

---

**MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020**  
**OF**  
**STARS MICROELECTRONICS (THAILAND)**  
**PUBLIC COMPANY LIMITED**

---

**Time and Place**

Held on Thursday, July 30, 2020 at 14.00 hrs. in Magic 2 Room, 2 floor, the Miracle Grand Convention Hotel, Viphavadee Road, Laksi , Donmuang , Bangkok.

**Preliminary proceedings**

Mrs.Kulkanist Khamsirivatchara, the Company's independent legal advisor and the meeting facilitator, started the 2020 annual general meeting of shareholders by welcoming the shareholders attending, and Miss Kajee Tanatpanjaroen, announced that 81 shareholders and proxies possessing a total of 421,620,293 shares or representing 50.4041 per cent of the total 836,479,381 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 90 shareholders and proxies at the meeting, representing a total of 421,879,364 shares or 50.4351 per cent of the total paid up shares.

Mr. Yunyong Sawasdi, Director, Executive Director and Company 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                       | Vice Chairman, Chairman of Executive Director,<br>Risk Management Committee Member &<br>Chief Supply Chain Officer |
| 2. | Assoc. Prof. Dr. Preecha Jarungidanan      | Independent Director, Audit Committee Member<br>& Chairman of the Remuneration Committee                           |
| 3. | Assoc. Prof. Dr. Aekkachai Nittayagasetwat | Independent Director, Audit Committee<br>Member& Remuneration Committee Member                                     |
| 4. | Professor Dr. Kamphol Panyagometh          | Independent Director, Audit Committee Member<br>& Chairman of the Risk Management Committee                        |
| 5. | Mr. Nattapong Chaikul                      | Director & Executive Director  |
| 6. | Mr. Yunyong Sawasdi                        | Director, Company Secretary, Executive Director<br>& Risk Management Committee Member                              |

## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

### **Seven executives to present information**

1. Mr. Virat Phugthai	Chief Executive Officer
2. Mr. Ruangpoj Phakdurong	Chief Operations Officer
3. Mr. Naris Chandang	Chief Marketing Officer
4. Mr. Chotisak Promwas	Chief Financial Officer
5. Mr. Wijaya Klinkesorn	Senior Director (Accounting & Finance)
6. Mr. Kampol Silpasup	Director (Finance)
7. Ms. Sunan Wongmutthavanich	Director (Internal Audit)

### **Three auditors from EY Office Limited**

1. Mr. Termphong Opanaphan
2. Ms. Patcharee Tantipitakkul.
3. Ms. Phanchita Phuwatchantearawong

### **Two independent legal advisors from Siam Premier International Law Office Limited**

1. Mrs. Kulkanist Khamsirivatchara
2. Miss Kajee Tanatpanjaroen

### **Financial & Compliance Consultant**

1. Mr. Kanath Srisupa-at

### **Two officials from OJ International Co., Ltd.**

1. Ms. Rinyaphat Phiraphatchaneechai
2. Ms. Wilaiwan Kaengkla

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 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 2020, delivered an opening speech and assigned Mrs. Kulkanist Khamsirivatchara, to be the meeting facilitator.

Miss Kajee Tanatpanjaroen stated that given the circumstances of the spreading Coronavirus (Covid-19), the company will aim to keep this meeting within two hours. In the case the company can't answer all of the shareholders' questions, the Company will answer all of the questions on the website. For the

## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

benefit of everyone, the company prepared two sets of microphones for the shareholders to use, reducing proximity needed with one another. The company asks that shareholders write their questions on paper and give them to the company's staff instead of using the microphones. Besides, the company also asks for the shareholders' cooperation in not to eating anything inside the meeting room. Moreover, the Company has prepared drinking water for the shareholders in the meeting room and the company will give the snack box to the shareholders before they return home.

Miss Kajee Tanatpanjaroen, 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:

## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

- Agenda items 1, 3-5, 7 require the majority vote of the total number of votes of the shareholders attending the meeting and voting.
  - Agenda item 6 requires no less than two-thirds of the total number of votes of the shareholders attending the meeting.
  - Agenda item 8 requires no less than three-fourths of the shareholders who attending the meeting and eligible to vote.
  - 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 2019.

The meeting facilitator stated that the Company held the 2019 annual general meeting of the shareholders on 29 April 2019. 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 2019 held on 29 April 2019 with the majority vote of the shareholders who attend the meeting and casting their vote as follows;

Approval	421,683,262	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			

**Agenda 2    Be informed of the Company's performance of the year 2019.**

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 35 of 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 page 82 to 86 of 2019 annual report and invited Mr. Virat Phugthai, Chief Executive Officer, to present the Company's performance.

Mr. Virat Phugthai, CEO, said that there were 4 main topics to be presented as follows:



- Management update
- Business outlook and 4 years forecast
- 2020 strategy
- New customers and growth plan
- Summary

- **Management update:**

Mr. Virat Phugthai, CEO, introduced the 4 management members, Mr. Naris Chandang (CMO), Mr. Ruangpoj Phakdurong (COO), Mr. Virat Phugthai (CEO) and Mr. Chotisak Promwas (CFO). Together, they have over 30-year experiences. Mr. Chotisak Promwas has financial experience in automotive industry. Everyone has some experience from the same or related industries. Therefore, the team can work fast and learn the company's business well.



- **Business outlook and 4-year forecast**

The sales revenue from 2019 grew 2% from 2018. Optics group grew the most. Optics group is and will be important for the company. PCBA and Box build will be the second, but IC group will decrease 26%.



The 2019 sales revenues for quarters 1, 2, 3, and 4 were 482 million baht, 471 million baht, 368 million baht and 427 million baht respectively. The company had net profit in Quarter 1 and 2 but had losses in quarter 3 (46 million baht) and quarter 4 (21 million baht).

# MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020



The sales revenue of quarter 1 for 2020 was lower than that of quarter 4 2019. The sales revenue of quarter 2 2020 was about 30% higher than quarter 1. The sales revenue of quarter 2, 2020 was 500 million baht. In quarter 3 and 4 there would be sales revenue from new businesses. The Company expects that sales revenue of quarters 3 and 4 to be higher and sales revenue for 2020 to grow approximately 13% from 2019.

The sales revenue for Optics in quarter 1 and 2 in 2019 was up and down and will be on a positive trend in quarter 3 and 4 (2020). The Optics group is important for the company and has a promising future. In the next 3-4 years, the company will have more than one major market segment. In the past, the company focused on the IC Semiconductor. Therefore, the portfolio of the company will be more stable with the support of Optics and PCBA.



## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

In the next four years, the IC group will grow but Optics and System build will grow significantly more. The 3 major businesses that will grow are as follows.

1. PCBA & System build
2. IC and Advance Packaging that have more added value.
3. Optics which has high growth. It is expected that sales revenue of Optics in 2023 will be 4,686 million baht.



In consideration of the world's economy and the company's business, we found that global demand has decreased. However, the company is expanding into niche markets and expects that the company's sales will grow. The company's new customers are in the ramp-up process. Besides the US market, the company explores the markets in China and Europe. With high potential, the company is confident to obtain more market shares.





The company sets the sales growth at 30% every year with 20% gross margin. The strategies in 2020 are as follows:

- Growth from current customers, called strategic customers.
  - Build on the business model to make the company increase sales revenue.
  - Expand market segments.
  - Upgrade the supply chain for the company to buy materials and parts in addition to buying from Asian countries to reduce the company's costs.
  - Increase technical solution.
  - Cooperate with customers in design development to attract the customers to work with the company and to make it difficult for the competitors to gain the company's market share.
  - Besides being a contract manufacturer, the company adds technology and expands services to create more opportunities for the Company.
- 
- 2020 strategy





Regarding the market segment, the company expands more market segment and has 4 major customer groups as follows:

1. OSAT and Advance (IC) which has been the major business of the company for a long time.
2. PCBA & Box build which is the company's growing business. The company has had more new customers.
3. Optics which will have a lot of opportunities to grow.
4. High Precision / Medical

The company has various businesses to reduce the risks.



In 2019 the sales revenue of Optics group was approximately 650 million baht. During one period it was down but it bounced back and is up now. It is expected that the sales revenue of the Optics group in 2020 will be nearly the same as 2019. The company expects that the sales revenue will grow more than 30% due to the current products and the products that are in the ramp up process. The competition is not high because of high technology and the company's potential.

## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020



The company has negotiated and signed the contracts and has been in the ramp-up process of PCBA and System build in 5 segments-Industrial, Instrument Audio, Automotive and Medical PCBA and System build will grow along with Optics. Aside from the US market, the company has expanded the market to cover China and Europe.



Regarding the growth plan, there will be more Optics group in quarter 2 (2020), Advance Packaging, IC and Optics in quarter 3 (2020) and Optics group in quarter 4 (2020). PCBA Module will increase in quarter 1 (2021) and System build will increase in quarter 2 (2021) and will start mass production.



Regarding the development plan, the company sets the process to analyze and select customers suitable and expand sales distribution to European markets more. The company will develop E-Marketing more to dive into more markets and look for new opportunities. The company develops organization transformation to encourage employee participation and take ownership of their work. The company is in the process of upgrading IT and ERP systems to be able to purchase things and materials from all over the

## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

world at the right quantity and time. It is expected to be completed in 2020. The company has plans to expand and increase their suppliers. Everything is done to make the company ready for future growth.



In conclusion, the company sets the sales growth target at 30% and the gross margin at 20% every year. The company focuses on OSAT, emphasizing the company's core value of expanding contract manufacturing into further markets. The company will focus on niche markets as well, including customers wanting flexibility, engineering and operations services. The above-mentioned are the things that the company is doing and will do so in the future.



**Thank You**

- World Class Facility and Clean Room Setup**  
ISO 17025, ISO 9001, ISO 14001 and more
- Advanced Equipment**  
All types of SMT, DCA, and more
- Experienced Engineering & Production Team**  
Highly experienced and professional staff with strong technical background
- 1-6H 7 days 24x7**  
24x7 production support
- Robust Supply Chain**  
Highly experienced and professional staff with strong technical background
- Financially Trustable with Strong Management Team**  
Highly experienced and professional staff with strong technical background

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

Questions and suggestions of shareholders

1. Mr. Therdsak Wangsate, a shareholder, said that the Company has set the targets for many years, but the company cannot reach them. It is hoped that the company can reach the targets this year. Mr. Therdsak asked about the company's risks.

Mr. Virat Phugthai said that the spread of the coronavirus (Covid-19) is a challenge. Running a business needs opportunities to meet the customers. Now the company communicates with the customers via video conference. The company should have higher sales revenue than proposed if the company can meet the Customers. The proposed sales revenue was very conservative.

2. Ms. Bussakorn Ngarmpasuthadol, a shareholder, asked as follows:

- 2.1 2018 and 2019 sales revenue did not grow significantly. What are the gross profit margin and net profit of IC Packaging, PCBA and Optics?

- 2.2 IC Packaging sales revenue in 2018 and 2019 was 68% and 50% respectively. But sales revenue of PCBA and Optics increased. PCBA and Optics were regarded as the future of the Company. However, the Company made a loss in 2019.

Mr. Prompong Chaikul said that in the first half of 2019 the company expected that IC Packaging and Optics would grow in the second half of 2019. Because of the trade war between the US and China, sales revenue of IC Packaging with the gross profit of 10-20% and Optics with the gross profit of 10-40% dropped significantly. Moreover, the company could not adjust the fixed cost proportionately. As a result, the company had a loss in the second half of 2019. Therefore, the company did not meet the target in 2019. PCBA and Box build may not have a high margin, of around 5-20%, but the new products in the future will have more and be at least 20%.

Ms. Bussakorn Ngarmpasuthadol asked why the gross profit of quarter 2 (2020) increased. The gross profit of 2019 was 14%, but the gross profit of quarter 1 (2020) was down to 13%. Is it because the company has higher cost of goods sold?

Mr. Prompong Chaikul said the cost of goods sold is part of this, and the sales revenue of quarter 1 (2020) was low due to the trade war and the beginning of the spread of Covid-19. The company improved the cost structure of quarter 3 and 4 in 2019 and quarter 1 of 2020. Now the cost structure is better.

2.3 In 2020 the Company expects the sales revenue to increase 30%. What is the effect on the Company's performance?

Mr.Virat Phugthai said the products that the Company produces have higher added value and have longer Operational process. As a result, the Company can make more income and profit.

Ms.Bussakorn Ngarmpasuthadol asked how many customers did the Company increase? And how much is the increased margin?

Mr.Virat Phugthai said the Company can manage the fixed cost better, has higher sales revenue and has high added value products. As a result the Company's gross margin will be higher. The sales revenue comes from the customers that the Company has already signed the business contracts with. The Company's business is manufacturing. The margin will increase because the products have longer manufacturing process.

Ms.Bussakorn Ngarmpasuthadol said in 2020 the Company will have 30% sales growth. What is the Net profit margin?

Mr.Virat Phugthai said the net profit margin would be around 6-10%.

3. Mr.Therdsak Wangsate, a shareholder, asked about the Company's risk factors that can have effects on the customer's orders.

Mr.Virat Phugthai said there is nothing to be concerned. The sales forecasts from the customers are clear. Everything is according to the sales target set.

There were no questions, the meeting facilitator concluded that the meeting acknowledged the report of the Board of Directors in 2019 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 2019.

**Agenda 3** Consider and approve the statement of financial position and income statement for the year ended on December 31, 2019 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 87-136 of the 2019 annual report delivered along with the letter of invitation to the annual

general meeting of the shareholders. Performance in 2019 according to the separate financial statement & consolidated financial statements of the Company and its subsidiaries can be summarized as follows:

(unit: million baht)

Description	Consolidated financial statement	Separate financial statement
Total assets	2,796	2,787
Total liabilities	1,551	1,544
Total revenues	1,819	1,783
Net (Loss) Profit	(41.89)	(35.64)
Earnings (Loss) per share (baht per share)	(0.047)	(0.043)

#### Questions and suggestions of shareholders

1. Mr.Staporn Koteeranurak, a shareholder, asked as follows.

1.1 What does TFRS 15 affect the revenue record of the Company? How does the Company have to change the contracts?

Mr.Wijaya Klinkesorn, Senior Director of Finance & Accounting, said that the Company has little effect from the new accounting standard and the Company has already recorded. Therefore the change has no effect on the Company.

1.2 There are some effects on financial ratios such as Current Ratio, Current Assets and Current Liability. How does the Company manage the liquidity of the Company?

Mr.Wijaya Klinkesorn said that the Company doesn't have any problem with the liquidity now, but the Company has contacted the 3 main banks to support the Company financially. The financial ratios of the Company may not be good now. It is believed that with the company's good business plan, the Company's financial ratios will be better in the future.

1.3 In 2019 the company transferred the legal reserve of 79,300,000 baht and the premium on shares of 514,608,864 baht to compensate the company's deficit of 593,908,864 baht. What was the effect on the company such in regards to tax benefits? Will the Company write off the accumulated loss in 2020?



Mr. Wijaya Klinkesorn said that the company wrote off the accumulated losses in 2019. The method was to swap the premium on shares and the accumulated losses. The advantage is there is no accumulated losses. In case the company has profit, the company can pay dividend. There is little effect on tax benefits because it is just an accounting transaction record. In 2020 the company has no plan to write off the accumulated loss before the amount is not too high.

- 1.4 In 2020 there will be new accounting standards such as TFRS 9 and TFRS 16. Has the company analyzed the effect on the company and prepared any method to cope with?

Mr. Wijaya Klinkesorn said that the company has studied the new accounting standards and has received some advice from the auditors. TFRS 9 and TFRS 16 don't have any significant effect on the company.

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 2019 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, 2019 and the report of the auditor with the majority vote of the shareholders who attend the meeting and casting their vote as follows;

Approval	421,813,262	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			



**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 2019.**

The meeting facilitator said that as of 31 December 2019, the company had net loss about (36) Million Baht and the Company has accumulated losses (51) Million Baht then the Company shall not allocate legal reserves in year 2019.

The company still had the accumulated loss. By law, the company cannot pay the dividend from the performance of the year 2019, 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 2019 performance.

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 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 omitting the allocation of net profit as legal reserves and omitting the dividend payment from the operating result of the year 2019 with the majority vote of the shareholders who attend the meeting and casting their vote as follows;

Approval	421,879,262	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			

**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 2020, three Directors shall vacate after completing their terms, comprising the following persons:

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

- |  |   |
|--|---|
| 1.Assoc. Prof. Dr. Aekkachai Nittayagasetwat | Independent Director, Audit<br>Committee Member&<br>Remuneration Committee<br>Member              |
| 2.Professor Dr. Kamphol Panyagometh          | Independent Director, Audit<br>Committee Member &<br>Chairman of the Risk<br>Management Committee |

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.Assoc. Prof. Dr. Aekkachai Nittayagasetwat | Independent Director, Audit<br>Committee Member&<br>Remuneration Committee<br>Member              |
| 2.Professor Dr. Kamphol Panyagometh          | Independent Director, Audit<br>Committee Member &<br>Chairman of the Risk<br>Management Committee |

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.

**MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020**

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

- (1) Assoc. Prof. Dr. Aekkachai Nittayagasetwat was reappointed to be Independent Director & Audit Committee Member with the following votes.

Approval	421,879,262	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			

- (2) Professor Dr. Kamphol Panyagometh was reappointed to be Independent Director & Audit Committee Member with the following votes.

Approval	421,879,262	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			

**Agenda 6 Consider and approve the remuneration of Directors for the year 2020.**

The meeting facilitator said that the Company's Board meeting proposed that the Remuneration Committee consider 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 2019.

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

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

\* Other benefit -none-

## MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

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 2020 as proposed.

**Resolution:** The meeting unanimously resolved to approve the remuneration of Directors for 2020 with the vote more than two-thirds of the total number of votes of the shareholders attending the meeting.

Approval	421,879,364	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid		-		

### **Agenda 7 Consider and approve the appointment of Auditor and fix Auditor Fee for the year 2020.**

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 2020 and determine their remuneration. The Company proposed the appointment of

1. Mr. Termphong Opanaphan (Certified Public Accountant License No. 4501) and/or
2. Miss. 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 2020 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 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 2014-2019. Miss Manee Rattanabunnakit is an original accountant since the year 2015-2019.)

The auditor fee for the year 2020 proposed totally 2,145,000 baht increasing of 100,000 baht from the year 2019.

**MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020**

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

(unit: Baht)		
Descriptions	2020	2019
- Examination of the financial statements of the Company (SMT)	2,145,000	2,045,000
<b>Increase from the year 2019 Amount of Baht 100,000</b>		
- 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)	50,000	100,000
<b>Totals</b>	<b>205,000</b>	<b>255,000</b>

The meeting facilitator asked if there were any questions.

Questions and suggestions of shareholders

1. Mr. Kullapong Bangtamai, the representative from the Thai Investors Association asked as follows:
  - 1.1 Why did the audit fee increase 100,000 baht from 2019 to 2020?

Mr. Wijaya Klinkesorn, Senior Director (Finance & Accounting) said the audit fee is fixed based on the time spent on auditing of the past year including the new accounting standards. The company negotiated the fee and received the discount of the fee for the subsidiaries.
2. Mr. Staporn Koteeranurak, a shareholder, asked as follows:
  - 2.1 Who is the auditor of Stars USA and how much is the fee?

Mr. Wijaya Klinkesorn said that Stars USA is located in the US. Stars USA is responsible for the audit fee. The auditors of stars USA cooperate with the auditors of the company. And the company pays for the review of the consolidated financial statements.

Mr. Staporn Koteeranurak asked whether Stars USA is a subsidiary or an associated company.

Mr. Wijaya Klinkesorn said it is a subsidiary and the financial statements are consolidated.

Mr. Staporn Koteeranurak asked if there is an audit fee in the consolidated financial statements, how much and who are the auditors?

Mr. Wijaya Klinkesorn said he would need to review the information to answer that question.

2.2 Why does SS RFID, a subsidiary, have a lower audit fee? Does it still run the business? If not, why does it still exist?

Mr. Wijaya Klinkesorn said that the auditors don't spend much time on auditing and the company also negotiated the fee.

Mr. Staporn Koteeranurak suggested in the case the subsidiary has no activities, it should be closed to reduce the expenses and not cause any burden for the company.

The meeting facilitator said the company will inform the name of the auditor of Stars USA via its website.

Mr. Staporn Koteeranurak asked if the company had checked the information about EY before appointing EY the company's auditor. Has the company acknowledged the information about EY Office Limited abroad? How is the situation of EY Office Limited abroad? Is there any effect on EY Office Limited in Thailand?

Mr. Wijaya Klinkesorn invited Mr. Termphong Opanaphan, a certified auditor from EY Office Limited, to explain the details.

There were no questions, The meeting facilitator then moved that the meeting approve the appointment of the auditors and the remuneration for 2020 as proposed.

**Resolution:** The meeting unanimously resolved to approve the appointment of the auditors and the Auditor Fee for the year 2020 as proposed, with the majority vote of the shareholders who attend the meeting and casting their votes as follows;

Approval	421,879,364	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			

**Agenda 8 Consider and approve the amendment article No. 21 of articles of association.**

The meeting facilitator state that as the Royal decree of the conferences through Electronic Media B.E. 2020 ("Royal Decree") has promulgated on 18 April 2020, resulting in the attendees to attend the meeting through the electronic media in accordance with the Royal Decree, can join the meeting from anywhere and no need to be in the same place. Meeting via the electronic media according to this Royal decree can be arranged by connecting via electronic media that can be discussed and commented, the Board of Directors therefore recommends to propose the Shareholder's meeting to consider and approve the amendment article no. 21 to be in accordance with The Royal decree of the conferences through electronic media B.E. 2020 as details appeared in the shareholder's annual general meeting invitation letter and shown slide.

# MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

Current Articles	Propose the amendment of Article
<p>Article 21 The board of directors shall hold a meeting at least once every three (3) months.</p> <p>In convening a meeting of the Board of Directors, the Chairman or the authorized person shall send the notice of the meeting to the director no less than seven (7) days prior to the date of the meeting. Except in urgent cases. To maintain the rights and benefits of the company. The meeting will be informed by other means. And the meeting is faster than that.</p> <p>The Board of Director meeting shall be arranged in the locality in which the head office of the company situated or appropriate place.</p> <p>At least two directors shall be requested for a summons of a meeting of the board of directors, the chairman of the board or the authorized person shall fix the date of the meeting within fourteen days as from the date of the request.</p>	<p>Article 21 The board of directors shall hold a meeting at least once every three (3) months.</p> <p>In convening a meeting of the Board of Directors, the Chairman or the authorized person shall send the notice of the meeting to the director no less than seven (7) days prior to the date of the meeting. Except in urgent cases. To maintain the rights and benefits of the company. The meeting will be informed by other means. And the meeting is faster than that.</p> <p>The Board of Director meeting shall be arranged in the locality in which the head office of the company situated or appropriate place.</p> <p>At least two directors shall be requested for a summons of a meeting of the board of directors, the chairman of the board or the authorized person shall fix the date of the meeting within fourteen days as from the date of the request.</p> <p><u>The meeting of the Board of Directors and Subcommittees can be held via teleconference through electronic devices in accordance with the criteria, methods, and the information security standards, announcement and in accordance with information security standards set forth in the law and including any relevant legal announcements that are currently available or will be amended in the future.</u></p> <p><u>In delivering a notice and related documents, may send such notice and documents by an electronic mail as specified by law. In this regard, the copy of such notice and related documents must be kept as evidence, which may be kept in electronic data Format.</u></p>

There were no questions. The meeting facilitator therefore recommended the meeting to consider the amendment of the Company's Articles of Association Article no. 21 as it has been proposed earlier 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 approve the amendment article No. 21 of articles of association as proposed, with the vote more than three-fourths of the total number of votes of the shareholders attending the meeting.

;

Approval	421,879,364	votes	=	100.0000%
Disapproval	0	votes		
Abstention	0	votes		
Invalid	-			

**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. Thaworn Juanrommanee, a shareholder, asked as follows:  
The sales revenue of the company in 2019 didn't meet the target, especially in quarter 3 and 4 due to the trade war which continues to still exists. What are the measures of the company to be confident that the sales revenue of 2020 will reach the target?  
Mr. Virat Phugthai said that the strategy of 2020 is to expand the market to other markets besides the US and China. The company got many customers from China due to trade war because the customers moved production bases from China to Thailand. Many European customers also moved production bases from China. It is the company's opportunity to export the products to the US.
2. Mr. Therdsak Wangsate, a shareholder, asked as follows:
  - 2.1 What is the progress of the legal cases. When will the company get its money back?  
Mr. Wijaya Klinkesorn said that the company won the civil case of the Set Top Box. The company is in the process of following up the assets for the company. When the company will get the assets back depends the process and necessary follow-up. This can take time. And the criminal case is still under the court's consideration.



**MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR 2020**

STARS MICROELECTRONICS (THAILAND) PLC

Dated 30 July 2020

---

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. Prompong Chaikul)

Director and Chairman of the Meeting

-Signature-

---

(Mr. Yunyong Sawasdi)

Company Secretary