

## MLABS SYSTEMS BERHAD

Company Registration No. 200401014724 (653227-V)  
(Incorporated in Malaysia)

MINUTES OF THE SEVENTEENTH (17<sup>TH</sup>) ANNUAL GENERAL MEETING OF MLABS SYSTEMS BERHAD (“MLABS” OR “THE COMPANY”) CONDUCTED ON A FULLY VIRTUAL BASIS FROM THE BROADCAST VENUE AT LEVEL 13, MENARA LIEN HOE, NO. 8, PERSIARAN TROPICANA, TROPICANA GOLF & COUNTRY RESORT, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON MONDAY, 20 DECEMBER 2021 AT 11.00 A.M.

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Directors Present : General Tan Sri Dato’ Sri Hj. Suleiman Bin Mahmud RMAF (Rtd)  
Mr. Tan Sik Eek  
Mr. Ong Tee Kein  
Mejar Dato’ Ismail Bin Ahmad (R)  
Professor Dr. Sureswaran Ramadass  
Mr. Chuah Hoon Hong

In Attendance : Mr. Chong Voon Wah (*Company Secretary*)

Shareholders / Proxies Present : As per attendance list

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### 1. **CHAIRMAN**

General Tan Sri Dato’ Sri Hj. Suleiman Bin Mahmud RMAF (Rtd) (“the Chairman”) presided at the meeting and welcomed the members to the Seventeenth Annual General Meeting (“17<sup>th</sup> AGM”) of the Company.

### 2. **QUORUM**

There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 11.00 a.m.

### 3. **NOTICE**

With the consent of the meeting, the Notice of 17<sup>th</sup> AGM dated 29 October 2021 (“Notice”) convening the meeting having been circulated within the prescribed period was taken as read.

### 4. **PRELIMINARY**

The Chairman informed that with the outbreak of Coronavirus Disease and as part of the safety measures to curb the spread of pandemic, the 17<sup>th</sup> AGM is conducted by way of fully virtual basis and online remote voting using the Remote Participation and Voting (“RPV”) facilities.

Before proceeding with the agendas of the meeting, a short system briefing on the voting process using the RPV facilities was shown during the meeting and duly noted by the shareholders.

The Chairman then briefed the meeting that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

At the same time, the Company must appoint at least one (1) scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process.

With the consent and approval of the meeting, the Chairman informed that the polling process for all the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the 17<sup>th</sup> AGM.

**5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

The Audited Financial Statements of the Company and of the Group for financial year ended 30 June 2021, together with the Reports of the Directors and Auditors thereon ("Audited Financial Statements") was tabled during the meeting for the shareholders' discussion.

The Chairman informed that the Company has received a letter dated 13 December 2021 from Minority Shareholders Watch Group ("MSWG"). The questions from MSWG together with the Company's replied, as Appendix I enclosed herewith, was projected during the meeting for the shareholders' information.

The Chairman informed the meeting that the Audited Financial Statements of the Company is meant for discussion only as Section 340(1) of the Companies Act, 2016 provides that the Audited Financial Statements are to be laid in the general meeting. In relation thereto, the Audited Financial Statements of the Company is not put forward for voting. As such, the Chairman concluded that the Audited Financial Statements submitted to the meeting were duly noted and received.

**6. ORDINARY RESOLUTION 1  
PAYMENT OF DIRECTORS' FEES**

The Chairman informed that Ordinary Resolution 1 is to approve the payment of Directors' fees of up to RM550,000 for the period from 20 December 2021 until the next Annual General Meeting of the Company.

The following resolution was put to the shareholders for consideration :

"THAT the payment of Directors' fees of up to RM550,000 for the period from 20 December 2021 until the next Annual General Meeting of the Company be and is hereby approved."

**7. ORDINARY RESOLUTION 2  
PAYMENT OF DIRECTORS' BENEFITS**

The Chairman informed that Ordinary Resolution 2 is to approve the payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 to the Non-Executive Directors with effect from 20 December 2021 until the next Annual General Meeting of the Company.

The following resolution was put to the shareholders for consideration :

"THAT the payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 to the Non-Executive Directors with effect from 20 December 2021 until the next Annual General Meeting of the Company be and is hereby approved."

**8. ORDINARY RESOLUTION 3  
RE-ELECTION OF MR. TAN SIK EEK**

The Chairman informed that Ordinary Resolution 3 is to re-elect Mr. Tan Sik Eek, who retires pursuant to Clause 115 of the Company's Constitution and being eligible, had offered himself for re-election.

The following resolution was put to the shareholders for consideration :

"THAT Mr. Tan Sik Eek, who is retiring pursuant to Clause 115 of the Company's Constitution, be re-elected as a Director of the Company."

**9. ORDINARY RESOLUTION 4  
RE-ELECTION OF MEJAR DATO' ISMAIL BIN AHMAD (R)**

The Chairman informed that Ordinary Resolution 4 is to re-elect Mejar Dato' Ismail Bin Ahmad (R), who retires pursuant to Clause 115 of the Company's Constitution and being eligible, had offered himself for re-election.

The following resolution was put to the shareholders for consideration :

"THAT Mejar Dato' Ismail Bin Ahmad (R), who is retiring pursuant to Clause 115 of the Company's Constitution, be re-elected as a Director of the Company."

**10. ORDINARY RESOLUTION 5  
RE-APPOINTMENT OF AUDITORS**

The Chairman informed that Ordinary Resolution 5 is to re-appoint Messrs PKF as the Company's auditors for the ensuing year and to authorise the Directors to fix their remuneration.

The following resolution was put to the shareholders for consideration :

"THAT Messrs PKF be and is hereby re-appointed as the Company's auditors for the ensuing year AND THAT the Board of Directors be authorised to determine their remuneration."

**11. ORDINARY RESOLUTION 6  
AUTHORITY TO ALLOT AND ISSUE SHARES BY THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

The Chairman informed that Ordinary Resolution 6 of the meeting is to seek approval from the shareholders to authorise the Directors of the Company to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

The following resolution was put to the shareholders for consideration :

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 ("the Act"), Additional Temporary Relief Measures to Listed Corporations for COVID-19, issued by Bursa Malaysia Securities Berhad ("Bursa Securities") on 16 April 2020 and subject to the approvals of the relevant governmental/ regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to 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 20% of the issued share capital of the Company for the time being ("20% General Mandate") and that the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation of the additional shares so issued.

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until 31 December 2021, as empowered by Bursa Securities pursuant to its letter dated 16 April 2020 to grant additional temporary relief measures to listed corporations, notwithstanding Section 76(3) of the Act, duly varied and adopted by the Directors of the Company pursuant to Section 76(4) of the Act."

At this juncture, the Chairman declared his interest in ordinary resolution 7 in respect of the proposed retention of himself as Independent Non-Executive Director of the Company. As such, he invited Mr. Tan Sik Eek ("Mr. Tan") to chair the meeting for the ordinary resolution 7.

**12. ORDINARY RESOLUTION 7**  
**RETENTION OF GENERAL TAN SRI DATO' SRI HJ. SULEIMAN BIN MAHMUD RMAF (RTD) AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. Tan informed that Ordinary Resolution 7 of the meeting is to seek approval from the shareholders on the retention of General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd) as Independent Non-Executive Director through a two-tier voting process.

The following resolution was put to the shareholders for consideration :

"THAT General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd) be and is hereby retained as an Independent Non-Executive Director of the Company."

At this juncture, Mr. Tan handed over the chair back to the Chairman for the remaining agendas of the meeting.

**13. ORDINARY RESOLUTION 8**  
**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

The Chairman informed that Ordinary Resolution 8 of the meeting is to seek approval from the shareholders on the Proposed Shareholders' Mandate, the details of which has been provided in the Company's Circular to Shareholders dated 29 October 2021.

The following resolution was put to the shareholders for consideration :

"THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading nature with related parties as set out in Section 2.4 of the Circular to Shareholders dated 29 October 2021 for the purposes of Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), subject to the following:

- (i) the transactions are necessary for the day to day operations of the Company's subsidiary in the ordinary course of business, at arm's length, on normal commercial terms and are on terms not more favourable to the related party than those generally available to the public and not detrimental to minority shareholders of the Company;
- (ii) the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only continue to be in force until:
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
  - (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340 (2) of the Companies Act, 2016 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of CA); or
  - (c) revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earlier.
- (iii) disclosure is made in the annual report of the Company of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the mandate during the current financial year, and in the annual reports for the subsequent financial years during which a shareholder's mandate is in force, where:
  - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
  - (b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%, whichever is the higher;

and amongst other, based on the following information:

- (a) the type of the Recurrent Related Party Transactions made; and
- (b) the names of the related parties involved in each type of the Recurrent Related Party Transactions made and their relationships with MLABS Group.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

**14. SPECIAL RESOLUTION 1**  
**PROPOSED AMENDMENT TO THE CONSTITUTION OF THE COMPANY**

The Chairman informed that the Special Resolution 1 is to seek the shareholders' approval for the proposed amendments to Clause 21 of the Company's Constitution as set out in Appendix A of the Notice.

The following resolution which was set out in the Notice of meeting was put to meeting for consideration:

“THAT proposed amendments to the Constitution of the Company as set out in the Appendix A, which is circulated together with the Notice of Seventeenth (17<sup>th</sup>) Annual General Meeting dated 29 October 2021, be approved and adopted AND THAT the Directors and/or Secretary of the Company be authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Amendment for and on behalf of the Company.”

**15. ANY OTHER BUSINESS**

After verified and confirmed with the Company Secretary, the Chairman informed that there was no other business to be transacted at the 17<sup>th</sup> AGM.

**16. QUESTIONS AND ANSWERS DISCUSSED AT THE 17<sup>TH</sup> AGM**

The Chairman then invited the management to present a snapshot of the outlook of MLABS Group for the shareholders’ information.

Thereafter, the Chairman invited question from the shareholders relating to the resolutions tabled at this AGM.

The following questions were raised by the shareholders / proxies and duly replied by the Directors as follows:

***Q1 : Will the Company undertake the share consolidation or fund raising exercise via private placement ?***

There is no corporate exercise involving a share consolidation as at this time and the Company may consider to undertake the fund raising exercise for the capital needs of the Company as it arises.

***Q2 : What is the RM85.0 million overdue receivable raised by the external auditor ?***

The Company do not have any overdue receivables amounting to RM85.0 million from the third parties. The said amount was due to the changes of the accounting standard of which the advances made to subsidiary companies is now deemed as a receivable to the holding Company.

***Q3 : How many unit of video conference is now being on rent as on today and what is the monthly rental for each unit?***

At present, the Company does not rent out video conferencing solutions. For information, the Company has conducted more than 80 virtual meetings for its clients up to date, making MLabs the leader in virtual meetings.

In year 2022, with the completion of the acquisition of Ikhlas Al-Dain Sdn Bhd, the Group is positioned to offer a rental or leasing program to private as well as governmental sector.

***Q4 : The Company once said the consolidation and right issue exercises is for the best interest of shareholder. Now the share price as RM0.03, can elaborate on this?***

The management is unable to comment on the pricing movement of the Company’s stock.

**Q5 : What is the prospect of the Group's property investment ?**

The property investment has generated valuation appreciation, however, the pandemic has limited the investment return at the present moment. The Company expect better yields in 2022.

After dealing the questions raised by the shareholders / proxies, the meeting then proceeded with the proceeding of the polling process.

**17. POLLING PROCESS**

After the shareholders casted their votes, the Chairman, with the consent of the meeting, adjourned the meeting at 11.30 a.m. for the counting and verification of the poll results.

**18. ANNOUNCEMENT OF POLL RESULTS**

At 11.45 a.m., the Chairman called the meeting to order for the declaration of results. He informed that he had received the poll results from the Scrutineers as follows :

Resolutions	Voted	No. of Shareholders	No. of Shares	% of Shares
<b><u>Ordinary Resolution 1</u></b> To approve the payment of Directors' fees	For	9	330,793,263	99.9374
	Against	5	207,131	0.0626
<b><u>Ordinary Resolution 2</u></b> To approve the payment of Directors' Benefits	For	9	330,793,263	99.9374
	Against	5	207,131	0.0626
<b><u>Ordinary Resolution 3</u></b> To re-elect Mr. Tan Sik Eek as Director	For	9	330,293,293	99.9979
	Against	4	7,101	0.0021
<b><u>Ordinary Resolution 4</u></b> To re-elect Mejar Dato' Ismail bin Ahmad (R) as Director	For	10	330,993,263	99.9978
	Against	4	7,131	0.0022
<b><u>Ordinary Resolution 5</u></b> To re-appoint Messrs PKF as auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration	For	12	330,994,393	99.9982
	Against	2	6,001	0.0018
<b><u>Ordinary Resolution 6</u></b> To approve the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016	For	10	330,993,263	99.9978
	Against	3	7,130	0.0022
<b><u>Ordinary Resolution 7 (Tier 1)</u></b> To retain General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd) as Independent Non-Executive Director	For	1	307,874,700	100.0000
	Against	0	0	0.0000

Resolutions	Voted	No. of Shareholders	No. of Shares	% of Shares
<b>Ordinary Resolution 7 (Tier 2)</b> To retain General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd) as Independent Non-Executive Director	For	8	23,118,463	99.9687
	Against	4	7,230	0.0313
<b>Ordinary Resolution 8</b> To approve the proposed renewal of existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	For	9	22,418,563	99.9682
	Against	3	7,130	0.0318
<b>Special Resolution 1</b> To approve the proposed amendments to the Company's Constitution	For	12	330,994,393	99.9982
	Against	1	6,000	0.0018

The Chairman informed that based on the poll results, he thereby declared that all the resolutions set out in the Notice as carried.

**19. TERMINATION**

There being no other business, the meeting ended at 11.50 a.m. with a vote of thanks of the Chairman.

**Confirmed as a correct record of the proceedings thereat**

*- Signed -*

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General Tan Sri Dato' Sri Hj. Suleiman  
Bin Mahmud RMAF (Rtd)  
Chairman