



HANA Microelectronics Public Co., Ltd.

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MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 19/2012

Held at Miracle Grand Convention Hotel
99 Vibhavadi-Rangsit Road, Khet Laksi, Don Muang, Bangkok
On April 30, 2012
14.00 - 16.55 hrs.

Directors Presented:

- | | |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| 1) Mr. Bancha Tarnprakorn, | 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 Nomination Committee |
| 3) Mr. Winson Moong Chu Hui, | Executive Director, President and Chief Operating Officer |
| 4) Mr. Terrence Philip Weir, | Executive Director and Chief Financial Officer |
| 5) Mr. Voraphoj Thepvanaprasiddhi, | Independent Director, Audit Committee, Chairman of Nomination Committee and Proxy of shareholders |
| 6) Mr. Martin Enno Horn, | Independent Director, Audit Committee, Nomination Committee and Proxy of shareholders |

External auditor presented:

- | | |
|------------------------|-------------------------------------------|
| 7) Mrs. Saifon Inkaew, | Auditor from Ernst & Young Office Limited |
|------------------------|-------------------------------------------|

Translator:

- | | |
|--------------------------|--------------------------------------------------------|
| 8) Mrs. Puntipa Tantana, | Corporate Manufacturing Administration and HR Director |
|--------------------------|--------------------------------------------------------|

Preliminary Proceedings:

The Annual General Meeting was opened by Mr. Bancha Tarnprakorn, the Chairman of the Board of Directors. Mr. Bancha introduced the board of directors and sub-committee who presented in the Meeting including the representative from the company's external auditor.

Quorum Announcement:

There were shareholders attending the meeting in person 73 shareholders holding 12,403,657 shares and 153 proxies holding 671,403,495 shares. Those total 226 shareholders holding 683,807,152 shares are equivalent to 84.96% 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 in each agenda, shareholders who wish to vote disagree or abstain are required to complete the voting cards being given. After each item of agenda, shareholders must hand over the voting cards for the disagreed and abstained votes to the Company's representative for counting the votes. Except for Agenda to appoint the director, the voting card will be collected from every shareholder. However, 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 also invalid if the proxy holder does not vote according to the voting intention made by shareholders using the Proxy form B.

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, which is to be more than 50% or more than 341,903,576 shares.
- In case of a tie vote, the Chairman shall be entitled to a casting vote.

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

Agenda 1: To certify the Minutes of the Annual General Meeting of Shareholders No. 18/2011 which was held on April 29, 2011

The Chairman proposed the Meeting to certify the Minutes of the Annual General Meeting of Shareholders No. 18/2011, which was enclosed in the Notice of the Meeting distributed to shareholders in advance.

Vote result: The Chairman informed the Meeting that the result of the vote count was as follows.

| | | |
|------------|--------------------|-----------|
| Approve | 672,614,252 Votes; | 98.3631 % |
| Disapprove | 10,000 Votes; | 0.0015 % |
| Abstain | 11,182,900 Votes; | 1.6354 % |

Resolution: The Meeting approved the Minutes of the Annual General Meeting No. 18/2011 that was held on April 29, 2011.

Agenda 2: To acknowledge the operation results of the Company in 2011

The Chairman invited Mr. Richard Han to report the operation results of the Company during the year 2011. Mr. Richard presented to the Meeting as follows.

The year 2011 has been dominated by the Q4 flooding event which has given rise to significant exceptional losses affecting the group's performance for the year.

Q1 got off to a slow start with the weakness carried over from the end of 2010 due to the replenishment of the supply chain from the 2008/9 financial crisis running out of steam. However by the end of Q2 the demand had picked up which resulted in a marked improvement by the mid-year point.

Unfortunately, in Q3, once again confidence was dashed as the world started to fret about the European sovereign debt crisis brought about by Greece and our customers began to reduce their inventory for fear of getting caught in another credit crunch with the 2008/9 financial crisis still fresh in mind. This resulted in another slow down in what should have been (seasonally) our strongest quarter.

In Q4, the micro divisions performed well with increased demand for touch pads in particular. However, the flood impacted Ayutthaya plant causing a severe drop in operating and net profits.

In addition wages and salaries rose a significant 24% YoY due to currency and actual increase and this has had an impact on our operating margins. Our capital expenditure of approximately US\$31M during 2011 reflected the slowdown in demand for IC packaging.

Hana's financial "key performance indices" for 2011 over 2010 were:-

- Total revenues of THB 16,315M (Down 4%) US\$534.5M (Flat)
- Operating profits of THB 1,426M (Down 42%) US\$46.7M (Down 40%)
- EBITDA of THB 2,614M (Down 28%) US\$85.6M (Down 25%)
- Net Profit after Tax of THB 1,618M (Down 41%) US\$53.0M (Down 39%)

- Net cash at year end of THB 5,838M (Up 17%) US\$184.9M (Up 15%)
- A proposed gross dividend payout of THB 1.00 per share (Down 35%)

Looking at the divisional performances:-

The flood hit our IC operation in mid-October and completely shut down the factory until early January 2012. Property and equipment damaged is estimated at approximately USD 40M, this charge will be taken partly in Q4' 2011 and Q1/2012. Insurance negotiations are on-going and we carry both property and business interruption insurance for 18 months. Sales fell 12% in 2011.

Whilst our micro activities in Lamphun were also weak in the first half of the year, they finished strongly as they benefited from the flood crisis. One large customer from Ayutthaya transferred half their business and we gained market share from our competitors in the automotive and computer touch pad sectors. This is expected to continue in 2012. Sales increased 4% in 2011.

In JiaXing, we made excellent progress in gaining market share in the touch pad and mobile interface sectors from our competitors and within the space of less than one year this new account grew to become the largest customer for micro JiaXing. We have undertaken to expand an additional 4,000sq/m to cope with the increase in activities which will be completed by the middle of 2012. Sales grew 33% in 2011.

Looking ahead for 2012, we expect our IC operations to recover up to about 60% of last year's loading by the middle of the year and possibly up to 80% by the year end. Unfortunately we do expect that as a result of the floods we shall lose up to 20% of our business to our competitors and this will take perhaps more than one year to be regained from elsewhere.

Our micro business in Lamphun has started well and is expected to grow YoY over 2011. Automotive, touch pads, mobile interface and computer mouse devices will lead the growth in 2012. We continue to aggressively look for additional land in order to expand our operations in Lamphun.

JiaXing is also expected to grow from the record year of 2011 with a number of new projects in the pipe line. With the additional facility coming on stream by the middle of the year we expect another record year for JiaXing.

Cost pressures will continue to dominate with the Thai government's mandated minimum wage increase adding up to 25% to our wage bill. In China we expect about +15%. This will again add pressure to our margins.

We forecast a benign demand environment in the first half with a recovery in Q3 provided we don't get any major external shocks to the world financial systems. The US is looking more positive and China is expected to manage its inflation concerns, whilst Europe remains the 'wild card'.

After presented, Mr. Richard opened for questions. There were questions from shareholders as follows.

Shareholder: As the company estimated the property damage from flood approximately USD 40M, is this for replacement only and is it included Business Interruption of 18 months as well? What will be the insurance coverage and cost for next year?

CFO: The amount of USD 40M is for property damage both replacement and repair. BI is under the claim process and the amount would be realized after the claim is finalized. For the renewal period, the insurance will not cover flood and the premium is expected to be 400% higher.

Shareholder: According to the income statements, there was the loss from flood Baht 99M. In February 2012, the company received the interim payment Baht 300M. So, what is it and it is claimed for net book value or capital value?

CFO: In Q4, the property damage of equipment, inventory and others were recorded for Baht 399M as the loss from flood. Those assets that were claimed for replacement had the net book value of Baht 399M. After deducting the first interim compensation from the insurance of Baht 300M, we had the loss of Baht 99M. The cost of repair has not been booked yet. The repair is booked as expense when the cost is incurred.

Shareholder: If the insurance does not cover flood and 400% higher cost, will the company continue to buy the insurance?

CFO: Yes, we need to as to insure the property from other damages such as by fire.

Shareholder: What does the company plan for flood protection?

CEO: For the factory at Ayutthaya, we are building the inside flood wall 1.5 meter high and seal all the holes which will secure the heavy equipment up to 5.8 meter high from MSL (Mean Sea Level). The light equipment we can move to 2nd or 3rd floor if flood comes again. If the new dike built by IEAT is secure then the estate will be able to cope with a flood up to 5.4m above MSL.

Shareholder: As the high increase of minimum wage in Thailand, will Hana move its production to other countries? Can the company increase its product selling price to cope with the higher cost?

CEO: We cannot easily increase the price to customers due to high competition within industry. In term of wage issue, we cannot move to other low-wage countries quickly and easily due to limitation of infrastructure. Our focus is to combat high wage through increased automation and other investments to improve productivities.

Shareholder: Y2011, the sale revenue and profit were dropped. Why did the cash increase?

CEO: We got lower revenue and lower profit but we spent less cash so the cash level increased.

Shareholder: The company had Baht 36M loss on change in value of available-for-sale investments. Is it actual loss from capital or included exchange rate loss?

CFO: We invested USD 60M in corporate bonds with the return rate 4.5% yield. The price would go up and down. At year end, it is booked as loss as the market price went down.

Shareholder: The company should re-consider the investment in private bond as it is high risk and would impact to the profit for future dividend payment.

CFO: We invested in corporate bonds rated BBB up and spread out the investment in various regions/countries. We did not put the cash in one bond but into a diversified portfolio of bonds with acceptable risks to gain a higher yield than putting deposits in banks which is not without risk either.

As there was no further question, the Chairman announced that the Meeting acknowledged the operation results of the Company for the year 2011.

Agenda 3: To approve the balance sheet and profit and loss statements for the year ended December 31, 2011

The Chairman proposed the meeting to approve the audited balance sheet and profit and loss statements for the financial period year ended December 31, 2011 and the auditor's report, all of which have been reviewed by the Audit Committee.

Vote result: The Chairman informed the Meeting that the result of the vote count was as follows.

| | | |
|------------|--------------------|-----------|
| Approve | 672,965,552 Votes; | 98.4145 % |
| Disapprove | 10,000 Votes; | 0.0015 % |
| Abstain | 10,831,600 Votes; | 1.5840 % |

Resolution: The Meeting approved the balance sheet and profit and loss statements for the year ended December 31, 2011.

Agenda 4: To approve the dividend payment for the year 2011

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.

Given due consideration to the company's profit, cash flow and balance sheet position and the impact of flooding in Ayutthaya factory, the Board recommended to shareholders to approve the annual dividend payment for the financial year ended December 31, 2011 to be Baht 1.00 per share which, in total, is approximately 49.74% of Year 2011 Net Profit after tax of Baht 1,618,068,746. The dividend payment will be made on Monday, 14 May 2012. The dividend is paid from the net profit and retained earnings from BOI promoted businesses which has the tax exemption.

Vote result: The Chairman informed the Meeting that the result of the vote count was as follows.

| | | |
|------------|--------------------|-----------|
| Approve | 672,965,552 Votes; | 98.4145 % |
| Disapprove | 10,000 Votes; | 0.0015 % |
| Abstain | 10,831,600 Votes; | 1.5840 % |

Resolution: The Meeting approved the annual dividend payment of 2011 at the rate of Baht 1.00 per share to be paid on Monday 14 May 2012 where the

dividend is paid from the net profit and retained earnings from BOI promoted businesses which has the tax exemption.

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

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

The Chairman further 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 2011 and there were no proposals given. Therefore, he 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. Martin Enno Horn - be appointed as an independent director

The Vice 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. The brief profile of those directors had been distributed to shareholders for consideration. Then, he 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 Vice Chairman informed the Meeting that the result of the vote count was as follows.

| | | |
|------------|--------------------|-----------|
| Approve | 683,807,152 Votes; | 97.8485 % |
| Disapprove | 2,832,966 Votes; | 0.4143 % |
| Abstain | 11,879,000 Votes; | 1.7372 % |

5.2 Appoint Mr. Martin Enno Horn as an independent director for another term

Vote result: The Vice Chairman informed the Meeting that the result of the vote count was as follows

| | | |
|------------|--------------------|-----------|
| Approve | 670,356,852 Votes; | 98.0330 % |
| Disapprove | 2,611,300 Votes; | 0.3819 % |
| Abstain | 10,839,000 Votes; | 1.5851 % |

Resolution: The Meeting approved the appointment of Mr. Richard David Han and Mr. Martin Enno Horn to be the Company's directors for another term.

Agenda 6: To approve the directors' remuneration for 2012

The Chairman proposed the meeting to consider and approve the remuneration of the board of directors for the year 2012 at the below rates not exceeding Baht 10,000,000, which is the same total amount as 2011.

| Position | Meeting Allowance (Baht) | Bonus |
|-----------------------------------------|---------------------------------|--------------------------------------------------------|
| Chairman of the Board and sub-committee | 89,250 Baht | Minimum one month depending on the company performance |
| Independent Directors | 52,500 Baht | Minimum one month depending on the company 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.

Vote result: The Chairman informed the Meeting that the result of the vote count was as follows.

| | | |
|------------|--------------------|-----------|
| Approve | 672,006,953 Votes; | 98.2743 % |
| Disapprove | 12,900 Votes; | 0.0019 % |
| Abstain | 11,787,299 Votes; | 1.7238 % |

Resolution: The Meeting approved the board of directors' remuneration for 2012 at the rate proposed but not exceeding Baht 10,000,000.

Agenda 7: To approve the appointment of the Company's auditor for the year 2011 and to fix the auditor's remuneration

The Chairman proposed the Meeting to consider and approve the appointment of the following auditors for the fiscal year 2012.

- 1) Ms. Kamontip Lertwitworatop, Certified Public Accountant No. 4377 and/or
- 2) Mrs. Saifon Inkaew, Certified Public Accountant No. 4434 and/or
- 3) Ms. Siriwan Suratepin, Certified Public Accountant No. 4604

of Ernst & Young to be the auditor of the company with the remuneration of not exceeding Baht 2,060,000. In the event those auditors are unable to perform their duties, Ernst & Young 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.

Vote result: The Chairman informed the Meeting that the result of the vote count was as follows.

| | | |
|------------|--------------------|-----------|
| Approve | 672,963,152 Votes; | 98.4141 % |
| Disapprove | 10,000 Votes; | 0.0015 % |
| Abstain | 10,834,000 Votes; | 1.5844 % |

Resolution: The Meeting approved the appointment of the proposed auditor and its remuneration.

Agenda 8: Other business

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: How is the capacity of Hana JiaXing compared to Thailand?

CEO: Thailand is more advanced. Many customers want us to build in China so they could make their further assembly processes in China. Some customers don't want to go China for intellectual property security issue. Now, South China where Hana JiaXing is located has similar labour cost to Thailand.

Shareholder: What is the status of Hana-Bangkok as understand that the land lease will end coming soon?

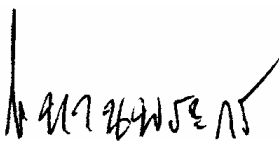
CEO: The land lease is going to finish by end of next year. We bought a piece of land nearby the existing land to build the new headquarters, but not for manufacturing as Bangkok has no further BOI privilege. The business of Hana Bangkok has moved to Ayutthaya and Lamphun plants.

Shareholder: Will the company consider paying 2 times for dividend?

CEO: The Board will propose to pay dividends as much as the directors believe is prudent. We also need to consider the timing of compensation from the insurance which is not yet finalized and reserve cash for further investment for land in Lamphun.

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 16:55 hrs.



Signed 
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(Mr. Bancha Tarnprakorn)
Chairman