

**SALCON BERHAD (“SALCON” OR “THE COMPANY”)
- NEDA CONNECTION AGREEMENT WITH TENAGA NASIONAL BERHAD**

1. INTRODUCTION

Salcon is pleased to announce that Mentari Kamuning Sdn. Bhd. (“**MKSB**”), a 70%-owned subsidiary of Energy Valley Sdn. Bhd., which is in turn a wholly-owned subsidiary of the Company, has entered into a New Enhanced Dispatch Agreement (“**NEDA**”) Connection Agreement dated 27 January 2025 with Tenaga Nasional Berhad (“**TNB**”). This agreement enables MKSB to operate as a Generator Company to design, construct, own, operate and maintain a solar energy generating facility with a capacity of 7 Megawatt (“**MWac**”) located in Sungai Siput, Kuala Kangsar, Perak (“**Project**”).

2. INFORMATION ON MKSB

MKSB was incorporated on 17 August 2023 under the Malaysian Companies Act, 2016. The shares capital of MKSB is RM1,000,000.00, comprising 1,000,000 ordinary shares.

The principal business activity of MKSB is operation of generation facilities that produce electric energy.

The current Directors of MKSB are Tan Sri Dato’ Tee Tiam Lee, Dato’ Leong Kok Wah, Leong Yi Shen, Dato’ Lai Keng Onn and Jonathan Wu Jo-Han.

The shareholding structure of MKSB is as follow:

Name of Shareholders	Percentage of Shareholding
Energy Valley Sdn Bhd (“ EVSB ”)	70%
KAB Smart Solar Energy Sdn Bhd (“ KSSE ”)	30%

MKSB was established to undertake the Project.

(A) INFORMATION OF EVSB

EVSB is a wholly-owned subsidiary of Salcon. Its principal activity is the operation of generation facilities that produce electric energy.

The current Directors of EVSB are Leong Yi Shen and Tee Xun Hao.

(B) INFORMATION ON KSSE

KSSE is a wholly-owned subsidiary of Kinergy Advancement Berhad indirectly through KAB Energy Holdings Sdn Bhd. Its principal business activities are the provision of engineering, procurement, construction and commissioning services for solar photovoltaic systems and green technology engineering services.

The current Directors of KSSE are Dato’ Lai Kheng Onn, Lai Chuan Shenq and Jonathan Wu Jo-Han.

3. DETAILS OF THE NEDA CONNECTION AGREEMENT

Pursuant to the NEDA Connection Agreement, MKSB will design, construct, own, operate maintain an energy generating facility with a capacity of 7MW or MWac (if applicable) proposed to be located in Sungai Siput, Kuala Kangsar, Perak ("**Facility**"), to generate and supply energy to TNB under the NEDA scheme.

Pursuant to the implementation of the NEDA Guidelines by the Energy Commission, and subject to MKSB satisfying the conditions under such NEDA Guidelines, TNB agrees to give MKSB the access to TNB's distribution system, for the supply of the energy generated by the Facility.

4. FINANCIAL EFFECTS

The signing of the NEDA Connection Agreement will not have any material effect on the net assets and earnings of Salcon and its group of companies ("**Salcon Group**") for the financial year ending 31 December 2025, Salcon expects positive future earnings contributions from the Facility starting from its commercial operation date over a period of 21 years.

5. RISK FACTORS

The Company does not foresee any exceptional risk other than the normal development and operational risks associated with the NEDA Connection Agreement. Nevertheless, the Company will take the necessary steps to mitigate the risks as and when they occur.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and/or major shareholders of the Company or persons connected with them has any interest, direct or indirect, in the NEDA Connection Agreement.

This announcement is dated 28th day of January 2025