



HANA Microelectronics Public Co., Ltd.

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MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 20/2013

Held at Miracle Grand Convention Hotel
99 Vibhavadi-Rangsit Road, Khet Laksi, Don Muang, Bangkok
On April 30, 2013
14.00 - 16.15 hrs.

Directors Presented:

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| 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 Thepvanaprasidhi, | 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:

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| 7) Ms. Kamontip Lertwitworatep | Auditor from Ernst & Young Office Limited |
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Translator:

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| 8) Mrs. Puntipa Tantana, | Corporate Manufacturing Administration and HR Director |
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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 78 shareholders holding 13,783,714 shares and 98 proxies holding 683,224,816 shares. Those total 176 shareholders holding 697,008,530 shares are equivalent to 86.60% 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 348,504,265 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. 19/2012 which was held on April 30, 2012

The Chairman proposed the Meeting to certify the Minutes of the Annual General Meeting of Shareholders No. 19/2012, 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	696,923,730 Votes;	99.9878 %
Disapprove	0 Votes;	0 %
Abstain	84,800 Votes;	0.0122 %

Resolution: The Meeting approved the Minutes of the Annual General Meeting No. 19/2012 that was held on April 30, 2012.

Agenda 2: To acknowledge the operation results of the Company in 2012

The Chairman invited Mr. Richard Han to report the operation results of the Company during the year 2012. Mr. Richard presented to the Meeting as follows.

By all accounts 2012 has been a very difficult year for the group. Our IC Assembly division in Ayutthaya (AYT) re-started operations at the start of the year with a limited production rate focusing primarily on re-qualifying all our existing and new equipment and satisfying our customers by re-qualifying their parts.

By the middle of the year we had managed to regain approximately 60% of our pre-flood volume levels. Unfortunately in Q3 the market dropped significantly over global economic concerns and this stalled our recovery process significantly. The much watched book-to-bill ratio hit 0.75 in October although it has recovered to 0.92 in December, still indicating a contraction.

Our microelectronics division in Lamphun (LPN) got off to a strong start in 2012 with most sectors showing significant growth over the previous year however like its sister division in AYT, it too could not escape the weakness that swept the electronics industry in the second half with most of the early gains being given up by the end of the year.

In China the story was similar but to a lesser extent and our Jiaying (JX) division still managed record sales and profits for 2012.

Hana's financial "key performance indices" for 2012 over 2011 were:-

- Total revenues of THB 17,233m +6% USD 556m +4%
- Operating profits of THB 1,076m -25% USD 35m -26%
- EBITDA of THB 2,305m -12% USD 74m -13%
- Net Profit After Tax THB 1,661m +4% USD 54m +1%
- Net cash at year end THB 5,481m -7% USD 179m -6%

- An additional gross dividend payout of THB 1.00 baht per share (Final of THB 1.50 gross for 2012, same as for 2011)

Since April 2012 until the beginning of 2013, the minimum wages as mandated by the government has increased 40% in AYT, 46% in LPN and 13% in JX. This will have (and has had) a significant impact on our groups overall cost and will affect our margins going forward. Whilst there are a number of important automation projects underway, their mitigation will have limited affect and we shall have to accept the new working environment.

We are undertaking two new projects, one an expansion at LPN where we shall construct a 25,000 sq/m factory scheduled for completion by Q2/14 and in Cambodia Koh Kong (KK) where we are working on a 30,000sq/m factory for completion also by the middle of 2014. Work has already commenced on the LPN expansion and we expect to break ground in Koh Kong (KK) by the middle of 2013.

We project the economic climate will start to improve in the second half of this year with a more material improvement by the beginning of 2014, hence the timing of our two major expansion plans.

Despite the weak operating performance in 2012, initial insurance payments helped to support the NPAT figure. We still have significant claims to process during 2013 which will also assist our bottom line; however our operational challenges remain focused on returning AYT back to profitability and continually improving productivity to soften the substantial impact from the politically imposed wage increases.

Looking forward to 2013, in summary we forecast continuing weakness in demand for the first half of the year which compounded by the rising wages and weakening US\$ will impact our performance significantly. Towards the second half we expect to see an improvement in sentiment with a corresponding effect to our financial performance, although it will be unlikely to overcome the weakness of the first half.

Finally, it is important to understand that the electronic business is a cyclical one and for the past 3 quarters we have been in a low cycle. However going forward we believe the cycle will change and start to improve towards the end of this year and to that we are expanding our capacity to be in time for what we project to be an improvement in the business demand by the middle of next year.

After presented, Mr. Richard opened for questions. There was no question from shareholders.

The Chairman then announced that the Meeting acknowledged the operation results of the Company for the year 2012.

Agenda 3: To approve the balance sheet and profit and loss statements for the year ended December 31, 2012

The Chairman proposed the meeting to approve the audited balance sheet and profit and loss statements for the financial period year ended December 31, 2012 and the auditor's report, all of which have been reviewed by the Audit Committee.

There were questions from shareholders as follows.

Shareholder: From Hana's organization, does the company have 3 business groups; Manufacturing, Purchasing & Marketing and Investment? Why need to set up the holding company in British Virgin Island?

CFO: Yes, and we set up the holding company in British Virgin Island for tax planning purpose for our company's overseas investments.

Shareholder: Hana is going to expand its business to Cambodia. From the issue of Cambodia–Thailand border dispute, there could have the war at the border somehow in future so how would the company plan for export its products and business interruption?

CEO: We don't start the business in Cambodia for the next 12 months so a short term war should not be the big issue. However, if a war happened in the next 5-6 years later that the factory in Cambodia become a bigger part of our business, we would bring Thai staff or our engineers from China to work there. The export can manage by boat, and if it became a big war, we would stop the business.

Shareholder: According to Baht 1,800m capital expenditure plan in 2013 for new head office and the factory expansion in Lamphun, China and Cambodia, will you wait and see the result of investment or continue expansion?

CEO: Hana has not invested in the buildings in the past 4 years and we will invest in machinery next and will not invest in building for future 4-5 years. We will do step by step.

Shareholder: In the annual report, there appears to be some contradiction between Chairman's Statement that provided the business concerned, where Ayutthaya management described the business more positively? How is the current performance of Ayutthaya?

CEO: It is just like another side of coin as the chairman would put more conservative point of view toward the businesses whereas the GM of Ayutthaya need to encourage the business to step forward. Ayutthaya has not improved for the volume built since Q3-4' 2012 but we expect it to look better in Q3 this year.

Shareholder: Did the insurance pay all compensation yet?

CFO: For the property damage exclude inventory, we had received about 80% of our claim so far and the inventory damage is outstanding claim to be finalized. For Business Interruption, we received Baht 400m interim payment and the remaining is in process.

Shareholder: How is the insurance premium after flooded? Will the premium be reduced significantly soon?

CFO: The insurance premium has increased 400% with no flood and earthquake cover. Next year, the premium may decrease some but would still be relatively high due to the high insurance claims in Thailand being recorded from the 2011 flood so the premium would not be expected to be reduced to the same level as before.

Shareholder: Do customers who have already gone come back?
 CEO: Our customers have not brought all the business back. It takes time for the flood memory of Ayutthaya to reduce over the next 3-4 years. However, we have informed our new customers about the back-up plan in the new Lamphun plant that will have the same kind of production line of IC packaging and we also have IC packaging at our China factory.

Shareholder: In 2012, why did the operating profit reduce 25%?
 CEO: Our operating profit dropped by 25% because Ayutthaya operation did not contribute as before, also the electronic industry was slowing down and wages increased along with the Thai Baht strengthening. We have improved productivity through automation by making machines internally which can save 2-300 people by the end of this year.

Shareholder: Does Hana have no debt, right?
 CEO: Yes, you're right.

Shareholder: The company has invested in Bonds. Investment always has risks. Are you sure that the investment is safe enough?
 CFO: We have invested in corporate bonds rated BBB up and spread out the investment in various regions/countries. We have invested in diversified portfolio of bonds with acceptable risks.

Shareholder: For the financial note item 16 and 27.5, the company has recorded provision for loss on tax assessment about Baht 150m. It was happened 16 years ago but not settled yet. Does this provision amount include interest surcharge?
 CFO: Yes, have accrued the amount as we could lose the case at the Supreme Court.

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

Approve	696,929,730 Votes;	99.9887 %
Disapprove	0 Votes;	0 %
Abstain	78,800 Votes;	0.0113 %

Resolution: The Meeting approved the balance sheet and profit and loss statements for the year ended December 31, 2012.

Agenda 4: To approve the dividend payment for the year 2012

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, the Chairman proposed the meeting to approve the annual dividend payment for the year 2012 at the rate of Baht 1.00 per share to be paid on May 15, 2013. 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. The total 2012 dividend will be Baht 1.50 per share gross or Baht 1.45 per share net which is composed of interim dividend Baht 0.50 per share paid on December 7, 2012 and the final dividend Baht 1.00 per share gross or Baht 0.95 per share net to be paid on May 15, 2013.

There were questions from shareholders as follows.

Shareholder: For the interim dividend of Baht 0.5 per share, did the Board decision to pay the interim dividend come from the insurance compensation?

CFO: Yes, last year (2012) we have extra cash flow received from the insurance payment so the Board decided to pay the interim dividend.

Shareholder: Will the Company continue to pay the interim dividend in future?

CEO: The interim dividend will be considered by the Board decision and depending on the cash flow and the reserve for our business needs.

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

Approve	696,927,730 Votes;	99.9884 %
Disapprove	0 Votes;	0 %
Abstain	80,800 Votes;	0.0116 %

Resolution: The Meeting approved the annual dividend payment of 2012 at the rate of Baht 1.00 per share. The dividend will be paid to the shareholders whose names appeared in the registered book dated March 14, 2013 with the payment date on May 15, 2013. The dividend of Baht 0.5 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.

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

The Chairman informed the Meeting that Mr. Winson Moong Chu Hui and Mr. Terrence Philip Weir 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 2012 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. Winson Moong Chu Hui – be appointed as an executive director
- 2) Mr. Terrence Philip Weir – be appointed as an executive 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. 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. Winson Moong Chu Hui as an executive director for another term

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

Approve	649,405,134 Votes;	93.1703 %
Disapprove	39,222,196 Votes;	5.6272 %
Abstain	8,381,200 Votes;	1.2025 %

5.2 Appoint Mr. Terrence Philip Weir as an executive director for another term

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

Approve	657,532,134 Votes;	94.3363 %
Disapprove	39,222,196 Votes;	5.6272 %
Abstain	254,200 Votes;	0.0365 %

Resolution: The Meeting approved the appointment of Mr. Winson Moong Chu Hui and Mr. Terrence Philip Weir to be the Company's executive directors for another term.

Agenda 6: To approve the directors' remuneration for 2013

The Chairman proposed the meeting to consider and approve the remuneration of the board of directors for the year 2013 at the below rates not exceeding Baht 10,000,000, which is the same total amount as 2012.

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	694,378,131 Votes;	99.6226 %
Disapprove	1,606,600 Votes;	0.2305 %
Abstain	1,023,799 Votes;	0.1469 %

Resolution: The Meeting approved the board of directors' remuneration for 2013 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 2013 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 2013.

- 1) Mrs. Saifon Inkaew, Certified Public Accountant No. 4434 and/or
- 2) Ms. Siriwan Suratepin, Certified Public Accountant No. 4604 and/or
- 3) Mr. Wichart Lokatekrawee, Certified Public Accountant No. 4451

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	696,927,730 Votes;	99.9884 %
Disapprove	0 Votes;	0 %
Abstain	80,800 Votes;	0.0116 %

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

Agenda 8: Other business

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

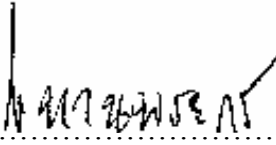
There was a question from a shareholder as follows.

Shareholder: Does the company have a competitive advantage and is it well positioning?
 CEO: The electronic industry has a lot of competition. Hana has no special competitive advantage over the competitors except we have key major strengths, which are

our strong financial position, diversified business and customers' loyalty. We also have good opportunities to make profit and growth. We focus on our strength and are now expanding to Cambodia to create a low cost manufacturing base to diversify our business.

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 16:15 hrs.



Signed 
(Mr. Bancha Tarnprakorn)
Chairman