

THIS STATEMENT / CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused the contents of this Statement / Circular in relation to the Proposed Share Buy-Back and Proposed Change of Name (as defined herein) prior to the issuance of this Statement / Circular.

Bursa Securities takes no responsibility for the contents of this Statement / Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement / Circular.



(Company No. 1235827-D)
(Incorporated in Malaysia under the Companies Act 2016)

PART A

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED SHARE BUY-BACK AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES OF UP TO FIVE PERCENT (5%) OF ITS TOTAL NUMBER OF ISSUED SHARES (“PROPOSED SHARE BUY-BACK”)

PART B

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED CHANGE OF NAME OF THE COMPANY FROM “Mi EQUIPMENT HOLDINGS BERHAD” TO “Mi TECHNOVATION BERHAD” (“PROPOSED CHANGE OF NAME”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser for Part A



AFFIN HWANG
CAPITAL

AFFIN HWANG INVESTMENT BANK BERHAD

(Company No. 14389-U)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting (“**EGM**”) of Mi Equipment Holdings Berhad will be held at The Olive, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Wednesday, 26 December 2018 at 11.00 a.m. or any adjournment thereof. The Notice of EGM together with the Proxy Form are enclosed in this Statement / Circular.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Proxy Form in accordance with the instructions therein and deposit the same at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, not less than forty-eight (48) hours before the time appointed for holding the EGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Last date and time for lodging the Proxy Form : Monday, 24 December 2018 at 11.00 a.m.
Date and time of the EGM : Wednesday, 26 December 2018 at 11.00 a.m.

This Statement / Circular is dated 21 November 2018

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Statement / Circular:

Act	:	Companies Act 2016
Affin Hwang IB	:	Affin Hwang Investment Bank Berhad (Company No. 14389-U)
AGM	:	Annual General Meeting
Board	:	Board of Directors of Mi Equipment Holdings
Bursa Securities	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
CCM	:	Companies Commission of Malaysia
Constitution	:	The constitution of the Company
EGM	:	Extraordinary General Meeting
EPS	:	Earnings per Share
FPE	:	Financial period ended
FYE	:	Financial year ended/ending, as the case may be
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	31 October 2018, being the latest practicable date prior to the printing of this Statement / Circular
Market Day	:	A day on which Bursa Securities is open for trading in securities
Mi Equipment Holdings or Company	:	Mi Equipment Holdings Berhad (Company No. 1235827-D)
Mi Equipment Holdings Group or Group	:	Collectively, Mi Equipment Holdings and its subsidiary companies
Mi Equipment Holdings Share(s) or Share(s)	:	Ordinary share(s) in Mi Equipment Holdings
NA	:	Net assets
Proposed Change of Name	:	The proposed change of name of the Company from “Mi Equipment Holdings Berhad” to “Mi Technovation Berhad”
Proposed Share Buy-Back	:	Proposed share buy-back authority for the Company to purchase its own Shares of up to five percent (5%) of its total number of issued Shares
Record of Depositors	:	A record provided by Bursa Depository to the Company under Chapter 24.0 of the Rules of Bursa Malaysia Depository Sdn Bhd
RM and sen	:	Ringgit Malaysia and sen respectively
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia

DEFINITIONS (CONT'D)

Statement / Circular : This share buy-back statement / circular to shareholders dated 21 November 2018

VWAP : Volume weighted average market price

References to “we”, “us”, “our” and “ourselves” are to the Company and, where the context otherwise requires, our subsidiaries. All references to “you” in this Statement / Circular are to the shareholders of Mi Equipment Holdings.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference to any enactment in this Statement / Circular is a reference to that enactment as for the time being amended or re-enacted.

Any reference to time of day in this Statement / Circular is a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Statement / Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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PART A

**LETTER TO THE SHAREHOLDERS CONTAINING THE
PROPOSED SHARE BUY-BACK**

 **Mi EQUIPMENT
HOLDINGS BERHAD**

(Company No. 1235827-D)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office

Suite 12-A, Level 12
Menara Northam
No. 55 Jalan Sultan Ahmad Shah
10050 Georgetown
Penang

21 November 2018

Board of Directors:

Foo Hee Chaik (*Independent Non-Executive Chairman*)
Oh Kuang Eng (*Executive Director / Group Chief Executive Officer*)
Koay Huck Khim (*Executive Director*)
Ong Tee Ni (*Executive Director*)
Lee Boon Leng (*Independent Non-Executive Director*)
Tan Boon Hoe (*Independent Non-Executive Director*)

To: The shareholders of Mi Equipment Holdings

Dear Sirs/Madam,

PROPOSED SHARE BUY-BACK

1. INTRODUCTION

On 14 November 2018, Affin Hwang IB had, on behalf of the Board, announced that the Company proposed to undertake the Proposed Share Buy-Back.

THE PURPOSE OF THIS STATEMENT IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSED SHARE BUY-BACK TOGETHER WITH THE RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS STATEMENT.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS STATEMENT TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Company is proposing to seek the authority from its shareholders to purchase up to five percent (5%) of its total number of issued shares. The purchase of Shares under the Proposed Share Buy-Back will be carried out through Bursa Securities via stockbroker(s) to be appointed by the Board at a later date.

The Proposed Share Buy-Back will be undertaken in accordance with Sections 112, 113 and 127 of the Act, Chapter 12 of the Listing Requirements and any prevailing laws, guidelines, rules and regulations issued by the relevant authorities at the time of purchase.

The approval from the shareholders for the Proposed Share Buy-Back will be effective immediately upon the passing of the ordinary resolution relating to the Proposed Share Buy-Back at the EGM of the Company to be convened and will continue in force until:

- (i) the conclusion of the next AGM of the Company following the EGM 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) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

The shareholders' approval for the Proposed Share Buy-Back does not impose an obligation on the Company to purchase its own shares on Bursa Securities. The Proposed Share Buy-Back will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period.

2.1 Quantum

The maximum aggregate number of Mi Equipment Holdings Shares which may be purchased by the Company, shall not exceed five percent (5%) of its total number of issued Shares at any point in time.

As at the LPD, the issued share capital of the Company is RM252,615,378 comprising 500,000,000 Shares. Pursuant thereto, assuming no additional Mi Equipment Holdings Shares are issued, a total of 25,000,000 Shares, representing five percent (5%) of the total number of issued Shares, may be purchased by the Company pursuant to the Proposed Share Buy-Back.

The actual number of Shares to be purchased and timing of such purchases will depend on, amongst others, market conditions and sentiments, as well as the retained profits and financial resources available to the Company at the time of the purchase.

2.2 Maximum amount of funds to be allocated and source of funds

Pursuant to Paragraph 12.10(1) of the Listing Requirements, the listed issuer must ensure that the Proposed Share Buy-Back is made wholly out of the retained profits of the Company.

Based on the latest audited financial statements of the Company for the FYE 31 December 2017 and latest unaudited financial statements of the Company for the nine (9)-month FPE 30 September 2018, the accumulated losses/ retained profits of the Company are as set out below:

Company Level*	Audited as at 31 December 2017 RM	Unaudited as at 30 September 2018 RM
(Accumulated losses)/ Retained profits	(37,707)	2,192,984

Note:

- * *Mi Equipment Holdings was incorporated in 2017 for the purpose of being an investment holding company and listing vehicle for the Group pursuant to its listing on the Main Market of Bursa Securities on 20 June 2018.*

The Company shall ensure that the maximum funds to be utilised for the Proposed Share Buy-Back shall not exceed the aggregate of the retained profits of the Company in accordance with Paragraph 12.10(2) of the Listing Requirements.

The Company proposes to utilise internally generated funds of the Group to finance the Proposed Share Buy-Back. The amount of internally generated funds to be utilised will only be determined later at the time of purchase, depending on, amongst others, the availability of internally generated funds, the actual number of Shares to be purchased and other relevant cost factors.

The Proposed Share Buy-Back is not expected to have a material impact on the cash flow position of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

2.3 Treatment of Shares purchased

Pursuant to Section 127(4) of the Act, where the Company has purchased the Shares, the Board may, at their discretion, resolve:

- (i) to cancel the shares so purchased;
- (ii) to retain the shares so purchased in treasury, which is referred to as “treasury shares” in the Act; or
- (iii) to retain part of the shares so purchased as treasury shares and cancel the remainder of the shares.

Accordingly, based on Section 127(7) of the Act, where such Shares are held as treasury shares, the Board may, at their discretion:

- (i) distribute the shares as dividends to shareholders, such dividend to be known as “share dividends”;
- (ii) resell the shares or any of the shares in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the shares, or any of the shares for the purposes of or under an employees’ share scheme;
- (iv) transfer the shares, or any of the shares as purchase consideration;
- (v) cancel the shares or any of the shares; or
- (vi) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe.

Upon each purchase of the Shares pursuant to the Proposed Share Buy-Back, an immediate announcement will be made to Bursa Securities in respect of the intention of the Board to either retain the Shares purchased as treasury shares or cancel them or a combination of both. An immediate announcement will also be made to Bursa Securities of any resale, transfer or cancellation of Shares so purchased.

In the event the Mi Equipment Holdings Shares purchased pursuant to the Proposed Share Buy-Back are held as treasury shares or cancelled, the rights attached to them as to voting, dividends and participation in other distributions and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

Where the Board resolves to cancel the Shares purchased or cancel any treasury shares, the Company's issued share capital shall be diminished by the cancellation of the Shares purchased and the costs of the shares shall be applied in the reduction of the profits otherwise available for distribution as dividends.

2.4 Potential advantages and disadvantages

The potential advantages and disadvantages of the Proposed Share Buy-Back, if implemented, to the Company and the shareholders are as follows:

Potential advantages

- (i) The Proposed Share Buy-Back allows the Company to take preventive measures against speculation particularly when the Shares are undervalued which would in turn, stabilise the market price of the Shares and hence, enhance investors' confidence;
- (ii) If the Shares purchased are retained as treasury shares, the Board may distribute the treasury shares as share dividends and/or issued under an employees' share scheme to reward the shareholders of the Company and/or the eligible persons;
- (iii) The Company will have flexibility in attaining the desired capital structure, in terms of debt and equity composition and size of equity; and
- (iv) The resultant reduction of share capital base (in respect of Shares purchased which are then cancelled) is expected to enhance the EPS and may improve the NA per Share of the Group (all things being equal), hence making the Shares more attractive to investors.

Potential disadvantages

- (i) The Proposed Share Buy-Back will reduce the financial resources of the Group and may result in the Group forgoing of better investment opportunities that may emerge in the future; and
- (ii) The Proposed Share Buy-Back may result in the reduction of financial resources available for distribution of cash dividends to shareholders in the future as the Proposed Share Buy-Back can only be made out of the retained profits of the Company.

The Board will be mindful of the interests of the Company and the shareholders when undertaking the Proposed Share Buy-Back and in the subsequent resale of treasury shares on Bursa Securities, if any.

2.5 Public shareholding spread

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% public shareholding spread as required under Paragraph 8.02(1) of the Listing Requirements.

Based on the Record of Depositors of the Company as at the LPD, the public shareholding spread of the Company was approximately 31.48%.

The Board will be mindful in ensuring that the minimum public shareholding spread of 25% is met and maintained before making any purchases of the Shares.

2.6 Implication of Rules

There is no implication with the regards to the Rules on the Company and the shareholders arising from the Proposed Share Buy-Back in the event the Proposed Share Buy-Back is implemented in full.

2.7 Purchase price and resale or transfer price

(i) Purchase price

Pursuant to Paragraph 12.17 of the Listing Requirements, the Company may only purchase its own Shares listed on Bursa Securities at a price which is not more than 15% above the five (5)-day VWAP of the Shares immediately preceding the date of any purchase(s).

(ii) Resale or transfer price

Pursuant to Paragraph 12.18 of the Listing Requirements, the Company may only resell or transfer the Shares purchased which are held as treasury shares on Bursa Securities at:

- (i) a price which is not less than the five (5)-day VWAP for the Shares immediately before the resale or transfer; or
- (ii) a discounted price of not more than five percent (5%) to the five (5)-day VWAP for the Shares immediately before the resale or transfer provided that:
 - (a) the resale or transfer takes place not earlier than 30 days from the date of purchase; and
 - (b) the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

The Company is required to make an immediate announcement to Bursa Securities of any purchase, resale, transfer or cancellation of the Shares pertaining to the Proposed Share Buy-Back.

2.8 Purchase, resale, transfer and cancellation of Shares made in the previous twelve (12) months

Given that this is the first time the Company is seeking authority from the shareholders for the Proposed Share Buy-Back, the Company does not currently hold any treasury shares and has not purchased, resold, transferred or cancelled any Shares during the last twelve (12) months preceding the LPD.

3. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The rationale for the Proposed Share Buy-Back is as follows:

- (i) allows the Company to take preventive measures against speculation to preserve the fundamental value of the Company which may in turn have a favourable impact on the share price of the Company. It is to be carried out when the share price is transacted at levels which do not reflect the potential earnings capabilities and/or underlying asset value of the Group;
- (ii) should any treasury shares be distributed as share dividends and/or issued under an employees' share scheme, this would also serve to reward the shareholders of the Company and/or the eligible persons;
- (iii) enable the Company to utilise its surplus financial resources, which is not immediately required for other uses, to purchase the Shares from the open market at market prices which the Board views as favourable; and
- (iv) if the Shares purchased are subsequently cancelled, long-term investors are expected to enjoy a corresponding increase in the value of their investments in the Company with the proportionate strengthening of the EPS and the NA per Share of the Group may improve (all things being equal).

4. EFFECTS OF THE PROPOSED SHARE BUY-BACK

4.1 Issued share capital

The pro forma effects of the Proposed Share Buy-Back on the number of issued Shares of the Company are as follows:

	No. of Shares
Issued Shares as at the LPD	500,000,000
Maximum number of Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back ⁽¹⁾	(25,000,000)
Total number of issued Shares after the Proposed Share Buy-Back	475,000,000

Note:

- (i) *Assuming all Shares purchased are cancelled.*

The effect of the Proposed Share Buy-Back on the issued share capital of the Company will depend on the intention of the Board with regards to the treatment of the Shares purchased. If the Shares purchased are cancelled, the issued share capital will be reduced by the number of Shares so cancelled. Conversely, if the Shares purchased are retained as treasury shares, resold or distributed to shareholders, the Proposed Share Buy-Back will not have any effect on the issued share capital of the Company. Nevertheless, certain rights (such as voting rights) attached to the Shares purchased will be suspended when the Shares purchased are held as treasury shares.

4.2 NA, NA per Share and gearing

The effects of the Proposed Share Buy-Back on the NA of the Group will depend on the actual number of Shares to be purchased, the purchase price of the Shares, the effective funding cost to the Group to finance the share buy-back, if any, or any loss in interest income to the Company.

The NA would decrease if the Shares purchased are retained as treasury shares due to the requirement for treasury shares to be carried at cost and be offset against equity, resulting in a decrease in the NA by the cost of the treasury shares.

If the Shares purchased are resold on Bursa Securities, the NA per Share would increase if the Company realises a gain from the resale, and vice-versa. If the Shares purchased are subsequently distributed as share dividends, there will be no effect on the NA per Share of the Group.

If the Shares purchased are cancelled, the Proposed Share Buy-Back will reduce the NA per Share if the purchase price per Share exceeds the NA per Share at the time of purchase, and vice-versa.

The Company does not intend to fund the Proposed Share Buy-Back via external bank borrowings. Nevertheless, all else being equal, assuming that the treasury shares are being retained by the Company and no borrowings are being utilised to fund the purchase of the Shares, the Proposed Share Buy-Back may increase the gearing of the Group as the equity will be reduced by the cost of shares acquired.

4.3 Earnings and EPS

The effects of the Proposed Share Buy-Back on the earnings and EPS of the Group will depend on the number of Shares purchased, the prices paid for such Shares, the effective funding cost to finance the purchase of such Shares, if any, or any loss in interest income to the Group. Nevertheless, all things being equal, assuming that the treasury shares are retained, the Proposed Share Buy-Back is expected to increase the EPS of the Group as the treasury shares held will not be taken into account in calculating the total number of issued Shares.

If the Shares purchased are cancelled, the number of Shares applied in the computation of EPS will reduce and accordingly, all things being equal, the Proposed Share Buy-Back will increase the EPS of the Group.

If the Shares purchased are resold, the extent of the impact to the EPS of the Group will depend on the actual selling price, the number of treasury shares resold and the effective gain on resale and any funding cost arising from the Proposed Share Buy-Back.

4.4 Working capital

The Proposed Share Buy-Back will reduce the working capital and cash flow of the Group, the quantum of which depends on, amongst others, the number of Shares purchased, the purchase price of the Shares and funding cost, if any.

For Shares purchased which are kept as treasury shares, upon its resale, the working capital and cash flow of the Group will increase assuming that a gain has been realised. The quantum of the increase in the working capital will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

4.5 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the policy of the Board in recommending dividends, if any, to the shareholders. Nonetheless, if the Shares purchased are retained as treasury shares, the treasury shares may be distributed as dividends to the shareholders, if the Company so decides.

If the Shares purchased are cancelled, the Proposed Share Buy-Back will have the effect of increasing the dividend rate of the Company as a result of the reduction in the number of issued Shares.

4.6 Shareholdings of the substantial shareholder and Directors

For illustration purposes, based on the Company's Record of Depositors as at the LPD, and assuming the Company acquires the maximum number of the Shares authorised under the Proposed Share Buy-back, the effect of the Proposed Share Buy-back on the shareholdings of the Directors and substantial shareholder of the Company are as follows:

	As at the LPD				Pro forma I			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Director / Substantial Shareholder</u>								
Oh Kuang Eng	340,000,394	68.00	-	-	340,000,394	71.58	-	-
<u>Directors</u>								
Koay Huck Khim	500,000	0.10	-	-	500,000	0.11	-	-
Ong Tee Ni	1,486,228	0.30	-	-	1,486,228	0.31	-	-
Foo Hee Chaik	300,000	0.06	-	-	300,000	0.06	-	-
Lee Boon Leng	65,000	0.01	-	-	65,000	0.01	-	-
Tan Boon Hoe	200,000	0.04	-	-	200,000	0.04	-	-

4.7 Convertible securities

As at the LPD, the Company does not have any convertible securities.

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5. APPROVALS REQUIRED

The Proposed Share Buy-Back is subject to the following approvals being obtained from:

- (i) the shareholders of the Company at the forthcoming EGM to be convened; and
- (ii) any other relevant authorities and/or parties, if required.

The Proposed Share Buy-Back is not conditional upon any other proposal undertaken or to be undertaken by the Company.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save for the consequential increase in the percentage of shareholdings of the Directors and major shareholder of the Company as a result of the Proposed Share Buy-Back, none of the Directors and/or major shareholder of the Company and/or persons connected with them, if any, has any interest, direct or indirect, in the Proposed Share Buy-Back.

7. HISTORICAL SHARE PRICES

The monthly high and low prices of Mi Equipment Holdings Shares as traded on the Main Market of Bursa Securities since Mi Equipment Holdings Shares were listed on 20 June 2018 up to October 2018 are as follows:

	High (RM)	Low (RM)
2018		
June*	1.93	1.39
July	2.22	1.65
August	2.48	2.07
September	3.37	2.38
October	3.22	2.07

Note:

* Since Mi Equipment Holdings Shares were listed on 20 June 2018.

Last transacted price of Mi Equipment Holdings Shares on 16 November 2018 (being the last practicable day prior to the printing of this Statement) RM
2.49

(Source: Bloomberg)

8. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming EGM of the Company.

9. EGM

The EGM, the notice of which is enclosed with this Statement, will be held at The Olive, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Wednesday, 26 December 2018 at 11.00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing the ordinary resolution to give effect to the Proposed Share Buy-Back.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete, sign and return the Proxy Form in accordance with the instructions therein at the Company's Registered Office at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, not less than forty-eight (48) hours before the time appointed for holding the EGM or any adjournment thereof.

The lodgment of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

10. FURTHER INFORMATION

Shareholders are advised to refer to the enclosed appendix for further information.

Yours faithfully,
For and on behalf of the Board of
Mi EQUIPMENT HOLDINGS BERHAD

OH KUANG ENG
Executive Director / Group Chief Executive Officer

PART B

**LETTER TO THE SHAREHOLDERS CONTAINING THE
PROPOSED CHANGE OF NAME**

 **Mi EQUIPMENT
HOLDINGS BERHAD**

(Company No. 1235827-D)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office

Suite 12-A, Level 12
Menara Northam
No. 55 Jalan Sultan Ahmad Shah
10050 Georgetown
Penang

21 November 2018

Board of Directors:

Foo Hee Chaik (*Independent Non-Executive Chairman*)
Oh Kuang Eng (*Executive Director / Group Chief Executive Officer*)
Koay Huck Khim (*Executive Director*)
Ong Tee Ni (*Executive Director*)
Lee Boon Leng (*Independent Non-Executive Director*)
Tan Boon Hoe (*Independent Non-Executive Director*)

To: The shareholders of Mi Equipment Holdings

Dear Sirs/Madam,

PROPOSED CHANGE OF NAME

1. INTRODUCTION

On 14 November 2018, the Board announced that the Company proposed to change its name from “Mi Equipment Holdings Berhad” to “Mi Technovation Berhad”.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSED CHANGE OF NAME TOGETHER WITH THE RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CHANGE OF NAME TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CHANGE OF NAME TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF THE PROPOSED CHANGE OF NAME

The Board is proposing to change the Company’s name from “Mi Equipment Holdings Berhad” to “Mi Technovation Berhad”. The use of the proposed name of “Mi Technovation Berhad” was approved and reserved by the CCM on 7 November 2018 and the reservation for the use of the proposed new name is valid for a period of thirty (30) days from the date of approval, subject to application for further extension.

3. RATIONALE FOR THE PROPOSED CHANGE OF NAME

The Proposed Change of Name from “Mi Equipment Holdings Berhad” to “Mi Technovation Berhad” is to better reflect the corporate identity of the Company and to align its name with the Company’s business plan and direction for the Group.

4. EFFECTS OF THE PROPOSED CHANGE OF NAME

The Proposed Change of Name is not expected to have any effect on the issued share capital and substantial shareholder’s shareholdings of the Company, and the NA, gearing, earnings and EPS of the Group.

5. APPROVALS REQUIRED

The Proposed Change of Name is subject to the approval being obtained from the shareholders of the Company at the forthcoming EGM to be convened.

The Proposed Change of Name, if approved by the shareholders, will take effect from the date of issuance of the Notice of Change of Name by CCM to the Company.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders of the Company and/or persons connected with them, if any, has any interest, direct or indirect, in the Proposed Change of Name.

7. DIRECTORS’ STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Change of Name, is of the opinion that the Proposed Change of Name is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the special resolution pertaining to the Proposed Change of Name to be tabled at the forthcoming EGM of the Company.

8. EGM

The EGM, the notice of which is enclosed with this Circular, will be held at The Olive, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Wednesday, 26 December 2018 at 11.00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing the special resolution to give effect to the Proposed Change of Name.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete, sign and return the Proxy Form in accordance with the instructions therein at the Company’s Registered Office at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, not less than forty-eight (48) hours before the time appointed for holding the EGM or any adjournment thereof.

The lodgment of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

9. FURTHER INFORMATION

Shareholders are advised to refer to the enclosed appendix for further information.

Yours faithfully,
For and on behalf of the Board of
Mi EQUIPMENT HOLDINGS BERHAD

OH KUANG ENG
Executive Director / Group Chief Executive Officer

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Statement / Circular has been seen and approved by the Board and they individually and collectively accept full responsibility for the accuracy of the information given in this Statement / Circular and they confirm that, after making all reasonable enquiries, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENT

Affin Hwang IB, being the Principal Adviser for the Proposed Share Buy-Back has given and has not subsequently withdrawn its written consent to the inclusion in this Statement of its name and all references thereto in the form, manner and context in which they appear in this Statement.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's Registered Office at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang from Mondays to Fridays (except public holidays) during normal business hours for the period commencing from the date of this Statement / Circular up to and including the date of the EGM:

- (i) The Constitution;
- (ii) The audited consolidated financial statements of Mi Equipment Holdings for the FYEs 31 December 2016 and 31 December 2017 as well as the latest unaudited consolidated financial statements of Mi Equipment Holdings for the nine (9)-month FPE 30 September 2018; and
- (iii) The letter of consent referred to in Section 2 of this Appendix.

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 **Mi EQUIPMENT
HOLDINGS BERHAD**

(Company No. 1235827-D)
(Incorporated in Malaysia under the Companies Act 2016)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of Mi Equipment Holdings Berhad (“**Mi Equipment Holdings**” or “**Company**”) will be held at The Olive, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Wednesday, 26 December 2018, at 11.00 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without any modifications the following resolutions:

ORDINARY RESOLUTION

PROPOSED SHARE BUY-BACK AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES (“Mi EQUIPMENT HOLDINGS SHARES” OR “SHARES”) OF UP TO FIVE PERCENT (5%) OF ITS TOTAL NUMBER OF ISSUED SHARES (“PROPOSED SHARE BUY-BACK”)

“**THAT** subject to the Companies Act 2016 (“**Act**”), provisions of the Company’s Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any prevailing laws, guidelines, rules and regulations issued by the relevant authorities, the Board of Directors of the Company (“**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 profits 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 annual general meeting (“**AGM**”) of the Company following the EGM 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 a general meeting,

whichever occurs first;

THAT where the Company has purchased the Shares, the Board may, at their discretion, resolve:

- (a) to cancel the shares so purchased;
- (b) to retain the shares so purchased as treasury shares; or
- (c) to retain part of the shares so purchased as treasury shares and cancel the remainder of the shares.

THAT where such Shares are held as treasury shares, the Board may, at their discretion:

- (a) distribute the shares as dividends to shareholders, such dividend to be known as "share dividends";
- (b) resell the shares or any of the shares in accordance with the relevant rules of Bursa Securities;
- (c) transfer the shares, or any of the shares for the purposes of or under an employees' share scheme;
- (d) transfer the shares, or any of the shares as purchase consideration;
- (e) cancel the shares or any of the shares; or
- (f) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe.

AND THAT the Directors of the Company be and are hereby authorised to sign and execute all documents, and do all acts and things as may be required for or in connection with and to give effect to, and to implement the Proposed Share Buy-Back with full power to do all such acts as they may consider necessary or expedient so as to give full effect to the same with further power to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities."

SPECIAL RESOLUTION

PROPOSED CHANGE OF NAME OF THE COMPANY FROM "Mi EQUIPMENT HOLDINGS BERHAD" TO "Mi TECHNOVATION BERHAD" ("PROPOSED CHANGE OF NAME")

"**THAT** the name of the Company be changed from "Mi Equipment Holdings Berhad" to "Mi Technovation Berhad " with effect from the date of issuance of the Notice of Change of Name by the Companies Commission of Malaysia to the Company.

AND THAT the Constitution of the Company shall be amended to replace all references therein to "Mi Equipment Holdings Berhad" with "Mi Technovation Berhad" subject to and upon issuance of the relevant Notice of Change of Name by the Companies Commission of Malaysia.

AND THAT the Directors and/or the Secretary of the Company be and are hereby authorised to take all such necessary steps to give effect to the Proposed Change of Name and to carry out all the necessary formalities in effecting the Proposed Change of Name."

By Order of the Board

CH'NG LAY HOON (MAICSA 0818580)
Company Secretary
Penang

21 November 2018

Notes:

1. *For the purpose of determining a member of the Company who shall be entitled to attend and vote at this EGM, the Company shall be requesting the Record of Depositors as at 18 December 2018. Only a depositor whose name appears on the Record of Depositors as at 18 December 2018 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.*
2. *Proxy:-*
 - (a) *A member of the Company (Except an Exempt Authorised Nominee) shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
 - (b) *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.*
 - (c) *The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.*
 - (d) *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 12-A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournments thereof.*


**Mi EQUIPMENT
HOLDINGS BERHAD**

PROXY FORM

(Company No. 1235827-D)
(Incorporated in Malaysia under the Companies Act 2016)

No of ordinary shares held

*I/We _____ *NRIC No./Passport No./Company No.: _____
(Full name in capital letters)

of _____
(Full address)

being a member/members of **Mi EQUIPMENT HOLDINGS BERHAD** (Company No. 1235827-D) hereby appoint(s) _____

_____ (Full name on capital letters)

NRIC. No./Passport No.: _____ of _____
(Full address)

and/or _____ NRIC. No./Passport No.: _____
(Full name in capital letters)

of _____
(Full address)

or failing *him/her, the Chairman of the Meeting as *my/our proxy, to attend and vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company to be held at The Olive, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Wednesday, 26 December 2018 at 11.00 a.m. or any adjournment thereof.

The proportions of *my/our holdings to be represented by *my/our proxy(ies) are as follows:-

Proxy 1	-	_____	%
Proxy 2	-	_____	%
		_____	100%

* Strike out whichever is inapplicable

(Please indicate with an "X" in the space provided below on how you wish your vote to be casted. If you do not do so, the proxy will vote or abstain from voting at his discretion)

RESOLUTIONS	FOR	AGAINST
Ordinary Resolution – Proposed Share Buy-Back		
Special Resolution – Proposed Change of Name		

Signature/Common Seal

Signed this _____ day of _____, 2018

Notes:

1. For the purpose of determining a member of the Company who shall be entitled to attend and vote at this Extraordinary General Meeting, the Company shall be requesting the Record of Depositors as at 18 December 2018. Only a depositor whose name appears on the Record of Depositors as at 18 December 2018 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.
2. Proxy:-
 - (a) A member of the Company (Except an Exempt Authorised Nominee) shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
 - (b) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.
 - (c) The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
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AFFIX
STAMP

The Company Secretary
Mi EQUIPMENT HOLDINGS BERHAD
(Company No. 1235827-D)
Suite 12-A, Level 12, Menara Northam
No. 55, Jalan Sultan Ahmad Shah
10050 Georgetown
Penang

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