NCC)-345-03/2023. The first case management for the appeal is fixed on 31 May 2023.
 - In the meantime, JREMT's filed a motion before the Court of Appeal to prevent AGSB from removing a sum up to RM22,363,243.07 from the proceeds of sale of its plant, pending the disposal of the appeal in B-02(IM)(NCC)-345-03/2023. The Court of Appeal allowed the motion on 23 May 2023.
 - (c) AGSB's Setting Aside Application [defined in paragraph 1(iii) of the announcement dated 17 February 2023] was allowed on 24 February 2023. JREMT had appealed against this decision. The appeal is pending at the Court of Appeal in Civil Appeal No.: B-02(IM)(NCC)-346-03/2023. The first case management for the appeal is fixed on 31 May 2023.
- 2. In relation to the Civil Suit No.: BA-22NCvC-41-01/2023, Salcon wishes to update as follows:
 - (a) on 10 March 2023, AGSB had filed an application to strike out AGSB's Defence and Counterclaim;
 - (b) JREMT is advised by its solicitors that the said application is non-meritorious and frivolous;
 - (c) JREMT had filed the necessary cause papers and submissions to resist such application;
 - (d) the said application is fixed for hearing on 23 August 2023.
 - (e) on 23 August 2023, directions in respect of the main action would also be given.

This announcement is dated 26 May 2023.