



**HANA Microelectronics Public Co., Ltd.**

65/98 Soi Vibhavadi-Rangsit 64, Junction 2, Kwang Talad Bangkhen, Khet Laksi, Bangkok 10210  
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**MINUTES OF 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Held at the Company's Headquarters

65/98 Soi Vibhavadi-Rangsit 64, Junction 2, Kwang Talad Bangkhen, Khet Laksi, Bangkok

On 30 April 2025

14.00 hrs. - 16.41 hrs.

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**Directors and executives presented:**

- |                              |                                                                                                                                                                                                  |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) Mr. John Thompson         | Independent Director, Chairman of the Board of Directors, Chairman of the Audit Committee, and Proxy of Shareholders                                                                             |
| 2) Mr. Richard David Han     | Executive Director, President and Chief Executive Officer, and the Nomination Committee                                                                                                          |
| 3) Mr. Terrence Philip Weir  | Executive Director, Executive Vice President and Chief Financial Officer, the Corporate Governance and Sustainability Committee, and Chairman of the Risk Management Committee                   |
| 4) Mr. Sanjay Nirendra Mitra | Executive Director, Executive Vice President and Chief Operating Officer for Semiconductor, and Chief Marketing Officer                                                                          |
| 5) Mr. Insuk Kim             | Executive Director, Executive Vice President and Chief Operating Officer for Microelectronics, and Chief Technical Officer                                                                       |
| 6) Ms. Pornphan Abhamongkol  | Independent Director, the Audit Committee, Chairman of the Nomination Committee, the Corporate Governance and Sustainability Committee, the Risk Management Committee, and Proxy of Shareholders |
| 7) Mrs. Sunun Thongbai       | Independent Director, the Audit Committee, the Nomination Committee, the Corporate Governance and Sustainability Committee, the Risk Management Committee, and Proxy of Shareholders             |

- 8) Mr. Stephanus Josephus Hendrikus Brader Independent Director, the Audit Committee, the Nomination Committee, Chairman of the Corporate Governance and Sustainability Committee, the Risk Management Committee, and Proxy of Shareholders

**External auditor:**

- 9) Mrs. Sarinda Hirunprasurtwutti Partner, EY Office Limited

**Assistant to the Chairman and translator:**

- 10) Mrs. Tappawong Na Tarlang, Corporate HR Business Partners, Training & Administration Senior Director

**Independent inspector:**

- 11) Mr. Somchai Aiemrod, A lawyer license no. 972/2539 who acted as an independent inspector to verify the vote count and oversee that the meeting was held transparently and pursuant to the applicable regulations and the Company's articles of association.

**Preliminary Proceedings:**

The Annual General Meeting was opened by Mr. John Thompson, the Chairman of the Board of Directors and the Chairman of the Meeting. The Chairman introduced the directors and executives, sub-committees presented in the Meeting including the representatives from the Company's external auditor and the Meeting inspector, totally 11 persons. The Chairman also informed that the Board of Directors had 8 directors and the meeting attendance rate was 100%. The Chairman of each subcommittee attended the Meeting. The subcommittees consisted of the Audit Committee, the Nomination Committee, the Corporate Governance and Sustainability Committee, and the Risk Management Committee (no any other subcommittee of the Board). All directors, executives and external auditors were welcome for shareholders' questions and ready to provide responding to inquiry and any clarification to the Meeting.

**Quorum Announcement:**

There were shareholders attending the meeting in person 65 shareholders holding 2,393,732 shares and 498 proxies holding 477,842,367 shares. Those total 563 shareholders holding 480,236,099 shares are equivalent to 54.24% of 885,366,660 voting shares, which is more than one-third (1/3) of voting shares. Therefore, a quorum was constituted in accordance with the Company's Articles of Association.

Before starting the agenda, the assistant to the Chairman was appointed to inform the Meeting for information relevant to the meeting, the vote method, the vote counting system, and the method for making an inquiry and proposing a suggestion as follows:

### **Information Relevant to the Meeting:**

To be in line with the good corporate governance, the Company granted the right to shareholders to propose matters they deemed important to be included in the meeting agenda of the 2025 Annual General Meeting of Shareholders and to nominate individuals whose qualification would be appropriate to be elected as directors, during the period from 1 November 2024 - 31 January 2025. Nonetheless, no shareholders submitted any proposed agenda items, nor did they nominate any candidates for directorship positions, or no questions sent in advance.

The Company made the video recording of the Meeting in order to disseminate via the Company's website for shareholders to receive information equally. The minutes will be published via the Stock Exchange of Thailand and the Company's own website within 14 days from the meeting date. Shareholders who wish to provide any suggestions or comments can submit them to the Company Secretary within 14 days following the publication of the meeting minutes.

### **Vote Method:**

- Each shareholder has one vote for each share.
- To cast a vote for each agenda, shareholders who attend the meeting in person who would like to vote disagree or abstain are required to complete the voting cards being given. Shareholders are to hand over the voting cards for the disagreed and abstained votes to the Company's representative for counting the votes. Except for the agenda regarding the appointment of directors, the voting card will be collected from every shareholder. Shareholders who do not submit the voting card will be assumed to approve the agenda as proposed by the Company, and the votes will be counted according to the number of shares they hold.
- Except for custodian, shareholders must vote with all of their shareholding registered at the meeting for each agenda to approve, disapprove or abstain as they cannot split the votes.
- The vote is invalid if the proxy holders do not vote according to the voting intention made by shareholders, shareholders or proxy holders fill the voting cards/proxy form in a manner that makes the voter's decision unclear, no marking (blank), more than one box marked, no signature when make any change, or there are spilt votes (except for the case of custodian).

### **Vote Counting System:**

- The objection or abstention shall be deducted from the agreed votes concerning each agenda.
- Counting the votes at a meeting in person from the voting cards and proxy forms, including those proxies sent in advance which have been counted with the total votes.
- The resolution of all proposed agendas shall be passed when receiving the following votes of the eligible shareholders present at the meeting including proxies.

| <b>Agenda items</b>                                                               | <b>Passing vote</b> |
|-----------------------------------------------------------------------------------|---------------------|
| 1. To acknowledge the Minutes of 2024 AGM                                         | -                   |
| 2. To acknowledge the Company's operation results for the year 2024               | -                   |
| 3. To approve the financial statements for the fiscal year ended 31 December 2024 | A majority vote     |

|                                                                                                         |                 |
|---------------------------------------------------------------------------------------------------------|-----------------|
| 4. To approve the annual dividend payment for the year 2024                                             | A majority vote |
| 5. To approve the re-appointment of directors in place of those retired by rotation                     | A majority vote |
| 6. To approve the directors' remuneration for the year 2025                                             | A majority vote |
| 7. To approve the appointment of the Company's auditors for the year 2025 and to fix their remuneration | A majority vote |

- In case of a tie vote, the Chairman shall be entitled to a casting vote.
- The barcode system is used in the registration and vote-counting processes for transparent, accurate and fast results as previous years.

### **Method for Making Inquiry and Proposing Suggestion:**

The method for making an inquiry and proposing a suggestion was informed that following the information provided of each agenda item, and prior to voting, the Company will provide an opportunity for shareholders to raise questions relevant to such agenda and also at the end of the meeting for additional inquiry/suggestion whereby shareholders or proxies are required to inform their name, surname and specify their status as a shareholder or a proxy.

The Chairman then called the meeting to order and announced that the meeting was held pursuant to the prior written Meeting Notice given to shareholders in advance as follows.

### **Agenda 1: To acknowledge the Minutes of 2024 Annual General Meeting of Shareholders held on 30 April 2024**

The Chairman proposed the Meeting to acknowledge the Minutes of 2024 Annual General Meeting of Shareholders which was held on 30 April 2024. The Minutes were published on the Company's website since 14 May 2024 and duly submitted through the Stock Exchange of Thailand to inform shareholders of their availability and to invite feedback by 31 May 2024. As no shareholders raised any objections or proposed amendments within the specified period, the Company deems the Minutes to have been accurately and completely recorded.

The Chairman opened for questions or comments. As there was no question from shareholders, the Chairman stated that this agenda item was for acknowledgment, and did not require a vote.

**Resolution:** The Meeting acknowledged the Minutes of 2024 Annual General Meeting of Shareholders that was held on 30 April 2024.

### **Agenda 2: To acknowledge the Company's operation results for the year 2024**

The Company's operation results for the year 2024 are presented in the e-One Report, which was made available to shareholders for their review prior to the meeting.

The Chairman invited Mr. Richard Han to report the operation results of the Company for the year 2024 including Management Discussion and Analysis (MD&A). Mr. Richard presented to the Meeting as follows.

Hana's key financial performance for the year 2024 compared to 2023 were:

- Revenue: THB 24,801M (-5%)
- Operating Earnings including Other Income: THB 1,145M (-36%)
- Normalized EBITDA (excluding impairment): THB 3,138M (-12%)
- Net Earnings after Tax: THB -634M (vs. THB 1,761M, -136%)
- Net Cash & Financial Investments: THB 10.2B (+30%)
- Gross Dividend Payout: THB 0.75/share (-25%, subject to shareholder approval)

### **Revenue Analysis:**

**EMS Operations:** Stable demand in automotive, industrial, and RF sectors, while mobile, consumer, and medical remained weak. China operations struggled due to economic weakness and tariff concerns, but cost controls helped maintain profitability.

**OSAT Operations:** Initially showed growth but weakened due to reduced consumer spending and inventory controls. Ayutthaya (AYT) downsized, with layoffs and reduced work weeks. Some recovery in mobile sector expected in Q1 2025.

### **Regional Highlights:**

- **China (Jiaxing):** Challenged by weak economy, tariff concerns, and wage increases, but strong interest in power package solutions for 2025 give us positive outlook.
- **USA (Ohio):** HTI expanded to Solon, achieved ARC certification, and saw RFID Inlay tag growth, setting up for a strong 2025. A facility transfer write-down impacted profits in Q4/24.
- **Cambodia:** Operations streamlined, losses reduced. Expected benefits in 2025 as activity shifts from China due to tariffs.
- **Korea (PMS):** Weak demand led to closure of silicon manufacturing, shifting to a Chinese foundry by Q3 2025 and an underutilization of our SiC capacity resulting in a THB 1,844M impairment charge and overall net loss. M&A opportunities being explored.

### **Operating Profit & Net Profit**

- **Operating Profit:** Down 63% due to weak PMS and OSAT performance. EMS remained stable. Currency fluctuations added volatility.
- **Net Profit:** Loss of THB 634M due to lower sales in IC assembly divisions from a continuing downturn in the semiconductor cycle in 2024, increased loss at IC Korea, and impairment of IC Korea.

## Cash Reserves & Liquidity

Normalized EBITDA (excluding impairment) fell 12% to THB 3,138M, but cash reserves increased 30% to THB 10.2B, driven by:

1. **Private placement:** THB 4.59B raised (Oct 2023).
2. **CapEx reduction:** 42% decrease (THB 1.66B vs. THB 2.87B in 2023).
3. **Inventory reduction:** COVID-19 raw material buildup utilized.

## 2025 Outlook & Strategy

### Key Challenges & Influences:

- OSAT demand recovery (expected H2 2025).
- PMS ramp-up and market conditions.
- Automotive sector demand affected by interest rates and tariffs.
- Mobile replacement cycle driven by AI-enabled models.
- US Federal Reserve policies impacting THB/USD.
- Chinese economic performance.
- Global tariff impact on inflation and interest rates.
- Growth opportunities in Hana Cambodia due to tariff shifts.
- Geopolitical uncertainty, particularly under the Trump administration.

### Strategic Focus:

1. Address PMS challenges through aggressive marketing.
2. Explore M&A to create value and recover past investments.
3. Invest in automation (IT/software & manufacturing) to boost efficiency.
4. Enhance productivity through automation and innovation.
5. Maintain a strong balance sheet to navigate downturns and seize new opportunities.

### Update Tarriff Issues and Plan:

Since the announcement of April 3<sup>rd</sup> the so called “Liberation” day in the U.S., nearly every country in the world had substantial tariffs placed on imports into the U.S.

For Hana, the impact was 36% on goods shipped from Thailand and 49% on goods shipped from Cambodia and another 34% on goods shipped from China (increasing to 84%).

On April 9<sup>th</sup> six days later, most countries apart from China were given a 90-day reprieve giving time for bi-lateral negotiations to take place. However, China who had retaliated saw U.S. tariffs increase to 104% and in a tit-for-tat response, the U.S. placed 145% on China and China placed 125% on the U.S. effectively shutting down trade between the world’s largest economies.

**What is the status as of now?**

- 1) The only thing we know for sure is that the issue of U.S. tariffs remains extremely uncertain and can change within days.
- 2) The outcome of negotiations between the U.S. and government of Thailand and Cambodia remain unclear.
- 3) The possibility of negotiations between the U.S. and China seem even more remote and look to even worsen as neither want to blink first.

**How is Hana positioned?**

- 1) Today, the following industrial segments are currently exempt, semiconductors, smart phones, computers and certain other electronics devices, however this may be short lived.
- 2) In 2024, the total value of goods directly shipped to the U.S. by the Hana group was < 14%. Whilst the balance of ~86% was shipped elsewhere, it is estimated that about 30% (of the 86%) went into goods that eventually would be shipped to the U.S. In summary, we estimate Hana's overall exposure to the U.S. market is about 40%

**What are our plans under the current situation?**

- 1) Shift goods from China to Thailand in the short term as our customers cannot pay 145% tariffs
- 2) Review opportunities to work with companies (within our sectors) in other countries that may end up having a better tariff deal than either Thailand / Cambodia. We have relations with companies in India & Malaysia.

**How are our customers reacting to this issue?**

- 1) So far, all our customers have remained calm and understand this is a problem for all U.S. exports and importers.
- 2) Most believe that the tariffs will not last long and the outcome will improve despite all the threats.
- 3) All our customers remain committed to working with us to find a mutually acceptable solution depending on the final outcome when it is known.

**Summary**

- 1) Overall, the situation remains unclear and extremely challenging.
- 2) Hana will carefully control our cash balances in order to ride out the unknown difficulties
- 3) Whilst no importer/exporter will escape these tariffs issues (if they continue), we believe Hana is in a relatively strong position to weather the storm

The Chairman further reported the Company's anti-corruption policy and status to the meeting as follows.

## **Hana Anti-Corruption Policy and Status**

The Board of Directors realizes the importance of the anti-corruption. Hana has a zero tolerance of bribery and corruption. The Company prohibits the Board of Directors, management, employees or third parties in their relationship with the Company, being involved in any act of corruption in any form in all business transactions to benefit directly or indirectly and shall comply with the applicable laws and regulations in all the countries in which the Company operates.

The Company has been certified as a member of Thai Private Sector Collective Action against Corruption since 2015 until present.

The Chairman opened for questions or comments. There were questions from shareholders as follows.

**Mr. Somkuan Tierasaranon (A shareholder):** I have the following inquiries:

1. Regarding the impairment of PMS amounting to 1,844 million Baht, is there a possibility of further impairments in the upcoming year?
2. Has the downturn in the IC business over the past two years resulted in a sales revenue loss of 4 billion Baht?
3. In recent years, we have heard that silicon carbide (SiC) is considered a future product to replace ICs. Apart from the drop in demand, are there any other challenges?
4. Is there any new product in the pipeline to compensate for the loss of revenue?

**Mr. Richard Han (CEO):** At the end of each year, the auditor reassesses all the company investments in relation to their economic value. The 1.8 billion Baht impairment charge recorded at the end of last year was based on the auditor's evaluation of the closure of the silicon business, which is being transferred to a foundry, as well as current underutilization and the remaining investment in PMS. If the economic value of these investments remains significantly below their book value, there could be a possibility of further impairment in the future.

The IC industry remained weak throughout most of 2024—particularly in the second half—except in the AI segment. All IC assembly companies in Thailand, including Hana, operated at just 60–70% capacity, and many global semiconductor companies have faced layoffs. This downturn preceded the newly emerging Trump tariff issue, which now adds further uncertainty.

Although there was initial hope for recovery in the second half of 2025, the tariff situation may delay or limit any meaningful rebound. Hana is currently focused on managing its cost structure and maintaining operations, while the marketing team continues efforts to drive demand in a challenging market.

On a positive note, the company is investing in new systems and packaging solutions for power devices, with production underway in China and Thailand, expected to bring new business later this year. The RFID business in the U.S. had performed well but the RFID business in China is now facing risks from potential tariffs. Still, there may be opportunities to serve customers relocating production



out of higher-tariff regions. However, that also depends on how Thailand is treated in regard to the tariffs.

Regarding SiC (silicon carbide) for EVs, the anticipated boom has slowed globally (outside of China), leading to overcapacity and falling prices. While EV demand did not meet expectations, the lower cost of SiC now opens opportunities in other sectors such as renewable energy, AI, and data centers.

**Mr. Chayantorn Pladikanon (A shareholder):** Will there be the permanent termination of production in the Korean factory since I have heard that the SiC is overcapacity and if so, will there be the relocation in China?

**Mr. Richard Han (CEO):** PMS operates in two key segments: Silicon (Si) and Silicon Carbide (SiC). We have decided to discontinue Si production in Korea, which contributed significantly to the impairment charge in Q4/2024. The related equipment is being relocated to a Chinese subcontractor that can produce Si devices at a much lower cost. While PMS retains control of the designs and customer relationships, in-house production is no longer competitive due to pricing pressures. The subcontractor's factories are heavily subsidized by the Chinese government, allowing them to operate at minimal cost with no primary focus on generating profit.

The transition is expected to be completed by the end of Q3/2025, after which SiC will be the only manufacturing operation remaining in Korea. Going forward, we remain open to strategic partnerships or M&A opportunities to leverage PMS's strong design capabilities and advanced SiC technology.

**Ms. Nuchnart Youngchana (A shareholder):** If the company plans to shift production from China to Thailand and export to the U.S. Can it be traced if the products are still considered made in China?

**Mr. Richard Han (CEO):** Regarding the short-term plan, the outcome of ongoing trade negotiations between the U.S. and countries such as Thailand, Cambodia, and China remains uncertain. However, it is likely that the U.S. will seek agreements with Southeast Asian nations to prevent Chinese companies from circumventing tariffs by routing exports through the region.

Recent developments highlight this concern. For example, the U.S. has imposed tariffs of up to 3,500% on solar panels from Cambodia, 375% from Thailand, and 41% from Malaysia. These actions reflect the U.S. view that such exports are effectively Chinese products manufactured abroad to bypass trade restrictions.

As a result, a minimum value-added threshold, potentially 50%, may be required for products to qualify for a Thai Certificate of Origin under any bilateral agreement.

Hana manufactures products mostly in Thailand and is confident it can comply with any such origin criteria that may be established under a future trade agreement between Thailand and the U.S.

**Ms. Nuchnart Youngchana (A shareholder):** What is the ratio of the Company's investment in factories located in Cambodia, China, and Korea compared to the total investment in its factories in Thailand?

**Mr. Richard Han (CEO):** In terms of our overall investment, the majority remains in Thailand, as approximately 80% of our manufacturing is still carried out there. However, when looking at individual factories, our facility in Korea, focused on wafer production, which is a capital-intensive process, has received the largest investment in recent years. That said, considering Hana's historical investments over time, the vast majority has been allocated to our operations in Thailand.

**Ms. Nuchnart Youngchana (A shareholder):** Your trading currency is 100% USD, what is your hedge policy?

**Mr. Terrence Weir (CFO):** We previously engaged in hedging; however, it comes at a cost. In the past, hedging was more attractive as (Thailand interest rates were higher than US interest rates) we were compensated for taking the risk. Today, the cost of hedging has increased significantly as Thailand interest rates are lower than US interest rates. Given these factors, we are currently not hedging.

**Mr. Pongsuwan Techawuttichai (A shareholder):** Regarding the financial statement, while the 2024 revenue is not much different from 2023, there was a 600 million Baht loss in the bottom line. Could you please advise the key factors contributing to this 600 million Baht loss and outline the recovery plan to achieve higher profits moving forward?

**Mr. Richard Han (CEO):** In Q4/24, we recorded a non-cash impairment charge of 1,844 million Baht, which is the primary reason for the loss in 2024 compared to the previous year. This represents a significant impact on the net profit for 2024 and affects the entire group.

Impairment charges are a possibility for any company, as each business unit of the group must be evaluated each year to compare the DCF valuation of future forecasted income compared to the net book value of the assets concerned. If the auditor advises that we need to recognise an impairment, it is something that must be done. Therefore, it is impossible to guarantee that it will not happen again, as such events can occur in any company.

**Mr. Pongsuwan Techawuttichai (A shareholder):** I would like to know the remaining value of PMS's assets after the impairment charge. Additionally, if the tariff issue continues to escalate and becomes severe, is the factory in the U.S. prepared to do semiconductors?

**Mr. Richard Han (CEO):** As for the current value of PMS, the net book value of the fixed and intangible assets and working capital are approximately 100 million USD at the end of 2024.

The activities we undertake in the U.S. are quite different from those in Thailand, Korea, or other locations. In the U.S., our focus is on RFID tags. If the tariff issue

persists, can we relocate operations from Thailand or Korea to the U.S.? The short answer is no, we cannot.

**Mr. Phuvit Paladikanon (A shareholder):** The transfer of Si production from Korea to China, will there be any other continuing expense, for example, the demolition cost, the labor compensation, the cost of machine and equipment transfer?

**Mr. Richard Han (CEO):** Approximately 60% of the 1,844 million Baht impairment charge is related to the exit or relocation of the Si business to China. The equipment we had could no longer be used—some of it can be sold, some cannot be utilized, and some can be repurposed for SiC. However, we wrote it down conservatively. The remaining 40% is attributed to the underutilization of equipment that was originally invested for SiC.

**Mr. Thossaporn Satitsuwongkul (A shareholder):** The impairment is an assessment from the auditor to reflect the current value of the company's assets. I would like to understand if there is any potential for recovery, and what percentage of the impairment could possibly be recovered?

**Mr. Richard Han (CEO):** Due to the underutilization and the exit of the Si business, the auditor assessed an impairment of 1.8 billion Baht. The amount related to the exit will not be recoverable. However, any impairment related to SiC underutilization could potentially be recovered if we are able to improve the utilization. It is similar to a situation where you make a provision for a customer who has not paid, but later, if you go to court and recover the money, then that amount comes back. The auditor recommends making the provision upfront, as we cannot predict the future.

As there was no further question from shareholders, the Chairman then announced that the Meeting acknowledged the operation results of the Company for the year 2024.

**Agenda 3: To approve the financial statements for the fiscal year ended 31 December 2024**

The Chairman proposed the meeting to approve the financial statements for the fiscal year ended 31 December 2024 and the auditor's report, all of which have been reviewed by the Audit Committee.

The Chairman opened for questions or comments. There was a question from a shareholder as follows.

**Mr. Thossaporn Satitsuwongkul (A shareholder):** In the auditor's view, was there any fraud or corruption identified?

**Mr. John Thompson (The Chairman)** asked the auditor to provide clarification.

**Mrs. Sarinda Hirunprasurtwutti (An EY auditor):** Based on our audit and inquiries with management, we did not identify any material internal control deficiencies or any instances of fraud or corruption that came to our attention.

As there was no further question from shareholders, the Chairman proposed the Meeting to vote on this agenda item.

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 480,019,499 Votes; | 99.9549 % |
| Disapprove | 0 Votes;           | 0 %       |
| Abstain    | 216,600 Votes;     | 0.0451 %  |
| Invalid    | 0 Votes;           | 0 %       |

**Resolution:** The Meeting approved the financial statements for the fiscal year ended 31 December 2024.

**Agenda 4: To approve the dividend payment for the year 2024**

The Chairman informed that the dividend policy of the Company is 30% to 100% of its consolidated net income after deduction of all specified reserves, subject to the Company and its subsidiaries' cash flow and investment plans, including justifications and other considerations as deemed appropriate.

In consideration of the dividend policy and the Company's performance in 2024, the Board recommended the meeting to approve the final dividend for the financial year ended 2024 at Baht 0.50 per share with the Record Date on 14 March 2025 and the dividend payment made on 19 May 2025. The dividend of Baht 0.50 per share is paid from the net profit and retained earnings from BOI promoted businesses which has the tax exemption so the final dividend paid is Baht 0.50 per share net.

The Company paid an interim dividend from the net profit of the first nine-month period of 2024 at the rate of Baht 0.25 per share on 13 December 2024. The dividend of Baht 0.25 per share was paid from the net profit from BOI promoted businesses which had the tax exemption, so the net dividend paid was Baht 0.25 per share. Therefore, the total dividend payment for the financial year ended 31 December 2024 will be Baht 0.75 per share gross or Baht 0.75 per share net.

The Chairman opened for questions or comments. As there was no question, the Chairman proposed the Meeting to vote on this agenda item.

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 480,234,099 Votes; | 99.9996 % |
| Disapprove | 2,000 Votes;       | 0.0004 %  |
| Abstain    | 0 Votes;           | 0 %       |
| Invalid    | 0 Votes;           | 0 %       |

**Resolution:** The Meeting acknowledged the interim payment at the rate of Baht 0.25 per share that was paid on 13 December 2024 and approved the annual dividend payment for the year 2024 at the rate of Baht 0.50 per share to be paid on 19 May 2025. The dividend of Baht 0.50 per share is paid from the net profit and retained earnings as

at 31 December 2024 from BOI promoted businesses which has the tax exemption, so the final dividend paid is Baht 0.50 per share net.

The total 2024 dividend will be Baht 0.75 per share net which is composed of interim dividend Baht 0.25 per share paid on 13 December 2024 and the final dividend Baht 0.50 per share gross to be paid on 19 May 2025.

**Agenda 5: To approve the re-appointment of directors in place of those retired by rotation**

The Chairman informed the Meeting that Mr. Sanjay Nirendra Mitra, Mr. Insuk Kim and himself (Mr. John Thompson) were the interested directors subject to re-appointment this year. They therefore expressed their intention to leave the meeting room and appointed Mr. Richard to act as the Vice Chairman during the consideration of this agenda item.

The Vice Chairman informed the Meeting that one-third of the directors, who have served the longest term, must retire by rotation at every Annual General Meeting according to the Company's Articles of Association. The Company invited shareholders to propose candidates to be elected as directors since November 2024 - January 2025 and there were no proposals given. Therefore, the Vice Chairman proposed the Meeting to consider the directors whose tenure has ended. This year, directors whose tenure has ended are:

- 1) Mr. John Thompson to be re-appointed as an independent director
- 2) Mr. Sanjay Nirendra Mitra to be re-appointed as an executive director
- 3) Mr. Insuk Kim to be re-appointed as an executive director

The Vice Chairman further advised that those three directors were proposed by the Nomination Committee to be re-elected due to the satisfaction with their performance, effectiveness and commitment to the roles. All of them have qualifications suitable to the Company's business and have qualifications as prescribed by relevant laws and regulations whereas the independent director can provide opinions independently. The brief profile of those directors had been distributed to shareholders for consideration.

The Vice Chairman opened for questions or comments. As there was no question, the Vice Chairman proposed the Meeting to re-appoint by individual director as follows:

**5.1 Re-appoint Mr. John Thompson as an independent director**

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 447,000,795 Votes; | 93.0794 % |
| Disapprove | 33,224,304 Votes;  | 6.9183 %  |
| Abstain    | 11,000 Votes;      | 0.0023 %  |
| Invalid    | 0 Votes;           | 0 %       |

## **5.2 Re-appoint Mr. Sanjay Nirendra Mitra as an executive director**

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 447,963,671 Votes; | 93.2799 % |
| Disapprove | 32,268,428 Votes;  | 6.7193 %  |
| Abstain    | 4,000 Votes;       | 0.0008 %  |
| Invalid    | 0 Votes;           | 0 %       |

## **5.3 Re-appoint Mr. Insuk Kim as an executive director**

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 447,967,671 Votes; | 93.2807 % |
| Disapprove | 32,268,428 Votes;  | 6.7193 %  |
| Abstain    | 0 Votes;           | 0 %       |
| Invalid    | 0 Votes;           | 0 %       |

**Resolution:** The Meeting approved the re-appointment of Mr. John Thompson as the independent director and Mr. Sanjay Nirendra Mitra and Mr. Insuk Kim as the executive directors who retired by rotation for another term.

## **Agenda 6: To approve the directors' remuneration for the year 2025**

The Chairman proposed the meeting to consider and approve the remuneration of the Board of Directors for the year 2025 not exceeding Baht 5,000,000 which details were enclosed in the Notice of the Meeting sent to shareholders in advance.

| <b>Position</b>       | <b>Meeting Allowance<br/>(Baht/Time)</b> | <b>Bonus</b>                                                                | <b>Other<br/>Benefits</b> |
|-----------------------|------------------------------------------|-----------------------------------------------------------------------------|---------------------------|
| Chairman of the Board | 94,750 Baht                              | Minimum half time of meeting allowance or depend on the Company performance | None                      |
| Independent Directors | 56,650 Baht                              | Minimum half time of meeting allowance or depend on the Company performance | None                      |
| Executive Directors*  | None                                     | None                                                                        | None                      |

\* There is no remuneration for executive directors as they receive the remuneration as the Company's management/employees, not as the Board of Directors.

The Chairman opened for questions or comments. As there was no question, the Chairman proposed the Meeting to vote on this agenda item.

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 477,713,585 Votes; | 99.4747 % |
| Disapprove | 2,442,914 Votes;   | 0.5087 %  |
| Abstain    | 79,600 Votes;      | 0.0166 %  |
| Invalid    | 0 Votes;           | 0 %       |

**Resolution:** The Meeting approved the directors' remuneration for 2025 in the amount not exceeding Baht 5,000,000.

**Agenda 7:** **To approve the appointment of the Company's auditors for the year 2025 and to fix their remuneration**

The Chairman proposed the Meeting to consider and approve the appointment of the following auditors for the year 2025.

1. Mrs. Sarinda Hirunprasurtwutti C.P.A. Registration No. 4799 and/or
2. Mr. Wichart Lokatekrawee C.P.A. Registration No. 4451 and/or
3. Ms. Natteera Pongpinitpinyo, C.P.A. Registration No. 7362

of EY Office Limited to be the auditors of the Company for the year 2025 with the total remuneration of not exceeding Baht 2,750,000 (excluding out-of-pocket expenses). In the event those auditors are unable to perform their duties, EY Office Limited is authorized to assign another of its auditors to perform the audit and express an opinion on the Company's financial statements in their place.

The Chairman opened for questions or comments. There were questions from shareholders as follows.

**Ms. Nuchnart Youngchana (A shareholder):** What are the key audit matters, and how is the impairment assessment of the Korea factory conducted? Who is responsible for this evaluation?

**Mrs. Sarinda Hirunprasurtwutti (An EY auditor):** The key audit matters outlined in the auditor's report include revenue recognition, inventories, provision for long-term employee benefits, and, for this year, the impairment of non-financial assets in Korea. The assessment of the impairment was conducted by an independent appraiser in Korea, and we reviewed the findings accordingly.

**Ms. Nuchnart Youngchana (A shareholder):** Are there any concerns regarding provision for long-term employee benefit?

**Mrs. Sarinda Hirunprasurtwutti (An EY auditor):** Since the Group has a large number of employees and it requires the management to exercise a high degree of judgement in determining appropriate assumptions. Therefore, this issue warrants particular emphasis.

**Ms. Nuchnart Youngchana (A shareholder):** What about the issue of inventories?

**Mrs. Sarinda Hirunprasurtwutti (An EY auditor):** Since the Company's products are in the high-technology industry and have specific life cycles, a thorough analysis of inventory value is necessary. However, after review, there are no issues of concern.

As there was no question, the Chairman proposed the Meeting to vote on this agenda item.

**Vote result:** The result of the vote count was as follows.

|            |                    |           |
|------------|--------------------|-----------|
| Approve    | 450,582,722 Votes; | 93.8252 % |
| Disapprove | 29,573,777 Votes;  | 6.1582 %  |
| Abstain    | 79,600 Votes;      | 0.0166 %  |
| Invalid    | 0 Votes;           | 0 %       |

**Resolution:** The Meeting approved the appointment of Mrs. Sarinda Hirunprasurtwutti C.P.A. Registration No. 4799 and/or Mr. Wichart Lokatekrawee C.P.A. Registration No. 4451 and/or Ms. Natteera Pongpinitpinyo C.P.A. Registration No. 7362 of EY Office Limited as the auditors of Hana Microelectronics Public Co., Ltd. for the year 2025 with the total remuneration not exceeding Baht 2,750,000.

**Agenda 8: Other business**

There was no any other business.

The Chairman informed the Meeting that all the business agenda items had completed. The Chairman asked if any shareholders desired other matters to be discussed, or any additional questions to ask. The following questions were received from shareholders.

**Mr. Somkuan Terasaranon (A shareholder):** What is management's analysis of the silicon carbide (SiC) market and the potential opportunities for the Korea plant, given that the product pricing may not be competitive in the Chinese market?

**Mr. Richard Han (CEO):** The competitive landscape in China is challenging at the moment, but we are actively working to compete. While our products from PMS offer superior quality and performance compared to the average Chinese competitors, they are priced higher. This makes it a matter of customer preference, as they must decide whether they are willing to pay a premium for better quality, depending on their application. We have formed a joint venture with a local Chinese company to sell our SiC products. Our Chinese partner, along with our marketing team, is working diligently to promote our products to high-end automotive companies in China. We are in the process of developing and preparing for a trade show, and we hope to see positive results from this joint venture in the second half of the year.

In addition to our efforts in China, we are focusing a lot of attention on the Indian market, which presents significant opportunities. India has a strong preference for Western products, and our Korean-made products offer similar quality and performance to major Western brands but at a more competitive price. We have appointed a dedicated distributor with extensive coverage of the



Indian market, and they have introduced us to several well-established companies with potential interest in SiC products. While it will take time to see results, we expect some positive outcomes by the end of this year. We are also exploring opportunities in Turkey, which serves as a key manufacturing hub for the European market. We have engaged with a local agent and are in discussions with major Turkish companies, particularly those involved in EV chargers. We anticipate positive developments in the second half of the year. Taiwan, with its large electronic manufacturing base, also presents promising opportunities, and we already have collaborations with prominent Taiwanese companies. Lastly, Korea remains our home market, with numerous large electronics manufacturing companies, and we continue to explore potential collaborations, expecting positive results in the future.

**Mr. Phuvit Paladikanon (A shareholder):** Regarding the FT1 project, what are the expected benefits for Hana? Additionally, will the proposed tariffs under Trump's policy pose any delays to the project's implementation?

**Mr. Richard Han (CEO):** The FT1 project was proposed to establish a SiC wafer foundry in Thailand, initiated approximately three years ago with support from the Board of Investment. The objective was to develop a facility significantly larger than our current plant in Korea, enhancing local technical capabilities and positioning Thailand as a center for semiconductor investment. The project also aligns with broader national efforts, including government support to establish the Thai Semiconductor Association, which promotes semiconductor education and industry development, especially in front-end wafer fabrication.

However, the global economic landscape has shifted significantly in recent years. Given these changing circumstances along with new concerns such as the impact of U.S. tariffs under Trump's policy, the project is currently under review and has been placed on hold.

**Mr. Thossaporn Satitsuwongkul (A shareholder):** What is the company's vision of cashflow management and its minimum cash flow threshold?

**Mr. Richard Han (CEO):** Cash flow is one of the key performance indicators that we monitor closely every week, tracking incoming and outgoing cash, as well as the balance. Currently, Hana has a net cash reserve of over 9 billion Baht, which, while substantial, can diminish quickly without careful oversight. We consolidate cash reports from all divisions at the head office weekly and manage capital expenditure with great caution, especially given the uncertainties around tariffs and operational challenges.

Our cash reserve grew by 30% in 2024 compared to 2023, primarily due to our focused approach to cash management. In 2023, we raised 4.6 billion Baht through a private placement, reduced capital expenditure by 1 billion Baht, and converted over 1 billion Baht in inventory into cash, resulting in a stronger cash position even amid challenging conditions.

**Ms. Nuchnart Youngchana (A shareholder):** Given the ongoing tariff issues between China and the U.S., will Hana continue to maintain its production base in China for exports to markets outside the United States?

**Mr. Richard Han (CEO):** The U.S. tariffs have had a negative impact on our operations in China. However, since the initial imposition of tariffs during Trump's first term over five to six years ago, we have already taken steps to reduce our reliance on exports to the U.S. from China, shifting our focus to the European market and domestic Chinese customers. This strategy has allowed us to continue operating sustainably in China, although we still serve some U.S. customers from our

Chinese facilities. If it becomes clear that the high tariff policies between the U.S. and China will remain unchanged, we will need to reassess the situation and consider potential restructuring of our operations in China accordingly.

**Ms. Nuchnart Youngchana (A shareholder):** What is the company's cost reduction strategy in light of the current market conditions?

**Mr. Richard Han (CEO):** We are continuously working to improve our cost structure, with a strong focus on productivity enhancements, primarily through automation. Over the past 3 to 4 years, we have reduced our workforce by over 400–500 operational staff. In fact, compared to 7–8 years ago, we now produce higher output with over 1,000 fewer employees. This shift has been a key driver in maintaining cost competitiveness.

Given the prolonged downturn in the semiconductor industry since last year, we have also temporarily shut down our factories for two days each week to reduce expenses such as electricity and logistics. Unfortunately, we had to lay off more than 200 employees at our Ayutthaya plant due to current market conditions. Management remains committed to taking necessary actions to realign our cost base with market realities, and layoffs will always be treated as a last resort.

**Mr. Jatupon Patwichaiporn (A shareholder):** What is the objective of the 372 million Baht capital investment allocated to the FT1 project, given that the project is currently on hold?

**Mr. Richard Han (CEO):** So far, the funds invested in the FT1 project have primarily been used for technology transfer, factory design, and related preparatory activities. However, no significant investments have yet been made in building construction or machinery procurement.

As there was no any other item brought up and no further question, the Chairman expressed his thanks and appreciation to shareholders who attended the meeting. The Chairman then declared the Meeting adjourned at 16.41 hrs.

Mr. John Thompson  
Chairman of the Board of Directors