



# SALCON BERHAD

(Company No: 593796-T)

(Incorporated in Malaysia under the Companies Act, 1965)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Seventh Annual General Meeting of the Company will be held at Classics Ballroom 2, Level 3, Holiday Villa Hotel & Suites Subang, 9 Jalan SS12/1, 47500 Subang Jaya, Selangor Darul Ehsan on Wednesday, 23 June 2010 at 10.30 a.m. for the following purposes:-

### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2009 together with the Reports of the Directors and Auditors thereon. (SEE NOTE 2)
- To approve the payment of the first and final dividend of 1.5 sen per share, tax exempt. (Resolution 1)
- To re-elect Jagjit Singh a/l Tara Singh who retires pursuant to Article 96 of the Company's Articles of Association. (Resolution 2)
- To re-elect the following Directors who retire pursuant to Article 103 of the Company's Articles of Association:-
  - Dato' Tee Tiam Lee (Resolution 3)
  - How See Hock (Resolution 4)
  - Dato' Leong Kok Wah (Resolution 5)
- To re-appoint the following Directors, who retire pursuant to Section 129(6) of the Companies Act, 1965, to hold office until the next Annual General Meeting:- (SEE NOTE 3)
  - Dato' Seri Goh Eng Toon (Resolution 6)
  - Dato' Dr Freezailah bin Che Yeom (Resolution 7)
- To re-appoint Messrs KPMG as Auditors of the Company and authorise the Directors to fix their remuneration. (Resolution 8)

### AS SPECIAL BUSINESS

- To consider and, if thought fit, pass the following resolution: (SEE NOTE 4.1)

"THAT the payment of Directors' Fees of RM150,000 for the financial year ended 31 December 2009 be approved." (Resolution 9)

To consider and if thought fit, to pass the following resolutions, with or without modifications, as Ordinary Resolution and Special Resolution of the Company:-

- Ordinary Resolution**  
**Authority to Allot and Issue Shares in General Pursuant to Section 132D of the Companies Act, 1965** (SEE NOTE 4.2)

"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 132D of the Companies Act, 1965 to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued and paid-up share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." (Resolution 10)
- Special Resolution**  
**Proposed Amendments to the Articles of Association of the Company** (SEE NOTE 4.3)

"THAT the amendments to the Articles of Association of the Company as set out in the Appendix I ("Proposed Amendments") on pages 133 to 135 of the Annual Report 2009 be and are hereby approved and adopted.

THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Amendments with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities." (Resolution 11)
- To transact any other business of which due notice have been given.

### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS HEREBY GIVEN THAT** subject to the approval of the shareholders at the Seventh Annual General Meeting to be held on 23 June 2010, a first and final dividend of 1.5 sen per share, tax exempt, in respect of the financial year ended 31 December 2009 will be paid on 23 July 2010.

The entitlement date for the dividend is 2 July 2010.

A depositor shall qualify for entitlement to the dividend only in respect of:-

- Shares transferred into the Depositor's Securities Account before 4:00 p.m. on 2 July 2010 in respect of transfers; and
- Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

### BY ORDER OF THE BOARD

Ng Yen Hoong (LS 008016)  
Lim Poh Yen (MAICSA 7009475)  
Company Secretaries

Kuala Lumpur  
1 June 2010

### Notes:-

#### 1. APPOINTMENT OF PROXY

- A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and Section 149(1)(b) of the Companies Act, 1965 shall not apply.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office at 15th Floor, Menara Summit, Persiaran Kewajipan, USJ 1, 47600 UEP Subang Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for the meeting or any adjournment thereof.

#### 2. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

The Audited Financial Statements in Agenda 1 is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 169(1) of the Companies Act, 1965. Hence, this Agenda is not put forward for voting by shareholders of the Company.

#### 3. RE-APPOINTMENT OF DIRECTORS PURSUANT TO SECTION 129(6) OF THE COMPANIES ACT, 1965

The Resolution 6 and Resolution 7, if passed, will authorise the continuity in office of the Directors (who are over the age of 70 years) until the next annual general meeting.

#### 4. Explanatory Notes to Special Business:

##### 4.1 DIRECTORS' FEES

The Resolution 9, if passed, will authorise the payment of Directors' Fees of RM150,000 for the financial year ended 31 December 2009.

##### 4.2 AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

The Resolution 10 is proposed for renewing the general mandate ("Mandate") granted to the Directors to allot and issue new shares up to an amount not exceeding 10% of the issued and paid-up share capital of the Company for the purpose of funding future investment(s), acquisition(s), working capital and/or other purposes as the Directors consider would be in the interest of the Company.

The Company did not allot and issue any share pursuant to the mandate granted to the Directors at the Sixth Annual General Meeting held on 25 June 2009 as there was no requirement for such funding.

The Mandate will commence from the date of this Annual General Meeting and, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting.

##### 4.3 PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Resolution 11, if passed, will approve the amendments of the Articles of Association of the Company. The Proposed Amendments are for the purpose of allowing the payment of eDividends and to facilitate some administrative issues.

Please refer to Appendix I on pages 133 to 135 of the Annual Report 2009 for full details of the Proposed Amendments.