



HANA

Microelectronics Public Co., Ltd.

10/4 Moo 3, Vibhavadi-Rangsit Road, Kwang Talad Bangkhen, Khet Laksi, Bangkok 10210

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MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
NO. 16/2009

**Held at Ebina Hall, Ebina House Hotel
73/39, Vibhavadi-Rangsit Rd.,
Kwang Talad Bangkhen,
Khet Laksi, Bangkok Metropolis
On April 30, 2009
14.00 hrs. - 16.15 hrs.**

Presented:

- | | |
|------------------------------------|---|
| 1) Mr. Bancha Tarnprakorn, | 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 |
| 7) Ms. Kamontip Lertwitworatep | External auditor from Ernst & Young Office Limited |

Translator:

- Mrs. Puntipa Tantana, Corporate Manufacturing Administration 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:

According to Section 66/1 of the Public Limited Company Act (No. 2) B.E. 2544 (2001), shares respectively held by the company shall not be counted towards forming a quorum for a shareholders' meeting and shall carry no voting right including no right to receive dividends. Thus, the total shares constitute the quorum shall base on:

Total issued shares	=	830,474,960	shares
<u>Deduct:</u> Treasury stocks of the Company	=	<u>12,966,800</u>	shares
Total shares eligible to attend the meeting	=	<u>817,508,160</u>	shares

There were 60 shareholders holding 12,006,760 shares and 215 proxies holding 687,018,322 shares attending the meeting. Those 275 shareholders holding 699,025,082 shares are equivalent to 85.51% of 817,508,160 voting shares, which is more than one-third (1/3) of the total units 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. 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 **349,512,541** shares.
- In case of a tie vote, the Chairman shall be entitled to a casting vote

After explained 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. 15/2008 which was held on April 30, 2008

The Chairman proposed the Meeting to certify the Minutes of the Annual General Meeting of Shareholders No. 15/2008, 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	699,015,082 Votes;	99.999 %
Disapprove	- Votes;	- %
Abstain	10,000 Votes;	0.001 %

Resolution: The Meeting approved the Minutes of the Annual General Meeting No. 15/2008 that was held on April 30, 2008 with the above resulted votes.

Agenda 2: To acknowledge the operation results of the Company in 2008

The Chairman invited Mr. Richard Han to report the operation results of the Company during the year 2008. Mr. Richard presented to the Meeting as follows.

The year 2008 was a highly unusual one due to the relative strength in demand during the first three quarters followed by a sudden and extreme drop in demand, particularly for the IC and CPG divisions in the fourth quarter.

Operationally for the Hana Group, on a year-on-year basis, in USD terms, our revenues increased during the first half of 2008 by 9%, were flat in Q308 and declined sharply in Q408 by 16%. This sales trend reflected strong and continuing growth in emerging markets which supported the global demand for electronics in 2008 until the credit crunch delivered a sudden shock to global demand across the board in Q408. We were particularly hit hard at our IC and CPG divisions, the latter having a larger exposure to the auto industry via our LED lighting activities.

Sales at our semiconductor operations in AYT decreased slightly by 3% through to Q308, but suffered a significant drop (17%) in Q4 resulting in a 6% decline for the year. ICs for mobile and consumer devices were more volatile with 17% increase through the first three quarters then suffering a 25% drop in Q4 with the result being a 10% decrease for 2009. This weakness has accelerated in Q109 and we expect it to continue well into Q209.

Our Microelectronics divisions have suffered less in the initial stages of this global crisis. Both Thailand and JXG PCBA divisions had slight sales increases at 2% year-to-date Q308. However in Q408 they also suffered declines in sales of 9% and 12% respectively. Overall the sales for the year were slightly down by 1% for Lamphun and 2% for JXG PCBA.

Hana Microdisplay Technologies in Ohio increased sales by 8% for the year. The strength was in the LCOS segment with growth coming from broad band fibre optic telecom switch devices. The original market for LCOS rear projection televisions is likely to cease due to growth of LCD televisions. RFID tag assembly sales are still under performing but are likely to increase in future with the rollout of new programs such as those for tracking truck tyres, however even with the sales increase in 2008, the division made a loss of USD 504,000 compared to a loss of USD 701,000 in 2007.

Hana's financial 'key performance indices' for 2008 were

- Total revenues of THB15.1 Billion (-3%)
- EBITDA of THB 2.8 Billion (0%)
- Net cash at year end of THB 4.7 Billion (+38%)
- A proposed dividend payout of THB1.20 / share (-8%) from the profits of 2008.

The outlook for 2009 was very weak at the beginning of the year. Additionally we have made substantial head count reductions which have cost the company over Bht60M. The drop in sales revenues which started in the middle of Q408 and continued in Q109 is expected to continue well into the second quarter and this will put considerable pressure on our operating profit.

However, there are signs that the supply chain has started to become very lean after months of aggressive inventory reduction and we are seeing some improvements from our IC operations whilst the PCBA activities have been less affected.

We hope and expect that the second half will show an improvement as we believe the current first half weakness (reflecting an aggressive inventory correction) will further reduce over the year.

As I have mentioned we have undertaken what management believe are appropriate measures in headcount reduction (approximately 14%), shorter working weeks, payroll cuts for management and cancellation of certain bonus schemes. These will be reviewed in light of the on going economic situation during the year and if necessary further measures will be taken to adjust the overall cost base.

Whilst 2009 will no doubt be a very challenging year, I remain positive that Hana will get through it until the world economy begins to improve in the future.

After presented, Mr. Richard opened for questions. Below is the summary of questions from shareholders and answers from Hana's directors.

Shareholder: What is the current production capacity of IC business and when would the business recover?

Richard Han: The capacity of Ayutthaya operation in last year was 62-63 million pcs./week. In the beginning of Y2009, output declined more than half which is 30 million

pcs./week. Now, it is climbing up to be approximately 52-53 million pcs./week. We operated 5 days a week during most of the first quarter, and now we're running 7 days a week and we have started hiring more workers. We feel that whilst the demand has come back we do not know for how long.

Shareholder: Has Hana passed its lowest share price?

Richard Han: Hana hit 8 Baht which was the lowest price for many years. We invested approximately 300 million Baht in the share buy-back. We expect that the first quarter will be the lowest performance for the company in 2009.

Shareholder: What is the plan for share buy back?

Richard Han: At this time our plan is not to sell the shares back into the market.

Shareholder: Hana has the strong cash position. How do you manage the cash?

Terrence Weir: Most of our cash is held offshore in Hong Kong as there is the tax limitation to bring in that cash to Thailand. Therefore, at this time USD 40M [equivalent] is held in RMB currency in China in bank deposits, USD 20M is invested in bonds with an average maturity of less than 4 years and a further USD 25M is held in bank deposits in USD currency.

Shareholder: How has the recent political issue impacted your business; particularly from airport shutdown?

Richard Han: It was not really an issue. However, many customers were worried about the situation. We planned to send goods out by truck if it lasted long. When the airport opened, the confidence came back. Most customers understand that our government can manage the situation.

Shareholder: How many percent of your LED product is made for automotive sector?

Richard Han: LED revenues were about 5-7% of total sales, where now it is 0-2% for the automotive sector. For LED products, we have products assembled for automotive and non-automotive sectors. We do not make the final product assembly, we only make components and sub-assemblies.

Shareholder: How is the quality of your products made in China?

Winson Hui: Our quality in China has high level of international quality standard. Our plant in JiaXing has the ISO 9001 and 14000 certification.

As there was no further question, the Chairman announced that the Meeting acknowledged the operation results of the Company for the year 2008.

Agenda 3: To approve the balance sheet and profit and loss statements for the year ended December 31, 2008

The Chairman proposed the meeting to approve the audited balance sheet and profit and loss statements for the financial period year ended December 31, 2008 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	699,015,082 Votes;	99.999 %
Disapprove	- Votes;	- %
Abstain	10,000 Votes;	0.001 %

Resolution: The Meeting approved the balance sheet and profit and loss statements for the year ended December 31, 2008 with the above resulted votes.

Agenda 4: To approve the dividend payment for the year 2008

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.

With a strong balance sheet, a strong cash position and long-term shareholder's value, the Board intends to continue its policy and to propose annual dividend of approximately 52% of year 2008. Then, he proposed the Meeting to approve the declaration of the annual dividend payment for the financial year ended December 31, 2008 to be Baht 1.20 per share. The Shareholder Register Book for the right to receive the dividend has been recorded on March 16, 2009 and gathered the shareholders list as specified in section 225 of the Securities and Exchange Act by closing the register book suspending share transfer (Closing Date) on March 17, 2009. The payment will be made on May 14, 2009. The dividends derived from a BOI promoted business are tax exemption.

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

Approve	699,015,082 Votes;	99.999 %
Disapprove	- Votes;	- %
Abstain	10,000 Votes;	0.001 %

Resolution: The Meeting approved the annual dividend payment of 2008 at the rate of Baht 1.20 per share with the above resulted votes.

Agenda 5: To approve the re-appointment of directors in place of those retired by rotation and approve the directors' remuneration for the year 2008

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. As the company invited shareholders to propose candidates to be elected for the directors since October 2008, there was no any proposal 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. Martin Enno Horn - 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. The brief profile of those directors had been distributed to shareholders for consideration. Then, the Chairman proposed the Meeting to re-appoint by individual director as follows:

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

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

Approve	639,975,377 Votes;	91.55 %
Disapprove	57,998,705 Votes;	8.30 %
Abstain	1,051,000 Votes;	0.15 %

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

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

Approve	680,890,544	Votes;	97.406 %
Disapprove	18,123,538	Votes;	2.593 %
Abstain	11,000	Votes;	0.001 %

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

Agenda 6: To approve the directors' remuneration for 2009

The Chairman proposed the meeting to consider and approve the remuneration of the board of directors for the year 2009.

The Board recommends to shareholders to approve the remuneration of directors in the amount not exceeding Baht 10,000,000, which is the same total amount as 2008. In order to reflect the risks, work complexity and involvement, the Board further proposes remuneration package be adjusted from previous year as follows.

Position	Meeting Allowance (Baht)	Bonus
Chairman of the Board and sub-committee	85,000 Baht	Minimum one month depending on the company performance
Independent Directors	50,000 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	680,890,544	Votes;	97.406 %
Disapprove	18,123,538	Votes;	2.593 %
Abstain	11,000	Votes;	0.001 %

Resolution: The Meeting approved the board of directors' remuneration for 2009 not exceeding than 10,000,000 Baht with the proposed rates.

Agenda 7: **To approve the appointment of the Company's auditor for the year 2009 and to fix the auditor's remuneration**

The Chairman proposed the Meeting to consider and approve the appointment any of the following persons as the auditor of the Company for the fiscal year 2009.

- 1) Ms. Kamontip Lertwitworatep C.P.A. Registration No. 4377 and/or
- 2) Ms. Ratana Jala CPA License No. 3734 and/or
- 3) Mrs. Nonglak Pumnoi CPA License No. 4172

of Ernst & Young to be the auditor of the Company with the remuneration of not exceeding to Baht 1,800,000 with the other BOI audit fees of 660,000 Baht for the existing BOI certificates. 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	699,005,082	Votes;	99.997 %
Disapprove	-	Votes;	- %
Abstain	20,000	Votes;	0.003 %

Resolution: The Meeting approved the appointment of the proposed auditor and its remuneration with the above resulted votes.

Agenda 8: **To approve the offset of excess cost of investment over net book value of the subsidiary companies in the amount of Baht 154,975,555 from the unappropriated profits in consolidated equity**

The Chairman invited Mr. Terrence Weir to propose this agenda to the meeting.

Mr. Terrence Weir informed the meeting that the 154,874,555 baht is the goodwill that came from the acquisition of Omac Sales Limited in 1992 by Hana Microelectronics Limited. The acquisition was part of the group restructure at

that time, in preparation for the listing of the Company. Since that time, the Company holds 100% shareholding of Omac Sales Limited. From the restructure, the Company had set the provision for goodwill by deduction from the consolidated shareholders' equity which can be done according to the accounting standard at that time.

To present the clearer financial information, we proposed the Meeting to approve the offset of excess cost of investment over net book value of the subsidiary companies amounting to Baht 154,975,555 (which has been deducted in the consolidated shareholders' equity) from the un-appropriated profits in consolidated equity. The result of this adjustment shall reduce the un-appropriated retained earnings in the consolidated financial statement to be Baht 9,235,578,127. From the result of this offset, only the balance sheet presentation is changed. There will not be any impact on the assets, liabilities, shareholders funds or cash flow of the group. He further opened for question.

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

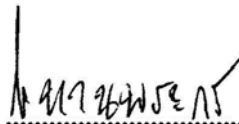
Approve	698,294,682 Votes;	99.896 %
Disapprove	11,800 Votes;	0.001 %
Abstain	718,600 Votes;	0.103 %

Resolution: The Meeting approved the offset of excess cost of investment over net book value of the subsidiary companies in the amount of Baht 154,975,555 from the un-appropriated profits in consolidated equity

Agenda 9: Other business (if any)

The Chairman asked if any shareholders desired other matters to be discussed. As there was no any other item brought up, the Meeting adjourned at 16:15 hrs.



Signed  Chairman
(Mr. Bancha Tarnprakorn)