



**NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Twenty-First Annual General Meeting ("21<sup>st</sup> AGM") of Salcon Berhad ("Company") will be conducted on a virtual basis through live streaming from the Broadcast Venue at Tricor Business Centre, Gemilang Room, Unit 29-02, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur ("Broadcast Venue") on Thursday, 13 June 2024 at 10:30 a.m., to transact the following businesses:

**AGENDA**

**ORDINARY BUSINESS**

- To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.
- To approve the payment of Directors' fees of up to RM310,000 for the period immediately after the 21<sup>st</sup> AGM until the next AGM of the Company to be held in 2025.
- To approve the payment of Directors' benefits of up to RM200,000 for the period immediately after the 21<sup>st</sup> AGM until the next AGM of the Company to be held in 2025.
- To re-elect the following Directors who retire pursuant to Clause 76(3) of the Company's Constitution:
  - Dato' Leong Kok Wah
  - Mr Chan Seng Fatt
- To re-appoint Messrs. KPMG PTL as Auditors of the Company and to authorise the Directors to fix their remuneration.

(Please refer to Explanatory Note 1 on Ordinary Business)

[Ordinary Resolution 1]  
 (Please refer to Explanatory Note 2 on Ordinary Business)

[Ordinary Resolution 2]  
 (Please refer to Explanatory Note 2 on Ordinary Business)

(Please refer to Explanatory Note 3 on Ordinary Business)

[Ordinary Resolution 3]  
 [Ordinary Resolution 4]

[Ordinary Resolution 5]  
 (Please refer to Explanatory Note 4 on Ordinary Business)

**SPECIAL BUSINESS**

To consider and, if deemed fit, to pass, with or without modifications, the following ordinary resolutions:

**6. APPROVAL TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR**

(Please refer to Explanatory Note 1 on Special Business)

[Ordinary Resolution 6]

"THAT subject to the passing of Ordinary Resolution 4 above, approval be and is hereby given for Mr Chan Seng Fatt who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company."

**7. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

(Please refer to Explanatory Note 2 on Special Business)

[Ordinary Resolution 7]

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act"), Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements") and the approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to allot and issue shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be allotted and issued under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- the conclusion of the next Annual General Meeting of the Company held after the approval was given;
  - the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
  - revoked or varied by resolution passed by the shareholders of the Company in a general meeting,
- whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate."

**8. PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

(Please refer to Explanatory Note 3 on Special Business)

[Ordinary Resolution 8]

"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- the aggregate number of issued shares in the Company ("Shares") purchased ("Purchased Shares") and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
- the maximum fund to be allocated by the Company for the purchase of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- To cancel all or part of the Purchased Shares;
- To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- To resell all or part of the treasury shares;
- To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- To transfer all or part of the treasury shares as purchase consideration;
- To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may, by order prescribe; and/or
- To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

- To consider any other business of which due notice shall have been given.

**BY ORDER OF THE BOARD**

**Law Mee Poo [SSM PC No.: 201908002275 (MAICSA 7033423)]**

**Joanne Tio Joh Ann [SSM PC No.:202008001119 (LS 0008574)]**

Company Secretaries

Kuala Lumpur

30 April 2024

**Notes:-**

**1. IMPORTANT NOTICE FOR VIRTUAL MEETING**

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be present at the main venue of the meeting, Member(s), proxy(ies), attorney(s) or authorised representative(s) WILL NOT BE ALLOWED to be physically present at the Broadcast Venue on the day of the 21<sup>st</sup> Annual General Meeting ("AGM").

Members are to attend, speak (including posing questions to the Board of Directors ("Board")) via real time submission of typed texts and vote (collectively, "participate") remotely at the 21<sup>st</sup> AGM via the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIH Online website at <https://tjh.online>.

**Please read these Notes carefully and follow the procedure in the Administrative Guide for the 21<sup>st</sup> AGM in order to participate remotely via RPV.**

**2. APPOINTMENT OF PROXY**

- For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 6 June 2024. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM or appoint a proxy or proxies to participate on his/her/its behalf via RPV.
- A member who is entitled to participate at this AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM via RPV.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- A member who has appointed a proxy or attorney or authorised representative to participate at the AGM via RPV must request his/her proxy or attorney or authorised representatives to register himself/herself for RPV via TIH Online website at <https://tjh.online>. Procedures for RPV can be found in the Administrative Guide for the AGM.
- The appointment of a proxy may be made in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - In hard copy form  
 In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
  - By electronic form  
 In the case of an appointment of a proxy made in electronic form, the proxy form must be deposited via the TIH Online website at <https://tjh.online>. Please follow the procedures as set out in the Administrative Guide for the electronic lodgement of the proxy form.
- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notariarily and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
- Last date and time for lodging this proxy form is on **Tuesday, 11 June 2024 at 10:30 a.m.**

**EXPLANATORY NOTES ON ORDINARY BUSINESS**

- Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2023**  
 The Audited Financial Statements is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this item on the Agenda is not being put forward for voting by shareholders of the Company.
- Ordinary Resolutions 1 and 2 – Payment of Directors' Fees and Benefits**  
 Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.  
 The proposed Resolution 1 is to facilitate the payment of Directors' fees for the period from the 21<sup>st</sup> AGM up to the next AGM to be held in 2025, which are calculated based on the current Board size. In the event the proposed amount of the Directors' fees is insufficient (due to the enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.  
 The Directors' benefits under proposed Resolution 2 comprise a fixed meeting allowance payable to Non-Executive Directors for attendance at the Board and/or Board Committee meetings and other benefits for Executive Directors. The proposed amount is calculated based on the current Board size and the number of scheduled and/or special Board and Board Committees meetings for the period from the 21<sup>st</sup> AGM up to the next AGM to be held in 2025.  
 In the event the proposed amount of Directors' benefits is insufficient (eg. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.
- Ordinary Resolutions 3 and 4 – Re-election of Directors pursuant to Clause 76(3) of the Company's Constitution**  
 Dato' Leong Kok Wah and Mr Chan Seng Fatt are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 21<sup>st</sup> AGM.  
 Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance ("MCCG"), the profiles of both Directors are set out in the Directors' profile of the Annual Report 2023. The Board has through the Nomination Committee ("NC"), considered the assessment of the said Directors pursuant to the Fit and Proper Policy adopted by the Company and agreed that they meet the criteria as prescribed by Paragraph 2.20A of Bursa Securities' Main Market Listing Requirements ("Listing Requirements") of character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. The justifications to support the Board's recommendation to re-elect the aforementioned Directors are as follows:
  - Dato' Leong Kok Wah, the Executive Director of the Company, has an extensive career and vast experience in stock broking, asset management and futures and options trading. He provides insight and advise on business management to improve the efficiency of the Group as and when required. He has exercised his due care and carried out his professional duty proficiently during his tenure as Executive Director of the Company.
  - Mr Chan Seng Fatt, the Senior Independent Non-Executive Director of the Company, has extensive experience and an illustrious career in external and management auditing, financial management, corporate finance, stockbroking and senior level operation and general management. He is able to provide valuable input to steer the Company forward.
 Based on the above, the Board collectively agreed that both Directors had met the criteria as prescribed by Paragraph 2.20A of the Bursa Securities Listing Requirement on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors and recommended the said Directors be re-elected as Directors of the Company.
- Ordinary Resolution 5 – Re-appointment of Auditors**  
 The Board has through the Audit and Risk Management Committee ("ARMC"), considered the re-appointment of Messrs. KPMG PTL as Auditors of the Company. The factors considered by the ARMC in making the recommendation to the Board to table the re-appointment of Messrs. KPMG PTL at the forthcoming AGM, included an assessment of the Auditors' independence and objectivity, calibre and quality process/performance.

**EXPLANATORY NOTES ON SPECIAL BUSINESS**

- Ordinary Resolution 6 – Approval to Continue in Office as Independent Director**  
 Pursuant to the Malaysian Code on Corporate Governance, it is recommended that approval of shareholders to be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine (9) years.  
 Mr Chan Seng Fatt was appointed to the Board on 17 December 2014 as Independent Director. Hence, he has served for more than nine (9) years.  
 The NC and the Board had assessed the independence of Mr Chan Seng Fatt and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justification:
  - he fulfilled the criteria of an Independent Director pursuant to Bursa Securities Listing Requirements;
  - he is familiar with the Company's business operations as he has been with the Company for a period of more than nine (9) years;
  - his long tenure with the Company has neither impaired nor compromised his independent judgement. He is free from any business or other relationships which could interfere with his exercise of independent judgement. He continues to remain objective and is able to exercise independent judgement in expressing his views and in participating in deliberations and decision making of the Board and Board Committees in the best interest of the Company;
  - he has devoted sufficient time and attention to his responsibilities as an Independent Non-Executive Director of the Company; and
  - he has exercised due care during his tenure as an Independent Director of the Company and carried out his duties in the interest of the Company and shareholders.
 The proposed Resolution 6, if passed, will enable Mr Chan Seng Fatt to continue to act as an Independent Non-Executive Director of the Company.
- Ordinary Resolution 7 – Authority to allot and issue shares pursuant to Sections 75 and 76 of The Companies Act 2016**  
 The proposed Ordinary Resolution 7, if passed, would renew the mandate granted to the Directors at the 20<sup>th</sup> AGM held on 21 June 2023 and provide flexibility to the Directors to undertake fundraising activities including but not limited to placement of shares for the purpose of funding the Company's future investment project(s), business expansion, working capital and/or acquisition(s) at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.  
 As at the date of this Notice, the Company did not allot any shares pursuant to the shareholders' mandate granted to the Directors at the 20<sup>th</sup> AGM as there were no requirements for such fundraising activities, including but not limited to placing of shares, for purpose of funding future investment project(s), working capital, repayment of bank borrowings and/or acquisitions.
- Ordinary Resolution 8 – Proposed Renewal of Authority for the Company to purchase its own shares**  
 The proposed Resolution 8, if passed, will allow the Company to purchase its own shares through Bursa Securities up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 30 April 2024 in relation to the Proposed Renewal of Authority for Share Buy-Back for further details.