

## **MI TECHNOVATION BERHAD**

### **1. INTRODUCTION**

The Board of Directors of Mi Technovation Berhad (“the Company”) wishes to announce that the Company had on 8<sup>th</sup> October 2020 entered into a Memorandum Of Understanding (“MOU”) with Accurus Scientific Co. Ltd. (Registration No. 16632565) (“Accurus”) and its shareholders with aggregate of 73.142% equity interest (“the Shareholders”) in relation to the proposed acquisition of all or part of the equity interests in Accurus (“the Proposed Acquisition”).

The Company, Accurus and the Shareholders of Accurus are collectively referred to as the “Parties”.

### **2. INFORMATION ON ACCURUS**

Accurus is a private limited company incorporated in Taiwan (Republic of China) with its registered address at No. 508-51, Section 1, Wen-Sien Road, Rende District, Tainan City 717, Taiwan (ROC) with a registered capital of NTD500,000,000 and paid-up capital of NTD222,056,250.

Accurus’ principal activities are manufacturing of solder spheres which are widely used for Advance Packaging such as Ball Grid Array (“BGA”) and Wafer Level Packaging (“WLP”) in the semiconductor industry. Besides, Accurus also involves in metal surface treatment, metal forming of aluminum, copper and tin-based solders, as well as electronic parts and components assemblies.

### **3. SALIENT TERMS OF THE MOU**

3.1 As soon as practicable after the signing of the MOU and up to 31<sup>st</sup> January 2021 or such other date as the Parties may agree from time to time (“Exclusivity Period”), the Parties shall work on the due diligence review and to negotiate in good faith the terms of a Sales & Purchase Agreement (“S&P Agreement”) in respect of the Proposed Acquisition. For the avoidance of doubt, the execution of the S&P Agreement is subject to the satisfactory of the due diligence outcome by the Company;

3.2 The Shareholders and Accurus undertake that unless otherwise with the prior written consent of the Company, they will procure that during the Exclusivity Period, there will not be any:-

- (i) sale, mortgage, grant of option or other disposition of, or encumbrance, or agreement to sell, mortgage, grant option over or otherwise dispose of or encumber, in respect of the whole or any part of the business, assets or shares or equity interest of Accurus to any person other than the Company;
- (ii) discussions or negotiations with any person other than the Company in relation to the sale, mortgage or other disposition of, or grant of an option or other encumbrance in respect of, the whole or any part of the business, assets or shares or equity interest of Accurus; or

(iii) approval given for any sale or transfer of equity interest of Accurus save for to the Company.

3.3 The MOU shall become effective from the date of signing of the MOU and shall remain in effect until the expiry of the Exclusivity Period or until the execution of the S&P Agreement, whichever comes first. Early termination is allowed by mutual agreement in writing.

**4. RATIONALE OF THE PROPOSED ACQUISITION**

The Proposed Acquisition will provide an opportunity for the Parties to establish probable business integration for wider product portfolio within the same distribution channel and value chain in anticipation of leveraging the combined strengths of the Company with Accurus.

**5. EFFECTS OF THE MOU**

The MOU will not have any material effect on the issued and paid-up share capital and substantial shareholders of the Company, earnings and net assets and gearing of the Company for the financial year ending 31<sup>st</sup> December 2020.

More details on the financial effects on the Proposed Acquisition will only be available upon execution of the S&P Agreement.

**6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST**

None of the Directors, substantial shareholders and persons connected to Directors and/or substantial shareholders of the Company has any interest, direct or indirect, in the MOU.

**7. APPROVAL REQUIRED**

The MOU is not subject to the approval of the shareholders of the Company or any regulatory authorities.

**8. DOCUMENT AVAILABLE FOR INSPECTION**

The MOU is available for inspection at the registered office of the Company at Suite 12A, Level 12, Menara Northam, No, 55, Jalan Sultan Ahmad Shah, 10050 Penang from Monday to Friday (except public holidays) during normal business hours for a period of three (3) months from the date of this announcement.

This announcement is dated 8<sup>th</sup> October 2020.