

MI TECHNOVATION BERHAD
Company No.: 201701021661 (1235827-D)
(Incorporated in Malaysia)

Minutes of the Fifth Annual General Meeting (“AGM”) of Mi Technovation Berhad (“Mi Technovation” or “the Company”) held at the Auditorium of the Company, No. 20, Medan Bayan Lepas Technoplex, MK 12, Taman Perindustrian Bayan Lepas, 11900 Bayan Lepas, Pulau Pinang on Friday, 3rd June 2022 at 10.00 a.m.

Board of Directors: -

Mr. Lee Boon Leng	- Independent Non-Executive Chairman
Mr. Oh Kuang Eng	- Group Chief Executive Officer (“CEO”)
Mr. Tan Boon Hoe	- Independent Non-Executive Director
Mr. Lim Shin Lid	- Independent Non-Executive Director
Ms Phoon Yee Min	- Independent Non-Executive Director

Absent with apology

Madam Yong Shiao Voon	- Group Chief Financial Officer (“CFO”)
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Company Secretary: -

Ms. Ch’ng Lay Hoon

Auditors: -

Mr. Goh Chee Beng	- Partner, Messrs BDO PLT
Mr. Koay Theam Hock	- Partner, Messrs BDO PLT
Ms. Echo Chew Min Yi	- Director, Messrs BDO PLT
Ms. Loke Theang Theang	- Assistant Manager, Messrs BDO PLT

By invitation: -

Senior Management of the Company: -

Ms Mandy Wong Ming Nee	- Deputy CFO
Ms. Grace Sia Li Wei	- Financial Controller
Ms. Ong Tee Ni	- Administration Director
Mr. Tung Chun Kang	- Research & Development Director
Ms. Evelyn Ng Zhen Zhing	- Quality Assurance Director
Mr. Chan Tirng Kaai	- Manufacturing Director

The shareholders, corporate representatives and proxies who attended the 5th AGM shall form an integral part of these Minutes.

CHAIRMAN’S WELCOME ADDRESS

Mr. Lee Boon Leng, the Independent Non-Executive Chairman of the Board welcomed all those present and introduced the other members of the Board of Directors, namely Mr. Oh Kuang Eng, the Group CEO, Mr. Tan Boon Hoe, Mr. Lim Shin Lid and Ms Phoon Yee Min, the Independent Non-Executive Directors of the Company. He also introduced the Company Secretary followed by delivering Ms Yong Shiao Voon, the Group CFO, apology for being unable to be present today.

Also present in the Auditorium were the Senior Management of the Company and the Auditors, Messrs BDO PLT, represented by Mr. Goh Chee Beng and Mr. Koay Theam Hock.

The Chairman stated that the Company Secretary has confirmed that pursuant to Article 110 of the Company’s Constitution, the quorum is present. As the requisite quorum is being present, the Chairman commenced the formal business for the meeting and called the meeting to order.

PRESENTATION BY THE GROUP CHIEF EXECUTIVE OFFICER

The Chairman invited the Group CEO, Mr. Oh Kuang Eng to brief the overall Group's performance for the financial year ended 31 December 2021 ("FY 2021") and to share the Group's business strategies and future plans.

Mr. Oh thanked the Chairman and welcomed all the shareholders to the Company's 5th AGM.

The Group CEO walked the Meeting through the Group's achievement in year 2021 as well as the Group's 10-years Roadmap.

The below achievements for year 2021 were presented and noted by the floor: -

a) Acquisition of Accurus Scientific Co. Ltd. ("Accurus")

Completion of the acquisition of Accurus in April 2021, marking the Group's successful penetration into material business and formation of semiconductor material business unit ("SMBU") within the Group.

The synergies on acquisition of Accurus in relation to business integration, combined strength and earnings accretive were noted. Bright prospect is expected for SMBU, backed by secular digitization trend with expected multi-year growth in 5G, HPC, IoT and smartphones. SMBU sees constant demand globally and with a more balanced-out customers' demand trend, it could weather the seasonal softness of equipment business.

b) Private Placement Exercise ("Exercise")

Completion of private placement exercise with an offer size of 75.75 million new shares at an issue price of RM3.90 per share, based on discount of 9.23% to the 5-day VWAP, in August 2021.

The Exercise raised gross proceeds of RM295.4 million for business expansions, loan repayment and working capital purposes.

As at to-date, RM30 million has been utilised (approximately 13.9%) to fund the acquisition of 22.64% equity interest in Talentek Microelectronic (Hefei) Limited ("Talentek") in October 2021.

The investment in Talentek is a strategic collaboration for the Group to be involved in China domestic ecosystem i.e. the final test segment. Both will stay at a perfect position to collaborate on the development of automated test equipment and test handler as well as providing test service to its domestic customers in China.

c) Income Statement Review (FY2021)

- Revenue

A big surge in revenue for year 2021 mainly due to contribution from SMBU together with 10% growth in semiconductor equipment business unit ("SEBU").

- Operating Profit ("OP")

OP margin at 16.5% mainly due to expansion expenses incurred in Taiwan, Korea and China for both SEBU and SMBU, change in product mix and export destination with lower margin environment encountered by SEBU.

- Profit After Tax (“PAT”)
Not much fluctuation in PAT margin from OP margin as interest income and forex gain had sufficiently sheltered the tax expenses incurred by the Group.
- Earnings Per Share (“EPS”)
Amid aggressive investments and expansions, there were additional 150.0 million shares being issued during the year to fund investment projects. Despite increase in number of shares, EPS has increased by 0.26 sen from 7.24 sen in 2020 to 7.50 sen in 2021.

The achievements thus far recorded under the Group’s 10 Years Roadmap (2019-2028) amid the US-China trade tension, Covid-19 pandemic and Ukraine-Russia conflict and inflationary pressures, were noted.

The Meeting was introduced with a new Semiconductor Solutions Business Unit (“SSBU”). SSBU aims to provide assembly and packaging solutions with specific process and application to customers and the preparatory work for SSBU start-up has commenced while Business unit No. 4 shall focus on technology intensive commercial products with no activities carried out yet.

The Meeting was presented with the last 3-Year Financial Results on revenue and profit attributable to owners of parent together with earnings per share for FY2019-2021.

Mr. Oh ended his presentation with a note of thanks to the shareholders for their continuing supports.

The Chairman thanked the Group CEO for his presentation and informed the meeting that the Question & Answer session will be conducted after going through all the items in the agenda of the 5th AGM.

He then handed over the proceeding of the 5th AGM to the Company Secretary.

The Company Secretary informed that the Notice convening the 5th AGM of the Company was circulated to all shareholders and advertised in The Star on 29th April 2022.

Since the Notice convening this 5th AGM has been circulated within the prescribed period, without any objection, the Notice of Meeting was then taken as read and there are eight (8) resolutions to be tabled for approval by the shareholders.

AGENDA 1 - AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements of the Company and Group for the financial year ended 31 December 2021 together with the Directors’ and Auditors’ Reports thereon which were previously circulated to the shareholders of the Company were laid at the meeting for discussion.

The Company Secretary stated that this Agenda is meant for discussion only and it will not be put forward for voting.

The Company Secretary also informed that the Audited Financial Statements and Reports were incorporated in the Annual Report 2021 and published on the Company’s webpage.

As informed by the Chairman, the Meeting noted that any questions arising from this agenda will be addressed at the Question & Answer session to be held later. The Chairman then declared that the Audited Financial Statements of the Company and Group for the year ended 31 December 2021 were duly tabled and received by the shareholders of the Company.

The Company Secretary then highlighted that in accordance with Paragraph 8.29A (1) of the Bursa Malaysia's Main Market Listing Requirements, all 8 resolutions as set out in the notice of the 5th AGM would be voted by poll. The Company's Share Registrar, Securities Services (Holdings) Sdn Bhd has been appointed as Poll Administrator to conduct the electronic polling ("E-polling") while Commercial Quest Sdn Bhd has been appointed as the Independent Scrutineers for the 5th AGM.

ORDINARY RESOLUTION 1

RE-ELECTION OF DIRECTOR - MR. OH KUANG ENG

The Company Secretary informed the Meeting that Ordinary Resolution 1 dealt with the re-election of Mr. Oh Kuang Eng, the Group CEO pursuant to Article 165 of the Company's Constitution and being eligible, had offered himself for re-election.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
1	530,871,360	99.9959	101	21,900	0.0041	2

The Chairman declared that Mr. Oh Kuang Eng, the Director retiring pursuant to Article 165 of the Company's Constitution, be hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 2

RE-ELECTION OF DIRECTOR - MR. TAN BOON HOE

The Company Secretary informed the Meeting that Ordinary Resolution 2 dealt with the re-election of Mr. Tan Boon Hoe, the Independent Non-Executive Director pursuant to Article 165 of the Company's Constitution and being eligible, had offered himself for re-election.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
2	530,811,710	99.9836	95	87,250	0.0164	9

The Chairman declared that Mr. Tan Boon Hoe, the Director retiring pursuant to Article 165 of the Company's Constitution, be hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 3

RE-ELECTION OF DIRECTOR – MS PHOON YEE MIN

The Company Secretary informed the Meeting that Ordinary Resolution 3 dealt with the re-election of Ms Phoon Yee Min, the Independent Non-Executive Director of the Company who retired pursuant to Article 156 of the Company's Constitution and being eligible, had offered herself for re-election.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
3	530,878,810	99.9974	99	14,050	0.0026	5

The Chairman declared that Ms Phoon Yee Min, the Director retiring pursuant to Article 156 of the Company's Constitution, be hereby re-elected as Director of the Company.

ORDINARY RESOLUTION 4

PAYMENT OF DIRECTORS' FEES UP TO AN AGGREGATE AMOUNT OF RM422,500 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022

The Company Secretary informed that Ordinary Resolution 4 was to approve the Directors' Fees payable up to an aggregate amount of RM422,500 for the financial year ending 31 December 2022.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
4	530,546,110	99.9723	83	146,900	0.0277	18

The Chairman declared that Ordinary Resolution 4 be carried.

ORDINARY RESOLUTION 5

PAYMENT OF NON-EXECUTIVE DIRECTORS' BENEFITS PAYABLE UP TO AN AGGREGATE AMOUNT OF RM77,500 FOR THE PERIOD FROM 4 JUNE 2022 UNTIL THE COMPANY'S NEXT AGM WHICH WILL BE HELD IN 2023

The Company Secretary informed that Ordinary Resolution 5 was to approve the Non-Executive Directors' Benefits payable up to an aggregate amount of RM77,500 for the period from 4 June 2022 until the Company's next AGM which will be held in 2023.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
5	530,539,560	99.9708	84	154,850	0.0292	17

The Chairman declared that Ordinary Resolution 5 be carried.

ORDINARY RESOLUTION 6

RE-APPOINTMENT OF MESSRS BDO PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Company Secretary informed that Ordinary Resolution 6 was to re-appoint Messrs BDO PLT, the retiring Auditors as the Auditors of the Company and to authorise the Directors to fix their remuneration. The Auditors, Messrs BDO PLT have indicated their willingness to continue in office.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
6	530,327,710	99.8940	89	562,600	0.1060	11

The Chairman declared that Messrs BDO PLT be and is hereby re-appointed as the Auditors of the Company and that the Board of Directors be and is hereby authorized to fix their remuneration.

ORDINARY RESOLUTION 7

AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT 2016

The Meeting proceeded with the Special Business of the Agenda to obtain the approval from the shareholders to empower the Directors to issue shares up to an aggregate amount not exceeding 10% of the total number of issued share capital of the Company.

It was noted that the Ordinary Resolution 7, when approved by the shareholders, would allow the Board a certain amount of flexibility, when the need arises, to issue additional shares subject to approval of all relevant regulatory bodies being obtained, where necessary.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
7	530,494,910	99.9241	86	402,900	0.0759	16

IT WAS RESOLVED that subject always to the Companies Act 2016 (“the Act”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Constitution of the Company and approvals of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby empowered pursuant to Section 75 of the Act, to issue and allot shares in the capital of the Company, at any time upon such terms and conditions and for such purposes and to such person(s) whomsoever as the Board of Directors of the Company (“Board”) may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed ten (10) per centum of the total issued share capital of the Company for the time being and that the Board be and is also empowered to obtain approval from Bursa Securities for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next AGM of the Company.

ORDINARY RESOLUTION 8

PROPOSED RENEWAL AUTHORITY TO BUY BACK ITS OWN SHARES BY THE COMPANY (“PROPOSED SHARE BUY BACK RENEWAL”)

The Company Secretary informed the Meeting that Ordinary Resolution 8 was to obtain approval from the shareholders for the renewal of authority to buy back its own shares by the Company.

The relevant information in relation to the Proposed Share Buy Back Renewal has been set-out in the Statement of Share Buy-Back dated 29 April 2022.

The below polling results were recorded: -

Ordinary Resolution	Voted For			Voted Against		
	No. of Shares	%	No. of shareholders	No. of Shares	%	No. of shareholders
8	530,843,760	99.9989	93	5,800	0.0011	4

IT WAS RESOVED that, subject to the Act, provisions of the Company’s Constitution, Main Market Listing Requirements of Bursa Securities and any prevailing laws, guidelines, rules and regulations issued by the relevant authorities, the Board be authorised to purchase its own shares through Bursa Securities, subject to the following: -

- (a) the aggregate number of Shares in the Company which may be purchased and/or held by the Company shall not exceed five percent (5%) of its total number of issued Shares at any point in time;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained earnings of the Company;
- (c) the authority conferred by this resolution would be effective immediately upon the passing of this ordinary resolution and will continue to be in force until: -
 - (i) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that Meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first and, in any event, in accordance with the provisions of the Listing Requirement of Bursa Securities or any other relevant authorities;

And that the Board be and is hereby authorised to act and to take all steps and do all things as they may deem necessary or expedient to implement, finalise, complete and/or give effect to the purchase of the Company’s shares.

The Company Secretary then handed over the Meeting to the Chairman to proceed with the final agenda of the 5th AGM.

AGENDA 10 - ANY OTHER BUSINESS

The Meeting noted that no notice of any other business for transaction had been received by the Company for the 5th AGM.

The Chairman then declared that the Meeting closed.

QUESTION & ANSWER (“Q&A”) SESSION

The Chairman then invited the Group CEO to take the shareholders through the Q&A session.

During the Q&A, the Group CEO elaborated on the strategic collaboration on the final test segment with Talentek as well as the progress update on laser-assisted bonder (“LAB”) and laser-compression bonding (“LCB”) system.

In response to the Group’s mindset and philosophy, the Group CEO confirmed that to his best belief, the Group remains unchanged and consistently applies its philosophy set since its inception, down-to-earth, in pursuing its 10-years roadmap.

In response to semiconductor market outlook for 2022 with reducing forecast observed in smart devices and wearables segment, the Group CEO responded that in general the said market segment is expected to stay stagnant in year 2022. The Group is mainly involved in advanced packaging with applications towards smart and wireless devices, hence it will be directly impacted by the declining trend in 1st half of 2022 while the 2nd half remains unpredictable and hopefully will have a better picture by 3rd quarter of 2022.

The Group CEO also addressed the Group’s plans and involvement in automobile and high-performance computing segment.

Mr. Oh thanked shareholders for their questions and concern and informed the shareholders that save for sensitive/technical/material information, if any more questions pertaining to today’s AGM, the shareholders may complete a form and the Company will endeavour to respond to the shareholders after the 5th AGM.

CONCLUSION OF MEETING

The Chairman concluded the Meeting and thanked all those who participated in the Company’s 5th AGM.

There being no other matter to discuss, the 5th AGM of the Company concluded at 11.30 a.m. with a vote of thanks to the Chairman.

Confirmed as a correct record,

(Duly signed by Lee Boon Leng)
Independent Non-Executive Chairman