



**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 THE ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 25/2018**

Held at the Company's Headquarters  
65/98 Soi Vibhavadi-Rangsit 64, Junction 2, Kwang Talad Bangkhen, Khet Laksi, Bangkok  
On 30 April 2018  
14.00 hrs. - 16.18 hrs.

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**Directors and executives presented:**

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|--------------------------------|--|
| 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, Executive Vice Chairman, Chief Executive Officer and the Nomination Committee  |
| 3) Mr. Winson Moong Chu Hui,   | Executive Director, President and Chief Operating Officer  |
| 4) Mr. Terrence Philip Weir,   | Executive Director, Executive Vice President and Chief Financial Officer, Chairman of the Corporate Governance Committee and Chairman of the Risk Management Committee |
| 5) Mrs. Salakchitt Preedaporn, | Independent Director, the Audit Committee, the Nomination Committee, the Corporate Governance Committee and Proxy of shareholders                                      |
| 6) Mr. Yingsak Jenratha,       | Independent Director, the Audit Committee, the Corporate Governance Committee, Chairman of the Nomination Committee and Proxy of shareholders                          |
| 7) Ms. Achara Chaicharncheep,  | Senior Finance and Accounting Manager  |

**External auditors:**

- |                                 |                            |
|---------------------------------|----------------------------|
| 8) Mrs. Saifon Inkaew           | Partner, EY Office Limited |
| 9) Mr. Ralph R Tye              | Partner, EY Office Limited |
| 10) Ms. Kamontip Lertwitworatep | Partner, EY Office Limited |

11) Ms. Piyawan Boonsit Senior Manager, EY Office Limited

**Translator:**

12) Mrs. Puntipa Tantana, Senior Corporate Administration and HR Director

**Independent Inspector:**

13) 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. The Chairman introduced the directors and executives, sub-committees present in the Meeting including the representatives from the Company's external auditors and the Meeting inspector. The Chairman also informed that the Company had 6 directors, and all were in attendance at the meeting. The Chairman of the Audit Committee, the Nomination Committee, the Corporate Governance Committee and the Risk Management Committee all attended the Meeting.

**Quorum Announcement:**

There were shareholders attending the meeting in person 79 shareholders holding 15,532,984 shares and 565 proxies holding 586,563,931 shares. Those total 644 shareholders holding 602,096,915 shares are equivalent to 74.81% of 804,878,860 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 Chairman informed the Meeting for the vote method and the vote counting system as follows:

**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 to appoint the 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. In regard to votes by proxy, the Company shall record the votes for each Agenda from the respective shareholder proxies.

- 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 can not split the votes.
- The vote is invalid if the proxy holder does 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.
- The resolution of all proposed agendas shall be passed when receiving the majority vote of the eligible shareholders present at the meeting including proxies.
- 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.

After explaining the voting procedures, the Chairman called the meeting to order and announced that the meeting was held pursuant to the prior written Meeting Notice given to shareholders in advance.

**Agenda 1: To approve the Minutes of the Annual General Meeting of Shareholders No. 24/2017 which was held on 28 April 2017**

The Chairman proposed the Meeting to certify the Minutes of the Annual General Meeting of Shareholders No. 24/2017, which was enclosed in the Notice of the Meeting distributed to shareholders in advance.

As there was no question and comment from shareholders, the Chairman asked the Meeting to vote on this agenda item.

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

Approve	602,084,015 Votes;	99.9979 %
Disapprove	0 Votes;	0 %
Abstain	0 Votes;	0 %
Invalid	12,900 Votes;	0.0021 %

**Resolution:** The Meeting approved the Minutes of the Annual General Meeting No. 24/2017 that was held on 28 April 2017.

**Agenda 2: To acknowledge the operation’s results of the Company in 2017**

The Chairman invited Mr. Richard Han to report the operation’s results of the Company for the year 2017 including Management Discussion and Analysis (MD&A). Mr. Richard presented to the Meeting as follows.

Hana's key financial performance figures for the year 2017 compared to 2016 were:-

- Sales revenues increased 5% to THB 21,551 million in 2017 from THB 20,523 million in 2016.
- Operating profits increased 16% to THB 2,290 million in 2017 from THB 1,969 million in 2016.
- EBITDA increased 7% to THB 3,374 million in 2017 from THB 3,149 million in 2016.
- Net profit increased 37% to THB 2,888 million in 2017 from THB 2,105 million in 2016.
- Net cash & financial investments at year end decreased 2% to THB 9.7 billion in 2017 from THB 9.9 billion in 2016.
- Gross dividend payout remained THB 2.00/share, same as in 2016

### **Revenue Analysis**

In 2017, the semiconductor industry surged in demand driven by global growth expectation especially in the USA post elections. Our semiconductor division enjoyed this strong demand for IC packaging & test throughout the year which was further supported by our successful navigation of the many customers M&A events affecting us.

The overall strength in the semiconductor market was driven by demand for smart phones, IoT (Internet of Things) devices, Opto-coupler and automotive electronics. Our diverse portfolio of sensor and standard packaging solutions coupled with a strong quality performance also helped us grow our volumes by about 15% in 2017.

With the cycle set to continue at least in the near term, we have completed the construction of a ~3,000 sq/m storage facility which will free sufficient space within our current manufacturing building allowing for an additional ~30% increase in output in the future.

Our microelectronics business achieved a USD topline growth of 6%, with continued strong demand for automotive electronics, test & measurement equipment sub-assemblies, IoT and RFID (Radio Frequency Identification) devices. The decline in demand for touch pads for laptop computers seems to have levelled off and our medical business is starting to look promising as we win new hearing aid customers and other medi-tech device customers.

During the year Hana Cambodia continued to lay down the necessary infrastructure and factory accreditations in preparation for bringing in new business. A team of technicians have been trained in Thailand to operate PCBA assembly equipment which will support new opportunities and we are confident that this will pay dividends in 2018. We are very optimistic to add new customers in Hana's latest facility during 2018.

In China, whilst we also enjoyed the stronger IC demand, our continued high labour turnover and the strengthening RMB dampened the gains and overall our performance was relatively flat year-on-year.

Our Microdisplay division in Ohio, USA started the year with very strong demand, in particular for thermal imaging camera modules, indeed it tuned out that the output was in excess of real demand which meant it was hard for the division to continue to incrementally perform better until the inventory levels were corrected. Nevertheless, continued strong demand for our tyre tag business and asset ID tags, resulted in a good performance which was well up year-on-year.

### **Operating profits increased 16%**

Operating profits increased 16% to THB 2,290 million in 2017 from THB 1,969 million in 2016 driven both by the strong semiconductor and microelectronics growth whilst our Microdisplay division also contributed well. The relatively strong USD during the first half helped but this support eroded as the year progressed and turned against us at the year-end as the US dollar weakened substantially. Our strong focus on productivity through automation also contributed to our performance but rising material costs became more of a concern towards the year end as the strength in demand continued.

### **Net profit analysis**

Net Profit increased by 37% to THB 2,888 million in 2017 from THB 2,105 million in 2016. An exchange gain of THB 531m in 2017 supported the net profit figure compared to THB 79m gain in 2016. At the beginning of 2017, the outlook for the US dollar was positive with most expecting rate rises to support the greenback, however as the year passed it became clear some of the inflationary growth policies promised by the Trump administration were proving to be hard to pass into legislation. As the US dollar dropped our hedging policy proved to be a wise decision helping to offset the pressure on our operating profits.

### **Cash reserve analysis**

The group currently has no interest bearing debt. Cash reserves (and financial investments) were THB 9.7 billion at year ended 2017 slightly down from THB 9.9 billion at year ended 2016. The decrease of THB 0.2 billion to 9.7 billion was due to EBITDA 3.4 billion less final dividend THB 0.8 billion 2016 paid in Q217, interim dividend Q417 THB 0.8 billion, capital expenditure THB 1.1 billion, other items THB -0.9 billion.

## 2018 Outlook and the Company's strategies

We enter 2018 on an optimistic note after a strong 2017. Most of our customers have indicated that the demand for their products remains strong despite the increases during the last year. Global PMIs are all indicating growth and whilst it's unusual to have all the major economic zones showing synchronized growth, years of accommodative easing and low interest rates are now having the desired results. The concern now remains the possibility of overheating and higher than targeted inflation which may induce more aggressive rates hikes. This could start to concern markets and create pull backs which will flow through into the 'main street'. Hana is thus positioning ourselves for growth whilst keeping a watchful eye on signs of the cycle topping out. Our plant expansion over the past 3 years positions us well to enjoy the upside whilst not being over extended if demand drops significantly.

The weaker US dollar and continuing wage inflation will certainly provide some headwinds for the early part of this year, but we are confident that our productivity directives will mitigate these as we progress throughout the year. We see continued growth for automotive, test & measurement and sensors for mobile. Medical is expected to growth albeit from a low base along with RFID and Opto-electronics. Our forecast for capital expenditure in 2018 is ~THB1.4B an increase of 25% over 2017 this reflects our optimism for the year.

In 2018 Hana will start to increase our R&D expenditure aimed at the "Power Module" industry through an R&D development subsidiary based in South Korea. This is a start of a new direction with an aim to develop our own modules which ultimately will enjoy higher gross margins. Whilst there are many uses for such devices, our primary target is the impending EV car industry and the need for As in previous years we will continue with our core strategic philosophies in order to grow our top-line and improve margins whilst not over exposing the group to any significant economic changes. We endeavor to achieve this by:

Maintaining good diversity so as not to rely on any one customer or industry.

- Invest heavily in automation both in IT and manufacturing equipment to improve productivity and quality thus performing better than our peers.
- Offer meaningful cost reductions which many industries are seeking through our low cost assembly operation in Cambodia (for example) and increase productivity through automation and innovation
- Identify and invest in future high growth activities
- Keep a strong balance sheet to ensure we can overcome any prolonged downturn should it happen and invest when the opportunity arises to support new opportunities.

## **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.

In October 2015, the Company has been certified as the member of Thailand's Private Sector Collective Action Coalition Against Corruption which affirms that the Company supported the fight against corruption through the implementation of policies and effective mechanisms to prevent corruption at the company and industry levels. In 2017, the Company implemented the programs to guard against corruption, to demonstrate commitment to the fundamental values of integrity, transparency and accountability.

After presented, the Chairman opened for questions or comments. There were questions from shareholders as follows.

**Shareholder:** Is there any impact to Hana due to the current US-China trade war issues?

**CEO:** If there is a trade war, there will be certain impacts to our China operation. The China operation represents approximately 20% of Hana revenues. So we estimates that it may affect around 5 – 10% out of those 20% for Hana-Jiaying but our customers have been discussing with us as part of their risk management whereby they would consider moving those products to our Thai operations if there is any trade war.

**Shareholder:** As mentioned that Hana will invest in R&D for Power Module in South Korea which is to target EV car industry and charging stations. Will Hana transfer such products to produce at Hana Thailand or its subsidiaries in other countries? Why Hana invest in Korea, not other countries? Will the rechargeable batteries be supplied for all kinds of automotive brands? Are those being in the list of Chinese products that are subject to new tariffs imposed by the US? After the development completion, will Hana register for the patent?

**CEO:** There are suitable engineers available that we found in Korea. There is not any other specific reason for this particular country. Hana does not make the battery but together with our partners we will develop the solutions to transmit energy or sources to the end uses or the components of power module such as an electric vehicle battery charger. After completed the development, we will manufacture at our China operation as China is a big market for EV car industry. This product is not in China-US tariff list as we do not export to US but make and trade in China mainly. Our components for EV charging can be used for all EV car brands. If the product is successfully, we will register for international patents.

**Shareholder:** What is the currency of the Company's sale revenues and costs? How many percent for US currency compared to other currencies? What is the Company strategy to manage exchange rate fluctuation or baht appreciation?

**CFO:** Our revenue is almost all in US Dollars and our material costs are also in US Dollars. We hedged for 140 million USD. We buy Baht and sell USD through

forward contracts, which are rolled over 3 months, 6 months or on a yearly basis. For accounting at the end of each quarter, it will reflect the mark-to-market gain or loss accordingly.

**Shareholder:** As the Company forecasts the capital expenditure approx. Baht 1.4 billion in 2018, will those only for R&D expenses for Thailand?

**CEO:** It is the forecast for Hana group, not only R&D but also for the production capacity, building expansion, machines and equipment and others.

**Shareholder:** As this year has seen more rain, does Hana have any flood preventive measure?

**CEO:** Hana has the flood protection in place for Ayutthaya and Lamphun plants after Thailand big flooding in 2011.

**Shareholder:** For Hana's low cost base in Cambodia, when will this operation have the profit or the growth in revenue?

**CEO:** The cost of labour in Cambodia is lower than Thailand about half but Cambodia staff have the limited skills not only daily workers but also engineers and technicians. Therefore, they will get training from Thailand operations and could take at least 2 more years to make a profit.

As there was no further question, the Chairman then announced that the Meeting acknowledged the operation's results of the Company for the year 2017.

**Agenda 3: To approve the financial statements for the year ended 31 December 2017**

The Chairman proposed the meeting to approve the financial statements for the financial period year ended 31 December 2017 and the auditor's report, all of which have been reviewed by the Audit Committee.

There were questions from shareholders as follows.

**Shareholder:** For Hana, is there any seasonal pattern in the electronics demand?

**CEO:** In general, the first quarter would be lower while the third quarter would be higher and then down in the fourth quarter. However, this is not always the case as last year Hana did not fall into this pattern as the first quarter was strong which is different from the past 10 years.

**Shareholder:** If US currency would weaken throughout the year, would this significantly impact to Hana's revenue? Would the Company consider using other currencies or increase the unit price to your customers?

**CEO:** Hana and other companies in the electronic industry make the billings in US Dollar as the base currency. If the US Dollar weakens against the Baht, it will affect us and other export companies as well. We use exchange rate risk management tools such as hedging. To increase the price charge to the customers, it is unlikely practical.

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

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

Approve	600,639,515 Votes;	99.7579 %
Disapprove	0 Votes;	0 %
Abstain	1,444,500 Votes;	0.2400 %
Invalid	12,900 Votes;	0.0021 %

**Resolution:** The Meeting approved the financial statements for the year ended 31 December 2017.

**Agenda 4: To approve the dividend payment for the year 2017**

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 performance in 2017, the Board recommends to pay the final dividend for the financial year ended 2017 at Baht 1.00 per share which is paid from the net profit and retained earnings as at 31 December 2017 by setting the Record Date on 15 March 2018. The dividend payment will be made on 11 May 2018. 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 and another Baht 0.50 is paid from the net profit and retained earnings from Non-BOI businesses which is subjected to 10% withholding tax so the final dividend paid is Baht 0.95 per share net.

On 3 November 2017, the Company paid an interim dividend from the net profit of the first sixth months period of 2017 at the rate of Baht 1.00 per share or Baht 0.935 per share net. Therefore, the total dividend payment for the financial year ended 31 December 2017 will be Baht 2.00 per share gross or Baht 1.885 per share net.

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

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

Approve	602,084,015 Votes;	99.9979 %
Disapprove	0 Votes;	0 %
Abstain	0 Votes;	0 %
Invalid	12,900 Votes;	0.0021 %

**Resolution:** The Meeting acknowledged the interim payment at the rate of Baht 1.00 per share that was paid on 3 November 2017 and approved the annual dividend payment for the year 2017 at the rate of Baht 1.00 per share to be paid on 11 May 2018. The dividend of Baht 0.50 per share is paid from the net profit

and retained earnings as at 31 December 2017 from BOI promoted businesses which has the tax exemption and another Baht 0.50 is paid from the net profit and retained earnings as at 31 December 2017 from Non-BOI businesses which is subjected to 10% withholding tax so the final dividend paid is Baht 0.95 per share net.

The total 2017 dividend would be Baht 2.00 per share gross or Baht 1.885 per share net which was composed of interim dividend Baht 1.00 per share paid on 3 November 2017 and the final dividend Baht 1.00 per share gross to be paid on 11 May 2018.

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

The Chairman informed the Meeting that Mr. Richard Han and Mr. Yingsak Jenratha were the interested directors to be re-appointed at this year so they therefore expressed the intent to leave the room.

The 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 October – December 2017 and there were no proposals given. Therefore, the Chairman proposed the Meeting to consider the directors whose tenure has ended. This year, directors whose tenure has ended are:

- 1) Mr. Richard David Han – be appointed as an executive director
- 2) Mr. Yingsak Jenratha – be appointed as an independent director

The Chairman further advised that those two directors were proposed by the Nomination Committee to be re-elected due to the satisfaction with their performance, effectiveness and commitment to the roles. Both of them have qualifications suitable to the Company’s business and Mr. Yingsak can provide his opinions independently and comply with relevant rules and regulations. The brief profile of those directors had been distributed to shareholders for consideration.

As there was no question or comment, the Chairman proposed the Meeting to re-appoint by individual director as follows:

**5.1 Appoint Mr. Richard David Han as an executive director for another term**

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

Approve	592,105,743 Votes;	98.3406 %
Disapprove	8,938,272 Votes;	1.4845 %
Abstain	1,040,000 Votes;	0.1728 %
Invalid	12,900 Votes;	0.0021 %

## 5.2 Appoint Mr. Yingsak Jenratha as an independent director for another term

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

Approve	599,189,943 Votes;	99.5172 %
Disapprove	2,833,072 Votes;	0.4705 %
Abstain	61,000 Votes;	0.0102 %
Invalid	12,900 Votes;	0.0021 %

**Resolution:** The Meeting approved the appointment of Mr. Richard David Han as an executive director and Mr. Yingsak Jenratha as an independent director for another term.

### **Agenda 6: To approve the directors' remuneration for 2018**

The Chairman proposed the meeting to consider and approve the remuneration of the Board of Directors for the year 2018 at the below rates not exceeding Baht 5,000,000.

<b>Position</b>	<b>Meeting Allowance (Baht)</b>	<b>Bonus</b>
Chairman of the Board of Directors	92,000 Baht	Minimum one time of meeting allowance depending on the Company's performance
Independent Directors	55,000 Baht	Minimum one time of meeting allowance depending on the Company's performance
Executive Directors*	-	-

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

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

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

Approve	598,995,915 Votes;	99.4850 %
Disapprove	3,026,800 Votes;	0.5027 %
Abstain	61,000 Votes;	0.0101 %
Invalid	13,200 Votes;	0.0022 %

**Resolution:** The Meeting approved the Board of Directors' remuneration for 2018 at the rate proposed but not exceeding Baht 5,000,000.

**Agenda 7: To approve the appointment of the Company's auditors for the year 2018 and to fix the auditors' remuneration**

According to SEC Notification regarding the mandatory rotation of the audit partner every five years, Mrs. Saifon Inkaew has held her roles as an auditor of the Company for five consecutive years from 2013 – 2017 so her tenure has ended. The Chairman then proposed the Meeting to change the auditors and propose the appointment of the following auditors for the fiscal year 2018.

1. Ms. Kamontip Lertwitworatep C.P.A. Registration No. 4377 and/or
2. Mrs. Sarinda Hirunprasurtwutti C.P.A. Registration No. 4799 and/or
3. Mr. Wichart Lokatekrawee C.P.A. Registration No. 4451

of EY Office Limited to be the auditors of the Company with the remuneration of not exceeding Baht 2,270,000 (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.

There were questions from shareholders as follows.

**Shareholder:** Regarding the inventory destruction audit fee of Baht 20,000 per time, what is the policy of writing off inventory?

**CFO:** Hana is an electronic manufacturing service provider (EMS). We make the products of the customers on a made to order basis. Finished goods inventory is low and raw material stock obsolescence is managed. We make the provision for allowance of diminution in inventory value for obsolete inventory or non-movement more than 9 months. If unlikely to be used in the future, we will process for write-off and scrap or disposition and this would require the auditor as the witness.

**Shareholder:** How many times of the inventory destruction per year and how many auditors each time? What kind of report issuance?

**Auditor:** According to the Revenue Department Notification, a destroyed product to be recorded as deductibility for income tax purposes would allow by providing the auditor in the presence as an authorised witness for the destruction of such goods. The fee is included the reporting which will be in accordance with the Auditing Standard (Agreed-upon procedures) on the result of verification of inventory disposal or destruction which actually pertains to destroy obsolete inventories. The inventory destruction of the Company is generally conducted 3-4 times a year.

**Shareholder:** How does the Company consider or come up with the Key Audit Matters outlined in the Independent Auditor's Report of 2017 financial statements?

**Auditor:** By definition, the Key Audit Matters are those which the auditor judges to be most significant in the audit of the Company's financial statements of the current period. In making the determination, we take into account 3 areas of significant

auditor attention in performing the audit. Firstly, areas are identified as significant risks. Secondly, the matter that requires significant accounting estimates by the Company's management. Lastly, the major event occurs during the year. Key Audit Matters are a new accounting standard that has been implemented for the past two years in Thailand. Thus, Hana has three matters that are important: the revenue recognition, the estimation of the net realizable value of the inventory and the valuation of long-term employee benefit obligations, as shown in the financial report of the auditor.

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

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

Approve	602,075,315 Votes;	99.9964 %
Disapprove	0 Votes;	0 %
Abstain	3,700 Votes;	0.0006 %
Invalid	17,900 Votes;	0.0030 %

**Resolution:** The Meeting approved the appointment of Ms. Kamontip Lertwitworatep and/or Mrs. Sarinda Hirunprasurtwutti and/or Mr. Wichart Lokatekrawee of EY Office Limited as the auditors of Hana Microelectronics Public Co., Ltd. for the year 2018 with the total remuneration not exceeding Baht 2,270,000 (excluding out-of-pocket expenses).

**Agenda 8: Other business**

The Chairman informed the Meeting that all the business agenda items had completed. Before open opportunities for any further questions, shareholders were invited to see the short video presentation about the Company's manufacturing facilities to give shareholders a better understanding of Hana business.

After the video, the Chairman asked if any shareholders desired other matters to be discussed, or any questions to ask.

There were questions from shareholders as follows.

**Shareholder:** Would you please forecast about the demand of Smartphone in China?

**CEO:** According to the public news, the demand of Smartphone in China would be flat or may grow slightly but actually it dropped in Quarter 4 last year by 4%. Therefore, we opinion that the demand will be no growth or slight growth at present. As the Smartphone is a big industry but even the market is not growing, it doesn't mean we cannot grow because we are not a big company in this industry.

**Shareholder:** How many customers that Hana won and how many customers that Hana lost last year?

**CEO:** Last year we had 12 – 13 new customers whom most of them are small but we expect that they will grow. Most of our growth comes from the existing major customers, not the new ones.

**Shareholder:** For the AGM last year, you mentioned about one of Hana’s strategies regarding Merger and Acquisition (M&A), could you please elaborate or update us the progress?

**CEO:** We are focusing on the research and development as we do not have any M&A target so we are working on new product development instead.

As there was no any other item brought up, the Chairman expressed his thanks and appreciation to shareholders who attended the meeting. The Chairman then declared the Meeting adjourned at 16:18 hrs.



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(Mr. John Thompson)  
Chairman of the Board of Directors