

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Fifth Annual General Meeting ("35th AGM") of the Company will be held on fully virtual basis through live streaming via online meeting platform stated below to transact the following businesses.

Date : 8 August 2024, Thursday
Time : 10.00 a.m.
Meeting venue : Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia
Meeting platform : TIH Online website at <https://tiih.online> or <https://tiih.com.my>
(Domain registration number with MYNIC: D1A282781)
Mode of communication : Submission of typed text via the Meeting Platform

Agenda

1. To lay the Statutory Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors. *Refer to Explanatory Note 1*

Ordinary Business

2. To approve the payment of Directors' fees of RM773,000 for the financial year ended 31 March 2024. *Resolution 1*

3. 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 35th AGM up to the date of the next AGM of the Company to be held in 2025. *Resolution 2*

4. To re-elect the following Directors who are retiring pursuant to the Company's Constitution:
(i) Mr. Teoh Seng Hui *Resolution 3*
(ii) Ms. Tan Tai Kim *Resolution 4*

Mr. Loong Foo Ching, Mr. Ng Soon Lai @ Ng Siek Chuan and Ms. Toh Jyh Wei retire as Directors of the Company at the conclusion of this 35th AGM and they do not wish to seek for re-election. *Refer to Explanatory Note 6*

5. To re-appoint Messrs. BDO PTL as Auditors of the Company and to authorise the Directors to fix their remuneration. *Resolution 5*

As Special Business

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

6. **ORDINARY RESOLUTION** *Resolution 6*
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF THE COMPANY ("PROPOSED SHARE BUY-BACK")

"THAT subject always to the Companies Act 2016 ("the 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:

- (i) 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 point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose 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:

- (a) 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;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (c) 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:

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of and/or the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) 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
- (viii) 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 authorised to take all such steps as are necessary or expedient and enter into any instrument, 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."

7. To propose payment of retirement gratuity amounting to RM100,000 (in total) to the retiring Independent Non-Executive Directors after the conclusion of the 35th AGM. *Resolution 7*

THAT approval be and is hereby given for the Company to pay a retirement gratuity amounting to RM100,000 (in total) to:-

- i. Mr. Loong Foo Ching, Senior Independent Non-Executive Director and Chairman of Nomination Committee;
- ii. Mr. Ng Soon Lai @ Ng Siek Chuan, Independent Non-Executive Director and Chairman of Audit Committee; and
- iii. Ms. Toh Jyh Wei, Independent Non-Executive Director.

In recognition and appreciation of their service and contribution to the Company.

AND THAT the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient to give full effect to this Ordinary Resolution 7.

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By order of the Board

LOKE WENG FOOK (SSM PC No. 201908002829) (MIA 6573)
Company Secretary

Kuala Lumpur
10 July 2024

Notes:

1. IMPORTANT NOTICE

The 35th AGM of the Company will be conducted fully virtual through live streaming and online meeting platform using Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its TIH Online website at <https://tiih.online>.
An online meeting platform used to conduct the meeting can be recognised as the meeting venue or place required under Section 327(2) of the Companies Act 2016, provided that the online meeting platform is located in Malaysia and all shareholders participating including the Chairperson of the meeting, board members, senior management and shareholders are to participate in the meeting online.

Members who are eligible can 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://tiih.online>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 35th AGM in order to participate remotely via RPV.

2. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 30 July 2024, Tuesday ("General Meeting Record of Depositors") shall be eligible to attend the meeting.

3. A member who is entitled to participate in this 35th 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.

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

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

6. 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.

7. 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.

8. 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.

9. 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 **Tuesday, 6 August 2024 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://tiih.online> no later than **Tuesday, 6 August 2024 at 10.00 a.m.** Kindly refer to the Administrative Guide for the 35th AGM on the procedures for electronic lodgement of proxy form via TIH Online.

10. Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of 35th AGM will be put to vote on a poll.

11. 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 notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

12. 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:
(i) 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.
(ii) 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:
(a) at least two (2) authorised officers, of whom one shall be a director; or
(b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

13. Members are advised to check the Company's website at <https://www.elk-desa.com.my/ar2024.html> and announcements from time to time for any changes to the administration of the 35th AGM that may be necessitated under guidelines prescribed the relevant authorities.

Explanatory Notes on Ordinary Business:

1. Statutory Audited Financial Statements for the financial year ended 31 March 2024

This Agenda item is meant for discussion only as the provisions of Section 248(2) and Section 340(1)(a) of the ACT 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' fees 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 2024 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 to be approved by shareholders is pursuant to Section 230(1)(b) of the Companies Act, 2016.

The total estimated amount of Directors' allowances is calculated based on the number of scheduled Board's and Board Committees' meetings for the period commencing from the date immediately after the 35th AGM up to the date of the next AGM of the Company to be held in 2025. 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.

4. Ordinary Resolution 3 – Re-election of Directors – Mr. Teoh Seng Hui

Mr. Teoh Seng Hui, who shall retire from office pursuant to Clause 112 of the Company's Constitution, is standing for re-election as Director of the Company and being eligible, has offered himself for re-election at the 35th AGM. Mr. Teoh's profile is set out in the Directors' profile of the Annual Report 2024.

The Nomination Committee ("NC") of the Company has assessed the competence and contribution of Mr. Teoh Seng Hui and concluded that he has the character, experience, integrity, criteria and time to effectively discharge his role as the Group Executive Director and Chief Executive Officer ("GED/CEO") of the Company. NC has recommended for his re-election at the forthcoming AGM.

The Board collectively agreed that Mr. Teoh Seng Hui, the GED/CEO of the Company, is primarily responsible for managing day-to-day operations, strategic planning, sustainability risks and opportunities to drive profitability of the Company and communicating with the Board, endorsed the NC's recommendation that Mr. Teoh Seng Hui be re-elected as Director of the Company.

5. Ordinary Resolution 4 – Re-election of Director – Ms. Tan Tai Kim

Ms. Tan Tai Kim, is retiring pursuant to clause 116 of the Company's Constitution, is standing for re-election as Director of the Company and being eligible, has offered herself for re-election at the 35th AGM. Ms. Tan's profile is set out in the Directors' profile of the Annual Report 2024.

The Board agreed that Ms. Tan Tai Kim meets the criteria as set forth in the Directors' Fit and Proper Policy of the Company on character, experience, integrity, competence and time commitment to effectively discharge her role as Director. The Board has also via the NC assessed the independence of Ms. Tan and satisfied that she complied with the criteria on independence as prescribed by the Listing Requirements of Bursa Securities.

6. Retirement of Independent Directors on reaching 12 years in service

Mr. Loong Foo Ching and Ms. Toh Jyh Wei, who were appointed as Independent Directors of the Company on 20 September 2012 and 12 October 2012 respectively, will retire in accordance with Clause 112 of the Company's Constitution. Mr. Loong and Ms. Toh have expressed their intention not to seek re-election at the forthcoming 35th AGM. Hence they will hold office as Directors until the conclusion of the 35th AGM.

Mr. Ng Soon Lai @ Ng Siek Chuan who was appointed as Independent Director on 20 September 2012 will retire as an Independent Director at the forthcoming 35th AGM and he did not intend to seek for re-election as director of the Company.

7. Ordinary Resolution 5 – 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 aspects 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 35th AGM.

Explanatory Note on Special Business:

8. Ordinary Resolution 6 – Resolution on the proposed renewal of authority for the Company to purchase its own shares ("Proposed Share Buy-Back")

The proposed Ordinary Resolution 6, if passed, will empower the Company to renew the mandate obtained at the 34th AGM to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the next AGM. For further information, please refer to the Share Buy-Back Statement contained in the Annual Report.

9. Ordinary Resolution 7 – Resolution on the proposed payment of retirement gratuity

Section 230(1)(b) of the Act requires that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval will be sought at the 35th AGM for the proposed payment of retirement gratuity to the Independent Non-Executive Directors who will be retiring at the conclusion of the 35th AGM.

Mr. Loong Foo Ching, Senior Independent Non-Executive Director was appointed to the Board on 20 September 2012 and he will retire at the conclusion of the 35th AGM. Mr. Loong is the Chairman of the NC and a member of the AC and RC.

Mr. Ng Soon Lai @ Ng Siek Chuan was appointed to the Board on 20 September 2012 as Independent Non-Executive Director and he will retire at the conclusion of the 35th AGM. Mr. Ng is the Chairman of AC and a member of the NC and RC.

Ms. Toh Jyh Wei was appointed to the Board on 12 October 2012 as Independent Non-Executive Director and she will retire at the conclusion of the 35th AGM. Ms. Toh is a member of the RC.
Mr. Loong, Mr. Ng and Ms. Toh, since being appointed to the board have provided good guidance and oversight underpinning all that ELK-Desa Resources Berhad has achieved to date.
The proposed payment of retirement gratuity is in recognition of their commitment, dedication and contribution to the Board and Board committees.