
MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2019
OF
STARS MICROELECTRONICS (THAILAND)
PUBLIC COMPANY LIMITED

Time and Place

Held on Monday, April 29, 2019 at 14.00 hrs. in Venus Room, 3rd floor, the Miracle Grand Convention Hotel, Viphavadee Road, Laksi , Donmuang , Bangkok.

Preliminary proceedings

Ms. Pornpilai Kosolprapa, the Company's independent legal advisor and the meeting facilitator, started the 2019 general annual meeting of shareholders by welcoming the shareholders attending, and informed the meeting that Mr. Somnuk Chaikul, Chairman of the Board of Directors, was ill. By law and Company regulation, if the company has no vice chairman, the meeting has to appoint a shareholder to be the chairman of the meeting. Shareholder, Mr. Yunyong Sawasdi proposed that the company appoint Executive Director and Chief Supply Chain Officer, Mr. Prompong Chaikul, the Chairman of the meeting. Mr. Yunyong Sawasdi asked and there was no objection appointing Mr. Prompong Chaikul the chairman of the meeting, resolving the issue and announced that 108 shareholders and proxies possessing a total of 438,675,534 shares or representing 52.4431 per cent of the total 836,475,966 paid up shares were at the meeting, forming a meeting quorum as specified by the Company's regulations. After the meeting was declared open more participants joined, bringing the number to 139 shareholders and proxies at the meeting, representing a total of 467,375,156 shares or 55.8741 per cent of the total paid up shares.

Mr. Yunyong Sawasdi, the Company's Secretary, then introduced the following Board of Directors, executives, auditors, independent legal advisors, and the Company's consultants attending the meeting.

Six Board of Directors

- | | | |
|----|---------------------------------------|--|
| 1. | Mr. Prompong Chaikul | Director, Executive Director, Risk Management Committee Member & Chief Procurement Officer |
| 2. | Mr. Prasart Yunibhand | Director & Remuneration Committee Member |
| 3. | Mrs. Poonpun Chaikul | Director & Chairman of Corporate Social Responsibilities Committee (CSR) |
| 4. | Assoc. Prof. Dr. Preecha Jarungidanan | Independent Director, Audit Committee |

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

- | | |
|---|---|
| | Member & Chairman of the Remuneration Committee |
| 5. Assoc. Prof. Dr. Aekkachai Nittayagasetwat | Independent Director, Audit Committee
Member & Remuneration Committee Member |
| 6. Professor Dr. Kamphol Panyagometh | Independent Director, Audit Committee
Member & Chairman of the Risk Management Committee |

Seven executives to present information

- | | |
|--------------------------------|--|
| 1. Mr. Peerapol Wilaiwongstien | Chief Executive Officer |
| 2. Mr. Yunyong Sawasdi | Chief Financial Officer |
| 3. Dr. Tattee Khayim | Chief Business Development Officer |
| 4. Mr. Chainarong Nimmantevin | Chief Operations Officer |
| 5. Mr. Wijaya Klinkesorn | Senior Director (Accounting & Finance) |
| 6. Mr. Koratak Weeradaecha | Director (Finance) |
| 7. Ms. Sunan Wongmutthavanich | Director (Internal Audit) |

Two auditors from EY Office Limited

1. Ms. Patcharee Tantipitakkul.
2. Ms. Phanchita Phuwatchantearawong

Three independent legal advisors from Siam Premier International Law Office Limited

1. Ms. Pornpilai Kosolprapa
2. Ms. Monnira Danwivat

Financial & Compliance Consultant

1. Mr. Kanath Srisupa-at

Financial Consultant

1. Mrs. Vipada Nontapowraya

Two official from OJ International Co., Ltd.

1. Ms. Phlengphritta Khamphrom
2. Ms. Nutdharuja Sripoomkhai

The Company invited OJ International Co., Ltd., its registrar, to examine the shareholders' registration and counted the votes with the Company's independent legal advisors.

Then the Company's Secretary invited Mr. Prompong Chaikul, who chaired the meeting to declare the meeting open. The Chairman welcomed shareholders to the Annual General Meeting of Shareholders for 2019, delivered an opening speech and assigned Ms. Pornpilai Kosolprapa, to be the meeting facilitator.

Ms. Monnira Danwiwat, provided details regarding voting procedures and the vote-counting methods summarized as follows:

- (1) Shareholders are entitled to one vote per share held. Each shareholder thus has as many votes as the number of the shares held or represented by proxy.
- (2) Shareholders having a conflict of interest regarding a particular agenda item are not entitled to cast a vote on that item.
- (3) The meeting facilitator shall ask in regard to every agenda item if there is any person who wants to vote against the item or abstain from voting. If so, the person is advised to express his/her wish in the vote ballot by making a check mark ☒ in the box as needed and then raise his/her hand to signal that the ballot be collected and counted. Other than that, it is considered that the agenda item gets a vote of approval, in which case those with no objection or abstaining do not have to vote in the vote ballot. The facilitator then deducts the number of votes against and the abstained votes from the total number of votes of the meeting attendees to get the final voting results for that particular agenda item.
- (4) The Company shall consider the votes of those who do not tender their ballots as votes for that particular agenda item.
- (5) Those proxy holders shall not cast their vote on the ballots in the case where shareholders have voted for or against or abstained on any agenda item in their proxy forms. The Company shall count the votes identified in the proxy forms for the convenience of meeting participants. However, in the case where the shareholders have not expressed their vote in their proxy forms, proxy holders are requested to vote on each agenda as though the shareholders were attending the meeting in person.
- (6) The meeting facilitator shall announce the voting results of each agenda item. The votes counted shall include both the votes of shareholders attending the meeting in person and by proxy. For each item, the latest number of shares of those attending the meeting shall apply.
- (7) Resolutions of this shareholders' meeting comprise the votes as follows:
 - Agenda items 1, 3-5, 7-9 require the majority vote of the total number of votes of the shareholders attending the meeting and voting.

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

- Agenda item 6 requires no less than two-thirds of the total number of votes of the shareholders attending the meeting.
 - Agenda item 2 does not require any voting as it is to inform only.
- (8) Those shareholders who wish to make inquiries or request additional information are requested to identify themselves for the Company's reference.

The meeting facilitator then proceeded with the meeting according to the agenda as follows:

Agenda 1 Adoption of Minutes of the Annual General Meeting of Shareholders for the year 2018.

The meeting facilitator stated that the Company held the 2018 annual general meeting of the shareholders on 30 April 2018. A copy of the minutes was delivered to shareholders along with the letter of invitation to the annual general meeting with details as per items attached 1. The minutes of the meeting were completed within 14 days from the date of the meeting and were submitted to the Securities Exchange of Thailand and the Ministry of Commerce within the time period specified by law. They were also disseminated through the Company's website.

Participants were then invited to ask any questions or state their wish to make corrections to the minutes.

As no participants raised any questions or wished to make any corrections, the meeting facilitator moved that the meeting resolve to approve the minutes of the meeting.

Resolution: The Meeting Resolution to Adoption of Minutes of the Annual General Meeting of Shareholders for the year 2018 held on 30 April 2018 with the majority vote of the shareholders who attend the meeting and casting their vote as follows;

Approval	449,932,034	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		

Agenda 2 Be informed of the Company's performance of the year 2018.

The meeting facilitator asked Mr. Prompong Chaikul, Chairman, to inform the meeting about the progress of setting up the plan against corruption. To comply with the policy of the SEC and Thai Investors Association, which supports the company to implement the plan against corruption, follow up and evaluate regularly. The company has set the policy and the direction of implementation to prevent the corruption for management and employees to follow and practice. The policy can be seen on page 34 of

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

the company's annual report. The company hasn't been informed about any mal-practice or unethical acts.

After that the meeting facilitator asked the meeting participants to consider and acknowledge the Board of Directors' report as presented in the 2018 annual report and invited Mr. Peerapol Wilaiwongstien, Chief Executive Officer, to present the Company's performance.

Mr. Peerapol Wilaiwongstien, Chief Executive Officer, first stated that there were 2 major issues in the report as follows:

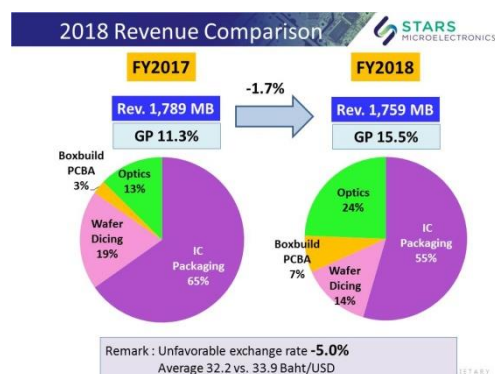
(1) 2018 Performance

(2) 2019 Business Plan & Strategy



1) 2018 performance

Sales for 2018 were a little lower than 2017 due to the impact of the foreign exchange rate. The sales of 2018 were around 1,700 Million Baht. The sales of IC Packaging decreased, yet the company increased the sales of other products, especially optics and Box Build/PCBA. As a result, the gross profit of the company increased.

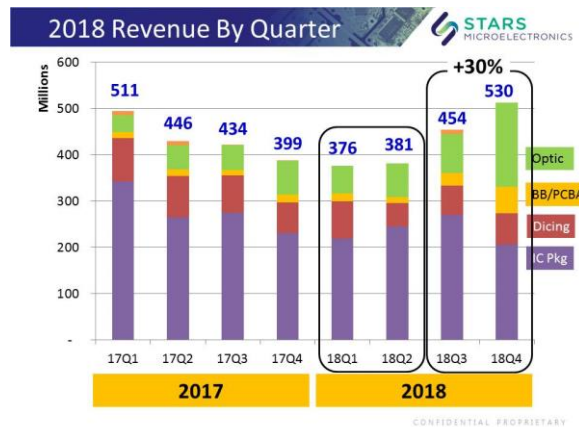


MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

In quarter 1 and quarter 2 of 2018, the company's sales were not high because of the decrease of the IC Packaging group but in quarter 3 and quarter 4 the company's sales increased by approximately 30% from quarter 1 and 2 sales. Moreover, the Company was profitable in every quarter in 2018, especially in quarter 4 when the sales were the highest in the last two years. The performance of the company was good due to the growth of Optics and Box Build/PCBA.



In 2018, the company had new customers in Box Build/PCBA, Optics and IC. They could become the main products in 2019. Therefore, the production capacity would increase.



The company received a reward from a customer for better performance in quality, delivery and technology than other competitors. In addition, the company tried to reduce cost and expenses, especially energy expenses. The company's factory produces electronic components which uses high electricity because of production in clean rooms. Therefore, the company has implemented various projects to reduce the cost and received awards from Ministry of Energy and Ministry of Industry in 2018.

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019



The company has developed its employees in various ways, especially in technical skills, improving the skill of technicians, engineers and the management team. The company implemented the Six Sigma project. The leading companies in the world have brought this tool to develop and solve various problems to improve efficiency, reduce costs and satisfy customers. The company started the Six Sigma trainings in April 2017 and has implemented continuously for 2 years. All management members have attended the training.



2) 2019 Business Plan & Strategy

In 2019, the company conducted the business plan and strategies which was considered and approved by the Board of Directors. There are 3 objectives.

- 1) Long-term consistency growth.
- 2) Reasonable profitability.
- 3) Reduce revenue fluctuation.



The company set 3 strategies as follows:

Strategy 1 - Customer base expansion. The Company has looked for new customers to expand the customer base in various industries to balance the risks. In 2019, the company focused on customers in the automotive market which is changeable, the data center market which is used a lot in mobile phone, communication device and advance consumer market which will grow fast, and medical device market which will grow a lot in Thailand.



Strategy 2 - Employee Development. The Company will use Six Sigma as the tool for employee development continuously.



Strategy 3 - Accelerate “Time to volume” of new products and new customers. It takes a long time to start production of new products. Some products, such as in the automotive market, take as long as 2 years to begin production. The company will accelerate the process from quotation and sample products. Negotiation with customers must be faster to start mass production more quickly resulting in quicker revenue.



New products for 2019 are products in IOT (Internet of things), such as the Flex Battery, which is expected to start mass production in mid 2019; sensor products, which are used in the auto

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

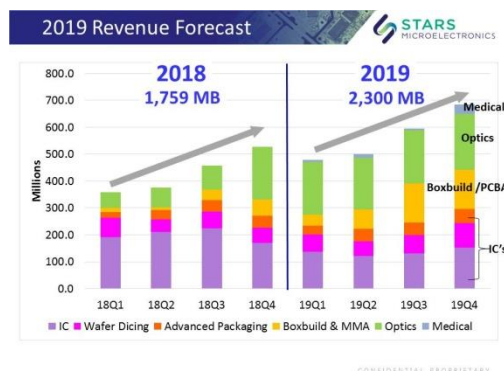
STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

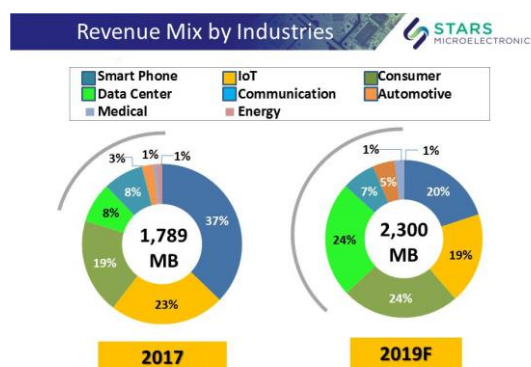
business; advance consumer products (smart white board), which is expected to start mass production in quarter 2. The materials have been ordered. In quarter 2 and 4, there will be Optics products such as LiDAR, which will be used with automotive cars and is expected to start mass production in quarter 3. Besides this, there are many customers that are in product development.



When compared with 2019's sales, in 2018, the company had more growth of Optics and Box Build. In 2019, the growth will be the same as 2018. The sales of 2019 is expected to grow 30%. IC Packaging will be relatively low and is expected to be better in the second half of 2019. In quarter 1, 2019 sales are expected to grow 30% and will be better than quarter 1 of 2018.



When compared with the products of 2018, the automotive and data center products of 2019 are expected to grow with smart phones being the main product while the smart phone market has been fluctuating. The company has tried to look for new products with less fluctuation. For example, LiDAR products, which the customers have long production plans with because of its high price and the automotive market, which has less fluctuation.



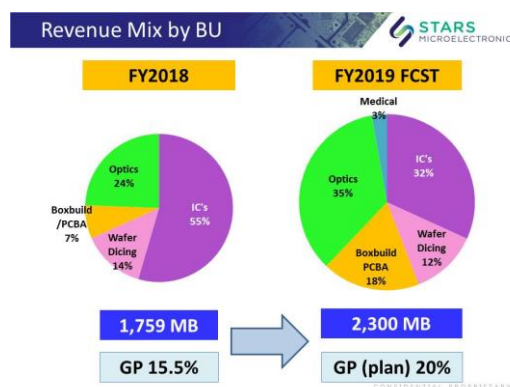
MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

In 2018, the company had a 15% gross profit. In 2019, the gross profit is expected to be around 20%. The Optics and Box Build product is expected to grow more with less investment. The company will develop the machines to increase productivity and machine utilization, which the company invested in advance. The company has the plan to invest around 100 million baht which is equal to 4% of sales. The Company has submitted the plan to the Board of Directors and the plan have been approved. The investment plan is composed of:

- 1) Investing 30 million baht in Optics products.
- 2) Technology development in each business unit, especially in IC Packaging.
- 3) Invest in maintenance and utility.



The progress of lawsuits of the company are as follows:

1) Set Top Box:

For the civil case, the court ruled that the company won the case. The court ordered the defendant to pay compensation including interest from the beginning of the project. The defendant has appealed, which is expected to take some time. For the criminal case, the Court of First Instance dismissed our complaint because it is a civil case. The company will file an appeal with the appellate court.

2) 360 FLY

The court had examined all the witnesses of the plaintiff and defendant and the company had already submitted all documents and evidence to the court for consideration, which is awaiting a court decision and expected to be known in the next two months.

Questions and suggestions of shareholders

1. Mr. Deerek Khunnawutwanich, a shareholder, gave a compliment to the Board of Directors and the management members of the company about the profits the company made and asked the following questions.

1.1 How does the company plan to cope with 5G technology?

CEO Mr. Peerapol Wilaiwongstien said that the Company has followed up with 5G technology, especially the one that could be used with Data Center. The company cannot be involved with 5G technology directly because the software has big leaders. The company will be involved with hardware and products using 5G technology.

1.2 Dose the company have the products related to health technology and products for aging people?

Mr. Peerapol Wilaiwongstien said the company has medical products the company works with hospitals and physician teams on around 20 projects. Some products have been launched into the market but the sales are still low and the company has the team to take charge of this product line.

1.3 Does the company have a plan for products related to air temperature?

Mr. Peerapol Wilaiwongstien said the Company doesn't have those kinds of products.

1.4 Does the company have products which are near the end of life (EOL)? Does the company exclude these products from the business plan?

Mr. Peerapol Wilaiwongstien said the company considers these products every month including their inventories to charge material cost from the customers or to use the mentioned materials for other products.

1.5 How does the company handle the stock of materials?

Mr. Peerapol Wilaiwongstien said the company tries to minimize inventory. The materials used are around 50% of sales. Some materials have long lead time to buy. For example, the company receives materials around 3-4 months after issuing the purchase orders (PO). The company has to keep the inventory for production around 3-4 months. Moreover, the company charges interest from the customers for keeping inventory when the company quoted the price.

1.6 Does the company consider and compare the training cost and the turnover rate of the employees? Is it worth?

Mr. Peerapol Wilaiwongstien said it is hard to solve the problem of training and turnover rate but the company has to control the turnover rate at a manageable level. The company has to develop the employees regularly.

There were no questions, the meeting facilitator concluded that the meeting acknowledged the report of the Board of Directors in 2018 according to the presentation of the CEO.

Resolution: The meeting was informed of the Board of Directors' report on the Company's performance of the year 2018.

Agenda 3 Consider and approve the statement of financial position and income statement for the year ended on December 31, 2018 and the report of the auditor.

Mr. Wijaya Klinkesorn, Senior Director (Accounting & Finance) presented details of the balance sheets and the profit and loss statement as well as the auditors' report as it appeared on pages 83-130 of the 2018 annual report delivered along with the letter of invitation to the annual general meeting of the shareholders. Performance in 2018 according to the separate financial statement & consolidated financial statements of the Company and its subsidiaries can be summarized as follows:

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

(unit: million baht)

Description	Consolidated financial statement	Separate financial statement
Total assets	2,920	2,906
Total liabilities	1,618	1,613
Total revenues	1,811	1,764
Net Profit	71.94	68.24
Earnings per share (baht per share)	0.084	0.082

After the presentation, the meeting facilitator asked if there were any questions.

There were no questions, The meeting facilitator moved that the meeting approve the statement of financial position and the income statement for the year ending 31 December 2018 and the auditors' report.

Resolution: The meeting unanimously resolved to approve the statement of financial position and income statement for the year ended on December 31, 2017 and the report of the auditor with the majority vote of the shareholders who attend the meeting and casting their vote as follows;

Approval	467,357,958	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		

Agenda 4 Consider and approve omitting the allocation of net profit as legal reserves and approve omitting the dividend payment from the operating result of the year 2018.

The meeting facilitator said that as of 31 December 2018, the company had net profit about 68 Million Baht and the Company has accumulated losses (594) Million Baht then the Company shall not allocate legal reserves in year 2018.

The company still had the accumulated loss. By law, the company cannot pay the dividend from the performance of the year 2018, according to the invitation letter to the AGM sent to the shareholders in advance. Therefore, the Board of Directors recommends not paying the dividend from the 2018 performance.

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

The meeting facilitator asked if there were any questions.

There were no questions, The meeting facilitator moved that the meeting approve omission the allocation of net profit as legal reserves and approve the omission of dividend payment for the performance of the year 2018 as proposed and asked if there were any shareholders who wanted to object or to abstain from voting. There were no shareholders who wanted to do so. Therefore, the votes were announced.

Resolution: The meeting unanimously resolved to approve omitting the allocation of net profit as legal reserves and omitting the dividend payment from the operating result of the year 2018 with the majority vote of the shareholders who attend the meeting and casting their vote as follows;

Approval	467,290,058	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		

Agenda 5 Consider and approve appointing Directors to replace the ones who will complete their terms of office.

The meeting facilitator said that the Public Limited Company Act and the Company's regulations stipulate that one third of the Directors have to vacate after completing their terms at the general meeting of shareholders. For 2019, three Directors shall vacate after completing their terms, comprising the following persons:

- | | |
|-------------------------|----------|
| 1. Mr.Prompong Chaikul | Director |
| 2. Mrs. Poonpun Chaikul | Director |

The two directors have high credentials. They are knowledgeable and capable and they understand the company's business very well. Their working backgrounds are transparent. They have worked as directors and in sub-committees very well. Therefore, they are qualified for the Company's business.

The Board of Directors recommends that the Meeting should reappoint the 2 Directors to be Directors for another term.

- | | |
|-------------------------|----------|
| 1. Mr. Prompong Chaikul | Director |
| 2. Mrs.Poonpun Chaikul | Director |

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

The curricula vitae of the nominated persons are attached as Attachment 3.

The meeting facilitator asked if there were any questions.

There were no questions, The meeting facilitator moved that the meeting appoint Directors to replace those completing their terms of office individually.

Resolution: The Meeting resolved to appoint the following persons as directors in replacement the ones who would complete their terms of office with the following votes.

(1) Mr.Prompong Chaikul was reappointed to be Director with the following votes.

Approval	464,190,858	votes	=	99.3216%
Disapproval	3,170,700	votes	=	0.6784%
Abstention	0	votes		

(2) Mrs.Poonpun Chaikul was reappointed to be Director with the following votes.

Approval	464,190,858	votes	=	99.3216%
Disapproval	3,170,700	votes	=	0.6784%
Abstention	0	votes		

Agenda 6 Consider and approve the remuneration of Directors for the year 2019.

The meeting facilitator said that the Company's Board meeting proposed that the Remuneration Committee considers the competitiveness of remuneration in listed companies in the same industry, performance, directors' accountability, maintaining the same rates as those approved by the shareholders' meeting in 2018.

Details as they appeared in the letter of invitation to the annual general meeting of the shareholders are shown in the following table.

	Position	Remuneration (baht/person/month)	Meeting allowance (baht/person/meeting)
Board of Directors	Chairman	36,000	5,000
	Member	24,000	5,000
Audit Committee	Chairman	36,000	5,000
	Member	30,000	5,000

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

Remuneration Committee	Chairman	0	5,000
	Member	0	5,000
Risk Management Committee <i>(Only Risk Management Committee member who came from Independent Director)</i>	Chairman	0	5,000
	Member	0	5,000

* Other benefit -none-

The meeting facilitator asked if there were any questions.

Participants were then given the opportunity to raise questions. As no questions were raised, the meeting facilitator moved that the meeting approve the remuneration of Directors and Committee Members for 2019 as proposed.

Resolution: The meeting unanimously resolved to approve the remuneration of Directors for 2019 with the vote more than two-thirds of the total number of votes of the shareholders attending the meeting.

Approval	467,361,558	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		

Agenda 7 Consider and approve the appointment of Auditor and fix Auditor Fee for the year 2019.

The meeting facilitator said that, to comply with the law, the Company's Board of Directors' resolution asked the general shareholders' meeting to consider and appoint the auditors for the accounting year 2019 and determine their remuneration. The Company proposed the appointment of

1. Mr.Termphong Opanaphan (Certified Public Accountant License No. 4501) and/or
2. Ms. Vissuta Jariyathanakorn (Certified Public Accountant License No. 3853) and/or
3. Miss Manee Rattanabunnakit (Certified Public Accountant License No. 5313)

of EY Office Limited as the auditors for 2019 of the Company and its subsidiaries. Any of the said auditors shall have the authority to audit and give opinions regarding the Company's financial statements including the consolidated financial statements. In the case where the auditors whose names are listed above cannot fulfill their duties, EY Office Limited shall have the authority to appoint other EY Office

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

Limited auditors to do the work instead. Pertaining to this, the auditors shall not have any relationship or hold any stake in the Company, its directors, major shareholders or any person related to them.

(Note : Mr. Termphong Opanaphan and Miss Vissuta Jariyathanakorn are original accountants since the year 2014-2018. Miss Manee Rattanabunnakit is an original accountant since the year 2015-2018.)

The auditor fee for the year 2019 proposed totally 2,045,000 baht increasing of 100,000 baht from the year 2018.

(unit: Baht)		
Descriptions	2019	2018
- Examination of the financial statements of the Company (SMT)	2,045,000	1,945,000
Increase from the year 2018 Amount of Baht 100,000		
- Review of the interim financial statements (STARS USA)	105,000	105,000
- Examination of the financial statements for year ending and Review interim (SMT GE)	50,000	50,000
- Examination of the financial statements for year ending and Review interim (SS RFID)	100,000	150,000
Totals	255,000	305,000

The meeting facilitator asked if there were any questions.

There were no questions, The meeting facilitator then moved that the meeting approve the appointment of the auditors and the remuneration for 2019 as proposed.

Resolution: The meeting unanimously resolved to approve the appointment of the auditors and the Auditor Fee for the year 2019 as proposed, with the majority vote of the shareholders who attend the meeting and casting their votes as follows;

Approval	467,363,700	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		

Agenda 8 Consider and approve the transfer of reserve fund amount of Baht 79,300,000 and share premium amount of Baht 514,608,864 to compensate the deficit of the company as of 31st December 2018 for the amount of Baht 593,908,864.

The facilitator invited Mr. Wijaya Klinkesorn, Senior Director (Accounting & Finance) presented details:

Mr. Wijaya Klinkesorn said that According to the Public Limited Companies Act B.E.2535 and its amendment section 119 specifies that, upon the approval by a meeting of Shareholders, a company may transfer the reserve fund under section 51, the share premium under section 116 or any other reserve funds to compensate the deficit of the company. In making aforementioned compensation, deduction shall be made from other reserve prior to the deduction from reserve fund under section 116 and the reserve fund under section 51 respectively.

In order to enable the company to pay dividend when the company record net profit, The company then shall transfer the reserve fund for the amount of Baht **79,300,000** and the share premium for the amount of Baht **514,608,864** to compensate all the company's deficit as of 31st December 2018 for the amount of Baht **593,908,864** resulting the company has no deficit record, the detailed present in the slide.

The meeting facilitator asked if there were any questions.

Question and suggestion of shareholders.

- 1) Mr. Deerek Khunnawutwanich, a shareholder, asked the following questions:
 - 1.1 After the company cut the accumulated loss, will the company pay the dividend next year?

Mr. Peerapol Wilaiwongstien said if the Company performs as planned, it is possible that the Company will pay the dividend. However, it must be endorsed by the Board of Directors and approved by the shareholders.
 - 1.2 As the company compensated all the company's statutory deficit by using the statutory reserve and the share premium respectively, if the company pays the dividend next year, will the amount of the dividend be lower? Why didn't the company use the share premium to compensate all the company's deficit and maintain the statutory reserve?

Mr. Wijaya Klinkesorn, Senior Finance Director, said that the Public Limited Companies Act B.E. 2535 sets priority to compensate all the company's deficit as follows.

 - First, compensate all the company's deficit by the statutory reserve of 79,300,000 Baht.
 - Second, if the first is not enough, use the share premium to compensate. If the company gets the net profit in the following year, the Company needs to set the statutory reserve 5% of the net profit. If there is the net profit left, the company can consider paying the dividend.

Ms. Pornpilai Kosolprapa said the public law is different from the company limited. The law does not stipulate that the company has to set the legal reserve before paying the dividend.

There were no questions, The meeting facilitator then moved that the meeting approve the transfer of reserve fund amount of Baht 79,300,000 and share premium amount of Baht 514,608,864 to compensate the deficit of the company as of 31st December 2018 for the amount of Baht 593,908,864

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2018

STARS MICROELECTRONICS (THAILAND) PLC

Dated 29 April 2019

as proposed and asked if there were any shareholders who wanted to object or to abstain from voting. There were no shareholders who wanted to do so. Therefore, the votes were announced.

Resolution: The meeting unanimously resolved to approve the transfer of reserve fund amount of Baht 79,300,000 and share premium amount of Baht 514,608,864 to compensate the deficit of the company as of 31st December 2018 for the amount of Baht 593,908,864. as proposed, with the majority vote of the shareholders who attend the meeting and casting their votes as follows;

Approval	467,368,906	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		

Agenda 9 Consider any other businesses (if any).

Chairman gave opportunities to shareholders to put any questions as follows-

Question and suggestion of shareholders:

- 1) Mr. Somkiat Tangwongpimuk, the representative from the Thai Investors Association asked if the Company has the policy to join CAC project (Thailand's Private Sector Collective Action Coalition Against Corruption)? If yes, when?
Mr. Prompong Chaikul said this will be submitted to the Board of Directors' meeting to consider and will be reported to the AGM.

As nobody raised any other matters for consideration, the meeting facilitator invited the Chairman of the Meeting to close the meeting. The Chairman of the Meeting thanked shareholders for attending the meeting and providing valuable support for the Company's operations and declared the meeting closed at 15.30 p.m.

-Signature-

(Mr. Somnuk Chaikul)

Board of Director and Chairman of the Meeting

-Signature-

(Mr. Yunyong Sawasdi)

Company Secretary