

永聯資源有限公司
ELK-DESA RESOURCES BERHAD
198901002858 (180164-X)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Second Annual General Meeting ("32nd AGM") of the Company will be conducted virtually through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("Broadcast Venue") on 22 September 2021, Wednesday at 10.00 a.m. to transact the following businesses:

Agenda

- To lay the Statutory Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors. *Refer to Explanatory Note 1*
- To approve the payment of Directors' fees of RM629,604 for the financial year ended 31 March 2021. *Resolution 1*
- To approve the payment of Directors' benefits payable to the Non-Executive Directors up to an amount of RM150,000 for the period commencing from the date immediately after the 32nd AGM up to the date of the next AGM of the Company to be held in 2022. *Resolution 2*
- To re-elect the following Directors who are retiring by rotation pursuant to Clause 112 of the Company's Constitution:
 - Mr. Teoh Seng Hui; *Resolution 3*
 - Mr. Loong Foo Ching; and *Resolution 4*
 - Mr. Yee Kin Lan. *Resolution 5*
- To re-appoint Messrs. BDO PTL as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 6*

As Special Business

To consider and if thought fit, to pass, with or without modifications, the Ordinary Resolutions as follows:

ORDINARY RESOLUTION

CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

"THAT subject to the passing of Ordinary Resolution 4, approval be and is hereby given to Mr. Loong Foo Ching, who will complete the tenure of cumulative nine (9) years as an Independent Non-Executive Director of the Company on 20 September 2021, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." *Resolution 7*

"THAT approval be and is hereby given to Mr. Ng Soon Lai @ Ng Siek Chuan, who will complete the tenure of cumulative nine (9) years as an Independent Non-Executive Director of the Company on 20 September 2021, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." *Resolution 8*

"THAT subject to the passing of Ordinary Resolution 5, approval be and is hereby given to Mr. Yee Kin Lan, who will complete the tenure of cumulative nine (9) years as an Independent Non-Executive Director of the Company on 12 October 2021, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." *Resolution 9*

"THAT approval be and is hereby given to Ms. Toh Jyh Wei, who will complete the tenure of nine (9) years as an Independent Non-Executive Director of the Company on 12 October 2021, to continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." *Resolution 10*

- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 ("CA 2016").

By order of the Board

LOKE WENG FOOK (SSM PC No. 219008002829) (MIA 6573)
Company Secretary

Kuala Lumpur
28 July 2021

Notes:

1. IMPORTANT NOTICE

In the event the implementation of the Full Lockdown Movement Control Order is extended, the Company will conduct a Fully Virtual 32nd AGM via Online Meeting Platform instead of live streaming from the Broadcast Venue.

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)/corporate representative(s)/attorney(s) **will not be allowed** to attend this 32nd AGM physically at the Broadcast Venue on the day of the meeting.

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

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 32nd AGM in order to participate remotely via RPV.

- In respect of deposited securities, only members whose names appear in the Record of Depositors as at 13 September 2021, Monday ("General Meeting Record of Depositors") shall be eligible to attend the meeting.

- A member who is entitled to participate in this 32nd AGM may appoint more than one (1) proxy to participate instead of the member at the meeting provided that the member specifies the proportions of his/her shareholdings to be represented by each proxy.

- A proxy need not be a member. There shall be no restriction as to the qualification of the proxy.

- A proxy appointed to participate at a meeting of the Company shall have the same rights as the member to participate at the meeting.

- Where a member is an authorised nominee as defined under the Securities Industries (Central Depositories) Act 1991 ("Central Depositories Act"), he may appoint more than one (1) proxy in respect of each Securities Account he holds in ordinary shares of the Company standing to the credit of the said Securities Account.

- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) 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 shall mean an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.

- Where an exempt authorised nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

- The appointment of a proxy may be made in a hard copy form or by electronic means 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 AGM at which the person named as proxy in such instrument proposes to vote:

(i) In hard copy form

In the case of an appointment made in hard copy form, the duly completed Form of Proxy, signed and dated, must be deposited at the Company's Share Registrar Office at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia 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, Malaysia no later than Monday, 20 September 2021 at 10.00 a.m.

(ii) By electronic means

The Form of Proxy can be electronically lodged with the Company's Share Registrar via TIH Online at <https://tih.online> no later than Monday, 20 September 2021 at 10.00 a.m. Kindly refer to the Administrative Guide for the 32nd AGM on the procedures for electronic lodgement of proxy form via TIH Online.

- Pursuant to Paragraph 8.294 of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of 32nd AGM will be put to vote on a poll.

- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia 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, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM 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 notariably and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

- For a corporate member who has appointed an authorised representative, please deposit the **original or duly certified** certificate of appointment of authorised representative with the Company's Share Registrar Office at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia 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, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:

- If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.

- If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:

- at least two (2) authorised officers, of whom one shall be a director; or

- any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

- Members are advised to check the Company's website at www.elk-desa.com.my/ar2021.html and announcements from time to time for any changes to the administration of the 32nd AGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities.

Explanatory Notes on Ordinary Business:

1. Statutory Audited Financial Statements for the financial year ended 31 March 2021

This Agenda item is meant for discussion only as the provisions of Section 248(2) and Section 340(1)(a) of the CA 2016 do not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward to shareholders for voting.

2. Ordinary Resolution 1 – Payment of Directors' Fees

The Remuneration Committee and the Board have reviewed the Directors' fee based on Board duties, time commitment and responsibilities, Board members' participation relating to the affairs of the Company, and the current financial performance of the Group. Remuneration Committee and the Board have also reviewed the remuneration packages and compensation payable to Executive Directors to ensure they are consistent with comparable companies and is otherwise fair and not excessive. The Directors' fees for the financial year ended 31 March 2021 shall be payable in full after the shareholders have approved the payment.

3. Ordinary Resolution 2 – Directors' Benefits Payable

The proposed Directors' benefits payable comprises allowances and other benefits.

The total estimated amount of Directors' benefits payable is calculated based on the number of scheduled Board's and Board Committees' meetings for the period commencing from the date immediately after the 32nd AGM up to the date of the next AGM of the Company to be held in 2022. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

4. Ordinary Resolutions 3, 4 and 5 – Re-election of Directors

The Nomination Committee ("NC") of the Company has assessed the criteria and contribution of Mr. Teoh Seng Hui, Mr. Loong Foo Ching and Mr. Yee Kin Lan and has recommended for their re-election at the forthcoming AGM. The Board endorsed the NC's recommendation that Mr. Teoh Seng Hui, Mr. Loong Foo Ching and Mr. Yee Kin Lan be re-elected as Directors of the Company.

5. Ordinary Resolution 6 – Re-appointment of Auditors

The Audit Committee ("AC") reviewed the performance of the external auditors, BDO PTL, based on selected criterion and feedback gathered from the Management. In the evaluation process, AC had considered various aspect of audit including auditors' objectivity and professional skepticism, relevance of audit findings; quality of services rendered and adequacy of resources; candor of communication with AC, quality of deliverables and value for money. The AC recommended to the Board that the overall performance of BDO PTL is satisfactory. The Board recommends BDO PTL's re-appointment for shareholders' approval at the 32nd AGM.

Explanatory Note on Special Business:

6. Ordinary Resolution 7, 8, 9 and 10 – Resolutions on the Continuing in Office as Independent Non-Executive Directors

In the spirit of good corporate governance, these resolutions are to enable Mr. Loong Foo Ching, Mr. Ng Soon Lai @ Ng Siek Chuan, Mr. Yee Kin Lan and Ms. Toh Jyh Wei to continue serving as Independent Directors of the Company. The Nomination Committee has conducted an assessment of the independence of Independent Directors for FY2021 based on the criteria on independence adopted by the Board. Following the recommendation of the Nomination Committee, the Board is of the opinion that the independence of the existing Independent Directors remains unimpaired and their judgement over business dealings of the Company had not been influenced by the interest of the other Directors or substantial shareholders.