

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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SALCON BERHAD (593796-T)
(Incorporated in Malaysia)

NOTICE TO WARRANT HOLDERS

In Relation to the

EXPIRY AND LAST DATE FOR THE EXERCISE OF WARRANTS 2007/2014

STOCK NAME : SALCON-WA
STOCK CODE : 8567WA

IMPORTANT RELEVANT DATES

Last day, date and time for the trading of Warrants	:	Tuesday, 29 April 2014 at 5.00 p.m.
Day, date and time of suspension of trading of Warrants	:	Wednesday, 30 April 2014 at 9.00 a.m.
Last day, date and time for the exercise of Warrants	:	Monday, 19 May 2014 at 5.00 p.m.
Day, date and time for the delisting of Warrants	:	Tuesday, 20 May 2014 at 9.00 a.m.

This Notice is dated 18 April 2014.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Notice:-

“Board”	:	Board of Directors of Salcon
“Bursa Depository”	:	Bursa Malaysia Depository Sdn. Bhd. (165570-W)
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (635998-W)
“CDS”	:	Central Depository System
“Deed Poll”	:	Deed Poll dated 12 April 2007 governing Warrants 2007/2014
“Exercise Price”	:	Ringgit Malaysia Seventy-Five Cents (RM0.75) only in respect of each new Share upon exercise of the Exercise Rights
“Exercise Period”	:	The period commencing from and including the issue date of 18 May 2007 and ending at the close of business at 5.00 p.m. on 19 May 2014
“Exercise Rights”	:	The rights conferred on a Warrant Holder to subscribe for one (1) new Share in the share capital of Salcon for each Warrant 2007/2014 held during the Exercise Period and at the Exercise Price and upon the terms and conditions of the Deed Poll
“Market Day”	:	Any day from Monday to Friday (inclusive) of both days, excluding public holidays, and on which Bursa Securities is open for trading of securities
“Salcon” or “the Company”	:	Salcon Berhad (593796-T)
“Share(s)”	:	Ordinary share(s) of RM0.50 each in Salcon
Share Registrar	:	Tricor Investor Services Sdn Bhd (118401-V)
“Warrants 2007/2014” or “Warrants”	:	The 106,022,701 Warrants 2007/2014 issued by Salcon on 18 May 2007 pursuant to the terms and conditions of the Deed Poll and any deed supplemental thereto.
“Warrant Holder(s)”	:	Holder(s) of Warrants 2007/2014.

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EXERCISE FORM

ENCLOSED



SALCON BERHAD (593796-T)
(Incorporated in Malaysia)

Registered Office

15th Floor, Menara Summit
Persiaran Kewajipan, USJ 1,
47600 UEP Subang Jaya
Selangor Darul Ehsan

Date: 18 April 2014

The Board of Directors

Dato' Seri (Dr.) Goh Eng Toon (*Chairman, Non Independent Non-Executive Director*)
Tan Sri Dato' Tee Tiam Lee (*Executive Deputy Chairman*)
Dato' Leong Kok Wah (*Executive Director*)
Dato' Dr. Freezailah bin Che Yeom (*Independent Non-Executive Director*)
Ho Tet Shin (*Independent Non-Executive Director*)
Dato' Choong Moh Kheng (*Independent Non-Executive Director*)

To: Holders of Warrants 2007/2014

Dear Sir/Madam

NOTICE TO WARRANT HOLDERS IN RELATION TO THE EXPIRY AND LAST DATE FOR THE EXERCISE OF WARRANTS 2007/2014

NOTICE IS HEREBY GIVEN that pursuant to the terms and conditions stipulated in the Deed Poll dated 12 April 2007 and any deed supplemental thereto governing the Warrants, the Exercise Rights of the Warrants will expire at 5.00 p.m. on Saturday, 17 May 2014. As this expiry date falls on a non-Market Day, the last date and time for the exercise of the Warrants pursuant to Section 54(1)(b) of the Interpretation Acts 1948 and 1967 will be at 5.00 p.m. on Monday, 19 May 2014 ("**the Expiry Date**").

Accordingly, all Warrant Holders intending to exercise their Warrants are advised to submit the documents referred to in Section 4 of this Notice to the Company's Share Registrar not later than 5.00 p.m. on the Expiry Date.

WARRANTS NOT EXERCISED BY THE EXPIRY DATE WILL LAPSE AND BECOME NULL AND VOID AND SHALL CEASE TO BE EXERCISABLE THEREAFTER.

ACCORDINGLY, THE WARRANTS WILL BE REMOVED FROM THE OFFICIAL LIST OF BURSA SECURITIES WITH EFFECT FROM 9.00 A.M., TUESDAY, 20 MAY 2014.

The number of outstanding Warrants as at 15 April 2014, being the latest practicable date prior to the printing of this Notice is 104,908,701.

Warrant Holders are therefore advised to read carefully the procedures set out below:-

1. **SUSPENSION OF TRADING AND LAST DAY FOR TRADING**

To facilitate the exercise of the Exercise Rights by the Warrant Holders, the trading of the Warrants on Bursa Securities will be suspended with effect from 9.00 a.m. on **Wednesday, 30 April 2014** until 5.00 p.m. on the Expiry Date. Hence, the last day and time for trading of the Warrants will be up to 5.00 p.m. on **Tuesday, 29 April 2014**.

2. **EXERCISE PRICE**

The Exercise Price of the Warrants is RM0.75 for each new Share of RM0.50 each in the Company. For example, if you exercise 100 Warrants into 100 new Shares, the total Exercise Price shall be RM75.00.

3. **PAYMENT OF EXERCISE PRICE**

Remittance must be made in full for the Exercise Price, payable in Ringgit Malaysia via banker's draft or cashier's order drawn on a bank operating in Malaysia, or money or postal order issued by a post office in Malaysia, made in favour of "**Salcon Warrants Account**" crossed "A/C Payee Only" and endorsed on the reverse side with the name and CDS account number of the Warrant Holders.

4. **EXERCISE OF EXERCISE RIGHTS**

If you are a Warrant Holder and wish to exercise your Exercise Rights, you should:-

- (i) Complete and execute the Exercise Form which is attached to this Notice. Additional copies of the Exercise Form can be obtained from the Company's Share Registrar, Tricor Investor Services Sdn. Bhd. at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur; and
- (ii) Deliver and to reach the Company's Share Registrar the following documents not later than 5.00 p.m. on Monday, 19 May 2014:-
 - (a) The duly completed and signed Exercise Form;
 - (b) Remittance for the full Exercise Price as set out in Sections 2 and 3 above; and
 - (c) Remittance for a processing fee of RM10.00 for each Exercise Form submitted, payable by cheque drawn on a bank operating in Malaysia or money or postal order issued by a post office in Malaysia made in favour of "**TRICOR INVESTOR SERVICES SDN. BHD.**" crossed "A/C Payee Only" or in cash if you personally deliver the documents to the Share Registrar.

The Company shall within eight (8) market days (or such other period as may be prescribed by Bursa Securities) of the date of receipt of the duly completed and signed Exercise Form together with the requisite payment:-

- (a) allot and issue the relevant number of new Shares arising from the exercise of the Warrants;
- (b) dispatch notices of allotment to Warrant Holders stating the number of new Shares that will be credited into the CDS Account of the Warrant Holders; and
- (c) make an application to Bursa Securities for the quotation and listing of such new Shares.

Pursuant to the Main Market Listing Requirements of Bursa Securities, all new issue of securities must be made by way of crediting the securities into the CDS Account of the securities holders. Therefore, all new Shares to be issued arising from the exercise of the Warrants will be credited into the CDS Account of the respective Warrant Holders.

The new Shares to be issued pursuant to the exercise of Warrants shall, upon allotment and issue, rank pari passu in all respects with the then existing ordinary shares of the Company except that the new ordinary shares will not be entitled to participate in any rights, dividend, allotment and/or other distributions where the entitlement date precedes or falls on the relevant date of allotment and issuance of the new Salcon Shares.

5. **BOOK CLOSURE DATE IN RELATION TO THE WARRANTS**

FURTHER NOTICE IS HEREBY GIVEN THAT:-

- (i) Bursa Depository will not accept any request for transfer of Warrants for period commencing 4.00 p.m. on **Friday, 9 May 2014** up to the Expiry Date.
- (ii) Warrant Holders shall be qualified for entitlement to subscribe for new Shares in respect of the following:-
 - (a) Warrants transferred into the depositor's CDS account before 4.00 p.m. on **Friday, 9 May 2014** in respect of ordinary transfer; and
 - (b) Warrants bought on Bursa Securities on or before **Tuesday, 29 April 2014** at 5.00 p.m., being the last day of trading of the Warrants.

6. **EXPIRY OF EXERCISE RIGHTS**

Warrant Holders should note that:-

- (i) if their Exercise Rights are not exercised and the duly completed Exercise Form together with remittances are not delivered to the Company's Share Registrar by 5.00 p.m. on the Expiry Date, their rights will lapse and become null and void and cease to be exercisable thereafter; and
- (ii) All unexercised Warrants remaining in a depositor's CDS account as at the Expiry Date will be debited from the respective depositor's CDS account on **Tuesday, 20 May 2014**.

7. **DIRECTORS' RESPONSIBILITY STATEMENT**

This Notice has been seen and approved by the Board who collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that after making all reasonable enquiries and to the best knowledge and belief, there are no other material facts the omission of which would make any statement herein misleading.

8. **CONTACT DETAILS FOR ENQUIRIES**

All enquiries concerning this Notice should be addressed to Company's Share Registrar at:-

Tricor Investor Services Sdn. Bhd.
Level 17, The Gardens North Tower,
Mid Valley City,
Lingkaran Syed Putra,
59200 Kuala Lumpur.

Tel No.: 03-2264 3883

Fax No.: 03-2282 1886

Yours faithfully

For and on behalf of the Board of
SALCON BERHAD

TAN SRI DATO' TEE TIAM LEE

Executive Deputy Chairman

SALCON BERHAD (593796-T)

(Incorporated in Malaysia under the Companies Act 1965)

EXERCISE FORM FOR THE WARRANTS

Expiry Date: 19 May 2014

Exercise Price: RM0.75

Exercise Period: The period commencing from and including the issue date of 18 May 2007 and ending at the close of business at 5.00 p.m. on 19 May 2014

(To be executed and lodged with the Registrar to exercise the Exercise Rights in respect of the Warrants)

To: **Salcon Berhad**

Date:

Particulars of Depositor (Applicant)

I/We, the undersigned, the registered Depositor(s) of the Warrants which have been deposited into my/our Central Depository System Account set out below:-

*NAME

*NEW IDENTITY CARD NO. / PASSPORT NO. / ARMED FORCES IDENTITY CARD NO. / POLICE PERSONNEL IDENTITY CARD NO. / COMPANY REGISTRATION NO.

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*OLD IDENTITY CARD NO. (IN THE CASE OF AN INDIVIDUAL)

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* CORRESPONDENCE ADDRESS

* CONTACT NUMBER

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 OFFICE

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- irrevocably elect, subject to the Conditions as set out in the Second Schedule (Part III) of the Deed Poll dated 12th April 2007 executed by **SALCON BERHAD** ("the Company") constituting the issue of the 2007/2014 Warrants, to exercise the Exercise Rights represented by the Warrants in my/our Central Depository System Account in respect of _____ New Shares of the Company and to subscribe and make payment as provided in the Deed Poll for such number of New Shares of the Company at the Exercise Price, and agree to accept such New Shares subject to the terms of the Articles of Association of the Company;
- confirm and declare that the information provided by me/us above are true, correct and in the case of information indicated with an asterisk (*) are identical with the information provided by me/us to the Bursa Depository Malaysia Sdn Bhd ("Bursa Depository") and further confirm that in the event that such information differs from the information in Bursa Depository's records, the exercise by me/us of the Exercise Rights may be rejected.
- undertake to fully indemnify and keep the Company indemnified against any claims, losses, damages, liabilities, costs and expenses including legal costs that may be suffered or incurred by the Company as a result of or arising from the Company acting in accordance with my/our authorisations and confirmations or from any breach of my/our undertakings.



- d) declare that the Warrants in respect of which the Exercise Rights are being exercised are/have been designated as “free securities” in accordance with the provisions of the Rules and further confirm that if this declaration is not correct, the exercise by me/us of the Exercise Rights may be rejected.
- e) make payment in full for such New Shares by banker’s draft, cashier’s order drawn on a bank operating in Malaysia or money order or postal order amounting to Ringgit Malaysia _____ made in favour of “**Salcon Warrants Account**” crossed “A/C Payee only”.
- f) Irrevocably authorise you to instruct Bursa Depository to debit the quantity of Warrants specified in column (A) of the table below from my/our Securities Account and where I am/we are entitled to receive New Shares upon the exercise of my/our rights, to credit the quantity of New Shares in the Company into my/our Securities Account as identified above and as specified in column (B) of the table below.

(A)

Securities Code	SOURCE ACCOUNT FOR DEBITING WARRANTS														
	Quantity	Securities Account Number													
		ADA Code			Branch Code			Account Number							

(B)

Securities Code	TARGETED ACCOUNT FOR CREDITING NEW SHARES														
	Quantity	Securities Account Number													
		ADA Code			Branch Code			Account Number							

- g) request that the notice of allotment stating the number of New Shares credited into my/our Central Depository System Account be sent, at my/our risk, by ordinary post to my/our address set out above.
- h) confirm that upon the lodgement of this form with the Registrar, I/we will not dispose, transfer, charge or otherwise encumber the Warrants in respect of which the Exercise Rights are being exercised unless and until the Exercise Form has been returned, withdrawn or otherwise rejected or declared by the Company to be void in accordance with the provisions of the Conditions set out in the Second Schedule of the Deed Poll.
- i) declare and confirm that I/we have complied with all exchange control regulations and requirements imposed by Bank Negara Malaysia or other prevailing statutory requirements for the time being applicable to the exercise of the Exercise Rights and any directions and instructions given in this Exercise Form.
- j) undertake to fully indemnify the Company and Registrar against any loss, damage, liability, cost or expense (including legal cost) that may be suffered or incurred by the Company or the Registrar as a result of any demand, actions and proceedings made in respect of or arising from the debiting of the Warrant from our/my Central Depository System Account(s), in reliance by you of this Exercise Form.

Signature /Common Seal:

Please remit us RM10.00 by means of cheque payable to Tricor Investor Services Sdn. Bhd. or cash being the service fee.

Notes :

- All information given in this Exercise Form must be as per the information provided to Bursa Depository.
- Joint holders are not recognized under the Central Depository System.
- No scrips will be issued to the Depositor in respect of the New Shares issued as a result of any exercise of the Exercise Rights represented by the Warrants.
- In exercising the Exercise Rights represented by the Warrants, compliance must be made with any exchange control or other statutory requirements for the time being applicable and the provision of the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository.

5. A corporation completing this Exercise Form is required to affix its common seal in accordance with its Memorandum and Articles of Association, a copy of which must be lodged with the Registrar.
6. The attention of the Warrant Holders is drawn to Part IV, Division 2 of the Securities Commission Act, 1993 and Part II of the Malaysia Code on Take-over and Mergers, 1998 as amended or replaced from time to time.
7. No direction may be made in this Exercise Form requiring the New Shares to be credited into the Securities Account of a person other than a Securities Account in the name of the person exercising the Exercise Rights under this Exercise Form.
8. The exercise of the Exercise Rights under this Exercise Form will be deemed invalid if any banker's draft or cashier's order or money order or postal order for payment of the Exercise Money is not cleared on first presentation.
9. If any part of this Exercise Form is not fully and properly completed and/or executed, the Company will be entitled to regard the exercise of the Exercise Rights under the Exercise Form as invalid.
10. At the close of business on 19 May 2014, any Exercise Rights which have not been exercised and Exercise Form with appropriate remittance not delivered to the Registrar will lapse and every Warrant will cease thereafter to be valid for any purpose.
11. Unless the context otherwise requires, expressions in this Exercise Form will have the same meanings as those defined in the Deed Poll.

REGISTRAR'S OFFICE :

Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

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