

NOTICE IS HEREBY GIVEN THAT the Sixteenth (16th) Annual General Meeting of MLABS Systems Berhad ("MLABS" or "the Company") will be conducted on a fully virtual basis from the Broadcast Venue at Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 26 November 2020 at 10.30 a.m. or any adjournment thereof, for the purpose of transacting the following businesses:

AGENDA

- To receive the Audited Financial Statements for the financial year ended 30 June 2020 together with the Directors' and Auditors' Reports thereon.
Please refer to Explanatory Note 1
- To approve the payment of Directors' fees of up to RM450,000.00 from 26 November 2020 until the next Annual General Meeting of the Company.
Ordinary Resolution 1
- To approve the payment of Directors' benefits (excluding Directors' fees) of up to RM20,000.00 to the Non-Executive Directors with effect from 26 November 2020 until the next Annual General Meeting of the Company.
Ordinary Resolution 2
- To re-elect Mr Chuah Hoon Hong who retires pursuant to Clause 125 of the Company's Constitution.
Ordinary Resolution 3
- To re-elect General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd) who retires pursuant to Clause 115 of the Company's Constitution.
Ordinary Resolution 4
- To re-appoint Messrs PKF as Auditors of the Company and to authorise the Directors to fix their remuneration.
Ordinary Resolution 5

SPECIAL BUSINESSES :

To consider and, if thought fit, to pass the following Resolution:

- Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016**
Ordinary Resolution 6
"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."

- Proposed Retention of Independent Non-Executive Director**
Ordinary Resolution 7
"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."

- Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")**
Ordinary Resolution 8
"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 28 October 2020 for the purposes of Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), subject to the following:

- 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;
- the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only continue to be in force until:
 - 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;
 - 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
 - revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earlier.
- 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:
 - the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
 - any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%, whichever is the lower;

and amongst other, based on the following information:

- the type of the Recurrent Related Party Transactions made; and
 - 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."

- To transact any other business of the Company for which due notice shall have been given.

By order of the Board,

CHONG VOON WAH (SSM PC No. 202008001343) (MAICS 7055003)
THAI KIAN YAU (SSM PC No. 202008001515) (MIA 36921)
Company Secretaries

Kuala Lumpur
28 October 2020

Notes:

- Only depositors whose names appear in the Record of Depositors as at 19 November 2020 shall be entitled to attend and be entitled to participate, speak and vote at the Sixteenth (16th) Annual General Meeting ("AGM").
- A member entitled to participate and vote at the meeting is entitled to appoint a proxy to participate and vote in his stead. A proxy needs not be a member of the Company and a member may appoint any persons to be his proxy. A proxy appointed to participate and vote at a meeting of a company shall be entitled to vote on any question at any general meeting and have the same rights as the member to speak at the meeting.
- A member shall be entitled to appoint more than two (2) proxies to participate and vote at the AGM. Where a member appoints more than two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holding to be represented by each proxy.
- Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with 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 share 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.
- The instrument appointing a proxy and the power of attorney or other authority (if any), which it is signed or a notarially certified copy thereof, must be deposited at the principal office of the Company at Lot 10, Level 10, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the AGM or adjourned meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll.
- Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Securities, the resolution set out above will be put to vote by way of poll.
- The AGM will be conducted fully virtual at the Broadcast Venue, the members are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.

EXPLANATORY NOTES

- Audited Financial Statements for the Financial Year Ended 30 June 2020**
The Agenda No. 1 is meant for discussion only as Section 340(1) (a) of the Companies Act, 2016 provide that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

- Ordinary Resolutions 1 & 2: Proposed Payment of Directors' Fees and Proposed Payment of Directors' benefits to Non-Executive Directors**

Pursuant to Section 230(1) of the Act, 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. In this respect, the Board agreed that the shareholders' approval shall be sought at the Sixteenth (16th) Annual General Meeting ("AGM") on the Directors' fees and benefits in 2 separate resolutions as below:

- Ordinary Resolution 1 on payment of Directors' fees from 26 November 2020 until the next AGM.
- Ordinary Resolution 2 on payment of Director's benefits (excluding Directors' fees) from 26 November 2020 until the next AGM.

The Directors' benefits payable to the Directors is essentially includes meeting allowance for Board/Board Committee meeting attended / to be attended for the period from 26 November 2020 until the conclusion of the next AGM and is estimated not to exceed RM20,000.00. The Board will seek shareholders' approval at the next AGM in the event the amount of the Directors' benefits is increased due to an increase in Board/Board Committee meetings and increase in Board size.

Details of the Directors' fees and benefits of the Non-Executive Directors for the financial year ended 30 June 2020 are disclosed in the Corporate Governance Overview Statement in the Annual Report 2020.

- Ordinary Resolution 6 : Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016**

The proposed Ordinary Resolution 6, if passed, is a general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 20% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company.

Bursa Malaysia Securities Berhad ("Bursa Securities") has via their letter dated 16 April 2020 granted several additional temporary relief measures to listed corporations, amongst others, an increase in general mandate limit for new issues of securities to not more than 20% of the total number of issued shares of the Company for the time being ("20% General Mandate"). Pursuant to the 20% General Mandate, Bursa Securities has also mandated that the 20% General Mandate may be utilised by a listed corporation to issue new securities until 31 December 2021 ("Extended Utilisation Period") and thereafter, the 10% general mandate will be reinstated. Having considered the current economic climate arising from the global COVID-19 pandemic and future financial needs of the Group, the Board would like to procure approval for the 20% General Mandate, inclusive of the Extended Utilisation Period, pursuant to Section 76(4) of the Companies Act, 2016 from its shareholders at the forthcoming AGM of the Company.

The 20% General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions.

The 20% General Mandate, unless revoked or varied by the Company in general meeting, will expire at the end of the Extended Utilisation Period, i.e. by 31 December 2021.

As at the date of this Notice, 80,158,000 new ordinary shares in the Company were issued by way of private placement pursuant to the general mandate granted to the Directors at the Annual General Meeting held on 29 November 2019 and which will lapse at the conclusion of the Sixteenth (16th) Annual General Meeting. The total proceeds raised from the said private placement exercise was around RM1.478 million. The details and status of the utilisation of proceeds raised from the said private placement exercise are as follows :

Utilisation of Proceeds	Proposed Utilisation (RM'000)	Amount Utilisation (RM'000)	Balance Available for Utilisation (RM'000)
Working capital	1,395	1,395	-
Expenses for the private placement	80	80	-
Total	1,475	1,475	-

- Ordinary Resolution 7 : Proposed Retention of Independent Non-Executive Director**

The proposed Ordinary Resolution 7, if passed, will allow General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd) to be retained and continue to act as Independent Non-Executive Director of the Company.

The Board through the Nominating Committee ("NC"), has determined that General Tan Sri Dato' Sri Hj. Suleiman bin Mahmud RMAF (Rtd)'s vast and diverse range of experiences had brought the right mix of skills to the Board. As Director, he continues to bring independent and objective judgements to Board deliberations and decision-making process as a whole. The Board therefore, endorsed the NC's recommendation for him to be retained as Independent Director.

The NC and the Board also has undertaken relevant assessments and recommended the above director to continue as Independent Director based on the following justifications:

- He fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements;
- He had vast and diverse range of experiences and therefore would be able to provide constructive and independent opinion, judgment and to act in the best interest of the Company and shareholders;
- He had continued to demonstrate independence, integrity and due care during Board meetings; and
- He had not entered into any related party transactions with the Group.

- Ordinary Resolution 8 : Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 8, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company.



MLABS SYSTEMS BERHAD
Registration No. 200401014724 (653227-V)
(Incorporated in Malaysia under the Companies Act, 1965)

SIXTEENTH (16TH) ANNUAL GENERAL MEETING

ADMINISTRATIVE GUIDE

Date	Time	Broadcast Venue
Thursday, 26 November 2020	10.30 a.m.	Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan

Coronavirus Disease (Covid-19) Outbreak

1. With the outbreak of Coronavirus Disease (Covid-19) and as part of the safety measures to curb the spread of Covid-19 pandemic, the Sixteenth (16th) Annual General Meeting (“**AGM**”) will be conducted by way of a fully virtual meeting and online remote voting using the Remote Participation and Voting Facilities (“**RPV Facilities**”) as the safety of our members, Directors, staff and other stakeholders who will attend the AGM is of paramount importance to us.
2. Shareholders are **strongly encouraged** to take advantage of the RPV Facilities to participate and vote remotely at the AGM. With the RPV Facilities, you may exercise your right as a member of the Company to participate (*including to pose questions to the Board of Directors (“**Board**”) and/or Management of the Company*) and vote at the AGM. Alternatively, you may also appoint the Chairman of the meeting as your proxy to attend and vote on your behalf at the AGM. Details of the RPV Facilities are set out below.

Registration

3. Shareholders who wish to participate and vote remotely at the AGM via RPV Facilities, the registration is mandatory for the event. Please click the following link to register: <https://rebrand.ly/MLABS-AGM>.
4. All the shareholders are required to register in order to participate to the AGM via RPV Facilities. The registration will be open from 3.00 p.m. on 28 October 2020 and close at 10.30 a.m. on 25 November 2020.

Upon submission of your registration, you will receive an email to notify you that your registration has been received and is pending verification.

5. After verification of your registration against the General Meeting Record of Depositors of the Company, the system will send you an email to notify you if your registration is approved or rejected after 19 November 2020.
6. Should your registration be rejected, you can contact the Company’s Share Registrar or the Company for clarifications.
7. The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Please refer to the description in the event page <https://rebrand.ly/MLABS-AGM> for the registration and setup guide.

General Meeting Record of Depositors

8. For the purpose of determining members’ eligibility to attend this meeting, only members whose names appear in the Record of Depositors of the Company as at 19 November 2020 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Individual Members

9. Individual members are strongly encouraged to take advantage of RPV Facilities to participate and vote remotely at the AGM. Please refer to the details as set out under RPV Facilities for information.
10. If an individual member is unable to attend the AGM, he/she is encouraged to appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Corporate Members

11. Corporate members (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV Facilities. Corporate members who wish to participate and vote remotely at the AGM must contact the Company's Share Registrar with the details set out below for assistance and will be required to provide the following documents to the Company no later than 25 November 2020 at 10.30 a.m.:
 - i) Certificate of appointment of its Corporate Representative or Form of Proxy under the seal of the corporation;
 - ii) Copy of the Corporate Representative's or proxy's MyKad (front and back)/Passport; and
 - iii) Corporate Representative's or proxy's email address and mobile phone number.

Upon receipt of such documents, the Company's Share Registrar or the Company will respond to your remote participation request.

12. If a Corporate member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the AGM, it is encouraged to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Nominee Company Members

13. The beneficiaries of the shares under a Nominee Company's CDS account ("**Nominee Company member(s)**") are also strongly advised to participate and vote remotely at the AGM using RPV Facilities. Nominee Company members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the Company's Share Registrar with the details set out below for assistance and will be required to provide the following documents to the Company no later than 25 November 2020 at 10.30 a.m.:
 - i) Form of Proxy under the seal of the Nominee Company;
 - ii) Copy of the proxy's MyKad (front and back)/Passport; and
 - iii) Proxy's email address and mobile phone number.

Upon receipt of such documents, the Company's Share Registrar or the Company will respond to your remote participation request.

14. If a Nominee Company member is unable to attend the AGM, it is encouraged to request its Nominee Company to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Proxy

15. If a member is unable to attend the AGM, he/she may appoint a proxy or the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.
16. If the members has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM, the individual member must contact the Company's Share Registrar or the Company, whose contact details are set out in note No. 20 below, to revoke the appointment of his/her proxy no later than 25 November 2020 at 10.30 a.m.

Poll Voting

17. The voting at the AGM will be conducted by way of poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Shareworks Sdn Bhd as the Poll Administrator to conduct the poll by way of electronic voting and Sharepolls Sdn Bhd as the Scrutineers to verify the poll results. Upon completion of the voting session for the respective AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

RPV Facilities

18. Please refer to the following information on RPV Facilities for live streaming and remote voting at the AGM:

Procedures		Action
Before AGM		
1.	Register as participant in Virtual AGM	<ul style="list-style-type: none"> Using your computer, access the website at https://rebrand.ly/MLABS-AGM. Click on the Register button to register for the AGM session. Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification. The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Refer to the tutorial guide posted on the same page for assistance.
2.	Submit your online registration	<ul style="list-style-type: none"> Shareholders who wish to participate and vote remotely at the AGM via RPV Facilities are required to register prior to the meeting. The registration will be open from 3.00 p.m. on 28 October 2020 and the registration will close at 10.30 a.m. on 25 November 2020. Clicking on the link will redirect you to the AGM event page. Click on the Register button for the online registration form. Complete your particulars in the registration page. Your name MUST match your CDS account name (not applicable for proxy). Insert your CDS account number and indicate the number of shares you hold. Read and agree to the Terms & Conditions and confirm the Declarations. Please ensure all information given is accurate before you click Submit to register your remote participation. Failure to do so will result in your registration being rejected. System will send an email to notify that your registration for remote participation is received and will be verified. After verification of your registration against the General Meeting Record of Depositors of the Company as at 19 November 2020, the system will send you an email to notify you if your registration is approved or rejected after 19 November 2020. If your registration is rejected, you can contact the Company's Share Registrar or the Company for clarifications or to appeal.
On the day of AGM		
3.	Attending Virtual AGM	<ul style="list-style-type: none"> Two reminder emails will be sent to your inbox. First is one day before the AGM day, while the 2nd will be sent 1 hour before the AGM session. Click Join Event in the reminder email to participate the RPV.
4.	Participate with live video	<ul style="list-style-type: none"> You will be given a short brief about the system. Your microphone is muted throughout the whole session. If you have any questions for the Chairman/Board, you may use the Q&A panel to send your questions. The Chairman/Board will try to respond to relevant questions if time permits. All relevant questions will be collected throughout the session and replied later through your registered email. The session will be recorded. Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.
5.	Online Remote Voting	<ul style="list-style-type: none"> The Chairman will announce the commencement of the Voting session and the duration allowed at the respective AGM. The list of resolutions for voting will appear at the right-hand side of your computer screen. You are required to indicate your votes for the resolutions within the given stipulated time frame. Click on the Submit button when you have completed. Votes cannot be changed once it is submitted.
6.	End of remote participation	Upon the announcement by the Chairman on the closure of the AGM, the live session will end.

No Recording or Photography

19. Strictly **NO recording** or **photography** of the proceedings of the AGM is allowed.

Enquiry

20. If you have any enquiry prior to the meeting, please contact the following officers during office hours (from 9.00 a.m. to 5.30 p.m. (Monday to Friday)):

**For Registration, logging in and system related:
Mlabs Systems Berhad**

Name : Alvin Ng
Telephone No. : +6011-1303 3355
Email : enquiry@mlabs.com

**For Form of Proxy:
Tricor Investor & Issuing House Services Sdn. Bhd.**

Name : Zakiah Wardi; Keith Lim
Telephone No. : 03-2783 9287; 03-2783 9240
Email : Zakiah@my.tricorglobal.com; Keith.Lim@my.tricorglobal.com