

Minutes
Annual General Meeting of Shareholders of RoodMicrotec N.V.
Thursday 23 May 2019 at 15:00 CEST
at the Amsterdam Stock Exchange (Euronext)
Beursplein 5, Amsterdam, the Netherlands

Present:

Supervisory Board:

Vic Tee, Chairman
Herman Bartelink

Board of Management:

Martin Sallenhag, CEO
Reinhard Pusch, COO
Arvid Ladega, CFO

Gido Frühling, Audit partner, Baker Tilly Berk

13 shareholders

Remko Schotsman - Notuleerservice Nederland

1. Opening and announcements.

Mr. Sallenhag opens the AGM 2019 of RoodMicrotec and welcomes the shareholders. He introduces the members of the Supervisory Board and the Executive Board and says that in his presentation he will look back on 2018 and will look a bit into the future.

Mr. Sallenhag goes through the agenda for the meeting.

Mr. Ladega announces that the number of shares (voting rights) that is represented this meeting is 7,692,153 of the total of 74,892,167 shares, being 10.3% of the total share capital.

Announcements by Mr. Tee:

- The meeting will be held in English.
- There are 10 voting items, some of them are very important because of the planned changes in the Supervisory Board and in the Executive Board.
- Last year Mr. Tee explained that two members of the Supervisory Board were appointed for only a one-year period because it was then felt that that was the best for the company. When Mr. Bartelink and

Mr. Tuik joined the board, the Executive Board was young and needed support that comes from experience. Mr. Bartelink and Mr. Tuik helped a lot in that matter. Now the management team has gotten a good grasp of running the company. Therefore, it is now time to act out some changes.

- Similarly, the management team is changing as well with the retirement of Mr. Pusch who has served the company very well for decades. Time wise this is also good for the company as it offers new opportunities.
- Mr. Ladega has gotten a really good grip on the cost control of the company. This has had a beneficial effect on the business. Moving the office to Deventer had led to a considerable saving on housing costs.

The slides of the presentation can be downloaded from the company's website www.roodmicrotec.com or by following the direct link

<https://www.roodmicrotec.com/nl/resources/downloads/investor-relations/shareholders-meeting/shareholders-meeting-2019/1418-agm-2019-roodmicrotec-presentation/file>

2. Annual Report 2018, including risk policy and corporate governance policy.

Corporate and Operational update

Mr. Sallenhag goes through the Annual Report 2018.

The company is 50 years old this year, the location in Nördlingen was founded in 1969. This is a great achievement in itself in this volatile market. The timeline on the sheet shows a number of steps but looking forward the goal is continued growth.

In 2018 the revenue was 13,425 million euros. Supply Chain Management is now reaching 25% of the total revenue. The two major markets that RoodMicrotec is serving, being Industrial/Healthcare and Automotive are growing markets in Europe. 51% of the revenues come from customers from Germany. With the other German speaking countries Austria and Switzerland this share is even 77%.

RoodMicrotec operates on four different markets. Automotive is a changing market with new developments like LED headlights, E-mobility and automated driving. All these developments generate electric content in the car. Industrial is also moving into electronics where everything is connected to each other. It is also energy harvesting which is important in the world today.

As people get older Healthcare is a market with a lot of potential.

HiRel/Aerospace is a legacy for RoodMicrotec, the company has been in this market for a long time. RoodMicrotec will stay in this market because the company has a lot of know-how and customers are willing to pay for that.

ASIC

ASIC stands for Application Specific Integrated Circuit. A lot of individual parts are put into a single device. This reduces the number of components and size. An ASIC is designed by an electronic engineer at a design house and manufactured in a factory that is designated to this type of technology. The know-how of a company is well protected in an ASIC. An ASIC can also increase performance and lower power consumption. Also the cost is lower when the volume is high.

Making an ASIC starts with designing, this is not something RoodMicrotec does. RoodMicrotec does do the Project Management. The manufacturing is outsourced. RoodMicrotec tests the wafer and has outsourced the assembly. The other steps in the process are done in house by RoodMicrotec. The three operational units that RoodMicrotec has in the company, Test Operations, Qualifications and Failure Analysis and Supply Chain Management are responsible for various parts in the ASIC making process.

Test Operations

This operational Unit consists of Engineering and Production. Within Engineering test programs are developed, as well as boards for the tester. Here the test programs are also optimised. The Production unit is running 24/7 in 3 shifts. In Production wafers are tested and is the final packing being done.

Qualification and Failure Analysis

Qualification is where is checked whether a part is good enough to be used in a product. A part is stressed for a short time under extreme conditions.

Failure Analysis

This is something that the customers do not want to do, but still it has to be done because always something goes wrong. In a fully equipped lab an analysis is made of what went wrong and then feedback is given to the (internal) customer.

Supply Chain Management

Supply Chain Management is managing all the different parts of a project. SCM has two main blocks: management and the purchasing of external services.

There are three types of customer projects:

1. Full turnkey services, where RoodMicrotec is also responsible for design, through a partner;
2. Backend turnkey services, where is started with wafer tests;
3. Selectable services; when a customer just desires one of the services.

All the above services generate additional revenues in all the other operational units.

Why the focus on SCM?

An SCM contract is concluded for a specific period and for a certain estimated volume. RoodMicrotec manages all the steps in the value chain during the lifetime of the project. In the first stages, Development and Industrialisation, the amounts RoodMicrotec can invoice are on a modest level. When volume production starts the revenues rise. The main advantage for RoodMicrotec is that the company can plan the work. The advantage for the customer is that it only has to deal with one partner.

The visibility for RoodMicrotec is much better through SCM but it takes time to get products into production. The engagement with the customers is on a much deeper level and SCM also drives business in other departments.

Running Projects

At the moment 6 projects are into production. One project, as RoodMicrotec has been informed, has been cancelled by a customer of a customer. Three of the projects that were into negotiation have been moved into booked projects. In 2019 these will be either in the engineering or the industrialisation phase. In the coming years these projects will shift into the portfolio of running projects.

Under negotiation.

RoodMicrotec has been into negotiation about 3 projects for almost two years now. Two Automotive and two Industrial projects have been added.

2018 Operational highlights

The growth was 11%, the book-to-bill ratio was well over 1. The strategy to move to long-term projects is paying off. SCM projects have moved into production. RoodMicrotec has been selected as key partner for a company in the UK. RoodMicrotec sees no risk in the possible Brexit for this customer.

Two publicly funded projects have been finalised in 2018. It is a good thing that the EU and the different countries in Europe support companies like RoodMicrotec to be competitive with China.

The five business units have been moved into three operational units.

RoodMicrotec has added and strengthened collaboration or partnerships with suppliers and key partners.

RoodMicrotec has organised workshops about SCM in The Netherlands. Technical lectures about Failure Analysis have been held for various companies.

RoodMicrotec has started legal procedures against a debtor in 2018.

New shares have been issued, the warrants are now closed.

2019 New engagements

A Memorandum of Understanding has been signed with Fraunhofer and EBV, announcing cooperation in the production and marketing of Fraunhofer ready to use chip IP.

A letter of intent has been signed with CoreHW. This is a relatively small Finnish company with interesting radio frequency technology.

RoodMicrotec has invested in an advanced optical inspection system that can find very small scratches on wafers. Defects of 1.6 µm can be detected.

Human resources is the core value of the company. Some employees have been with the company for more than 40 years. There is a lot of know how within the company. The average number of full-time employees in 2018 was 94. The company is facing a challenge as in the south of Germany the unemployment rate is below 3%. RoodMicrotec continues to invest in employees by training. The team is motivated and committed to high technical and personal competence. They work innovative and think and act in a proactive way to take over responsibility.

Quality First was introduced in 2018. This is a program for e.g. forward looking quality planning. It is implemented in all relevant processes. Delivering bad quality means losing customers.

Next to the accreditation and certification that RoodMicrotec already had, VDA 6.2 is added. This is a requirement to be a good automotive supplier. RoodMicrotec passed with very few deviations.

Market Development & Trends

Mr. Pusch continues the presentation. As said before RoodMicrotec strives for continuous growth. That is the reason why the company focusses on the fastest growing markets: Automotive and Industrial.

Automotive

There is a growing number of vehicles and there is also a growing amount of electronic devices in the cars. Nowadays this also goes for the smaller cars. Other trends in this market are e.g. electric vehicles and autonomous driving. Both require lots of electronics. RoodMicrotec is mainly working in the south of Germany where there is a lot of car industry.

Industrial

Over 40% of the revenue comes from the Industrial market, which is also growing. The overall industry needs new machines. These ask for a lot of additional electronics for sensor technology and for safety. Another trend is that the industry wants to reduce the dimensions of their machinery and are moving to ASIC.

Applications in the Automotive industry

RoodMicrotec tests the devices for the market leader in in car illumination. The company is also active in the market of the virtual cockpit. In the past the this was almost all mechanical, now it is almost all electronics. Intelligent battery control of the electric vehicle is a growing market.

Other applications are autonomous driving (lidar, radar, camera etc.)

Applications in the Industrial industry

Smart robotics requires a lot of electronics. This also goes for Smart robotics, Smart factory, Smart city and Smart agriculture. The electronics has to be small and intelligent. RoodMicrotec is active in these areas.

Applications in the Healthcare industry

An example of an application in this industry is the Lab on Chip for veterinary examinations and diagnoses. These chips are used by farming companies and this segment is growing. For both the cochlea implant and the pacemaker the number of customers is growing. RoodMicrotec is becoming established in the strongly growing Healthcare industry.

Applications in the HiRel industry

This is a long time market; it can take up to three years before a quote becomes an order. On the other hand, the contracts can be large and long during. Technology is used in satellites and aircrafts.

Technology: High Frequency

ASICs are developed for radar applications and high sophisticated measurement equipment. In 2019 new testing equipment for 40 and 60 GHZ will be implemented. The customers require an expansion to 125 GHZ in the near future.

Technology: Photonics

RoodMicrotec is active in Opto ASICs and photonic light wave circuits, laser diodes and VCSELs.

In 2019 will be invested in life test equipment for VCSEL and laser diodes. The company is in the phase to be able to do electrical tests for light wave circuits. Next year will be expanded to optical. This market is growing fast. Soon prices will drop and numbers will increase. Therefore, it is important that RoodMicrotec was already in this market in the first phase.

Technology: High Power Electronics

RoodMicrotec is also active in this market mainly with IGBT and Operational Amplifiers. In 2019 will be invested in automatic test equipment and the life test equipment will be expanded.

Summary

RoodMicrotec selected growing markets and is focussing on them.

RoodMicrotec serves growing applications and customers and there will be a strong increase within the next years.

RoodMicrotec invests in future technologies for these applications to be able to serve this market.

Financials

Mr. Ladega continues the presentation and goes through the key figures and results.

Last year has been a good year with Revenue, Net Result and EBITDA going up and the Net debt going down.

Compared to previous years the sales has gone up and the sales per head count continues to grow. The net result for 2018 was positive and the solvency grew to 38%.

Statement of Profit or Loss

Sales has gone up by 11%. The gross profit increased by 7%. The gross margin is 81%, a little bit lower than last years explained by the growth in the operational unit SCM.

The Total Operating Expenses came out on 9.5 million euros. This is an increase of 3% compared to 2017. The personnel expenses increased slightly due to the rise in the number of employees from 91 to 94. The other operating expenses increased by 0.25 million euros. This figure is affected by one-time cost for legal proceedings and a VAT correction.

The depreciation and financial expenses are at the same level.

The Net Profit is 125,000 euros.

Statement of Financial Position

The intangible assets and the financial assets decreased slightly. The deferred tax assets increased. The revenue coming from selling a piece of land in Nördlingen was used to pay of a debt. The tax liabilities and tax assets are netted.

The total assets are quite stable and similar to previous year.

The equity increased. This can be explained by the issue of shares minus re-measurement of Plentum plan assets.

Cash Flow Statement

The cash generated from operating activities is stable. The cash from investing activities is -250.000 euros. This has to do with the low investment in property, plant and equipment; an investment placed late in 2018 with delivery shifting into 2019. The net cash from financing activities comes out to 0.8 million euros. This can be explained by the issue of shares minus repayment of borrowings.

Events after balance sheet day.

The warrant series III were exercisable in December 2018.

In March 2019 the final instalment of the secured loan was repaid.

On the 21th of May the court set the claim for damage to 5,225 euros. RoodMicrotec already included a provision of 130,000 euros in the books of 2018 which will now be released.

A new research report is available on the www.theidea.nl.

Mr. Sallenhag continues the presentation.

He announces that some documents concerning the Risk & Corporate Governance Policy have been updated and can be found on the website of RoodMicrotec.

Outlook

The growth of RoodMicrotec is in line with the European growth of 12%. It is predicted that for 2019 the market outcome is a decrease of 3%. RoodMicrotec however expects a continuing revenue increase over the next years and expects to report yearly improving positive net results.

The first quarter of this year was 10% lower than in 2018. This is due to a softer market and the cancellation of an order. The first quarter of 2018 was very strong. Also the geopolitical situation in the world is unstable. Still, RoodMicrotec maintains the outlook as reported.

Time for Questions

Mr Vas Visser asks whether the Trump trade war is a risk for the German automobile industry.

Mr. Sallenhag answers that the main concern is focussed on the old type automotive industry. There is a risk that the total number of sold cars may go down. However, electronic content is going up. He is convinced that RoodMicrotec is in the right market.

Mr. Snoeker congratulates the company with its anniversary. He states that a few years ago the outlook for RoodMicrotec was not positive but that Mr. Sallenhag has made the company successful. Now the profit is still small but he expects that this will go up in the coming years.

He has read that RoodMicrotec is outsourcing in China. Some companies do not want to do business with China.

Mr. Sallenhag answers that what is outsourced is not reversable. The Chinese cannot see the intellectual property. The testing is being done by RoodMicrotec.

Mr. Snoeker asks whether take-overs are considered.

Mr. Tee answers that in this market the company always has to keep an eye open and sometimes has to be opportunistic. Still, a take-over has to match with the activities of RoodMicrotec. There is no target list or anything in progress to report on. There is also always a risk that other companies are planning to take over RoodMicrotec. There have been discussions in both directions this year.

Mr. Snoeker does not understand the financial part. What is the construction, when will the issuing of shares end?

Mr. Sallenhag answers that the best answer that he can give at the moment is that warrants were issued in 2015, when the company made a loss. These warrants are now gone. The only outstanding warrants are the ones that were reported in 2018.

Mr. Tee adds to this that in 2015 the company was losing money. Investments were needed to keep going. Now the company is more comfortable in financial terms. With the head room the company has compared to its size, the best thing to do is reinvest. As Mr. Tee mentioned last year, RoodMicrotec is a long term strategy for investors.

Mr. Sallenhag adds that the company expects to do the planned investments from generated cash. Although, when an investment has to be done to get an extra customer, issuing shares may be an option.

Mr. Snoeker asks if there will be a payment in cash or in shares for the existing bonds.

Mr. Sallenhag answers that there is still some time to go before the company has to pay out. When all the losses are made up, the company will be in a good position.

Mr. Vas Visser asks whether Mr. Tee is familiar with the company X-Fab. He suggests to make an appointment with them. He also asks the board to limit the issuing of shares as much as possible.

Mr. Tee answers that this message is understood.

Mr. Verhagen asks if the company is prepared for the 5G network.

Mr. Pusch answers that the company has a close look on it. It is understood that the industry is looking for this network, e.g. for autonomous driving and industrial applications. RoodMicrotec is prepared to jump in when the time is right. Right now the company is closely following the developments and engineers are thinking about supporting applications.

Mr. Marcus asks for an explanation for the drop in revenue combined with a profit in the first quarter.

Mr. Sallenhag answers that he cannot comment on that. Profit updates are given each half year and not quarterly.

Mr. Van Gelder wants to know more about the EU funded projects.

Mr. Sallenhag explains that RoodMicrotec is working on various projects, mostly with other participants. For the bigger projects it is usual that the EU funds 50% of the founding money, and the countries concerned fund too. The participating companies have to invest too. RoodMicrotec complies to this because it brings the knowledge level higher and it generates customer contacts. It is difficult to make an investment-revenue overview for these projects.

Mr. Marcus states that a big robotics firm in Germany was bought by the Chinese. Does this harm RoodMicrotec?

Mr. Pusch answers that RoodMicrotec is partly a supplier of services for robotics. The company is not harmed by this take over. Most customers of RoodMicrotec are family owned and do a lot to protect themselves from takeovers.

Mr. Lommel asks if the plants in Germany can find enough qualified personnel.

Mr. Sallenhag answers that attracting staff is a challenge, but that the company still succeeds in finding the right people. This challenge is not limiting growth at the moment.

Mr. Lommel states that the pace of growth in Asia is faster than in Europe. Has RoodMicrotec thoughts about how to benefit from this?

Mr. Sallenhag explains that the company is looking at the developments in Asia. However, European customers prefer European suppliers. The same goes for Asia.

Mr. Tee adds to this that most creativity comes from Europe, where production is migrating to Asia. That only strengthens the position of the company. A new possibility of looking at Asia would be helping an Asian company to come to Europe.

3. Implementation of the Board of Management remuneration policy in 2018.

Mr. Sallenhag explains that there is a small bonus paid out for the members of the Board of Management. He states that when no profit is made, no bonuses will be paid.

Mr. Sallenhag states that an extraordinary General Meeting will be held because Baker Tilly Berk has informed the company that it will no longer continue to audit listed companies. RoodMicrotec has started the process of finding a new auditor. The time and place of this General Meeting will be announced when the company has found a new auditor.

Mr. Frühling of Baker Tilly Berk explains that he is given permission by the board to attend this meeting. He emphasizes that he can only answer questions about the audit.

The key audit matters 2018 are:

- Unqualified auditor's report;
- The continuity paragraph has been removed. The auditor is convinced that RoodMicrotec can and will operate at least for twelve months after the audit;
- The auditor has looked into the valuation and classification of plan assets. There has been an impairment in the plan assets. Two insurance policies were reclassified from financial assets to defined benefit obligation.
- The auditor has also looked into the valuation of goodwill and other intangible assets. There is a large amount of goodwill and it has to be assessed whether this will be made up in the future by generated cash. There is quite some headroom, therefore there is no indication for impairment.

In the Netherlands there is only a holding company, the main part of the business takes place in Germany. Colleagues of Mr. Frühling have audited the German parts and have reported to the Dutch Auditors. Also, the Dutch auditors have visited them and exchanged information.

The materiality level that was used is 200,000 euros. All misstatements exceeding 10,000 euros are listed and the management is asked to adjust them.

The auditors have assessed the estimates to see if they were in line with last year. They have also looked at internal consistency and the realisation of the estimates of last year. There are no specific remarks on this matter.

The auditors have to report on the board report in the audit opinion. This report contains all required information, and is not in conflict with management statements.

Baker Tilly Berk has taken various organisational measures to assure its independence and the independence of its staff.

These measures include:

- annual confirmation of independence by partners, professionals and support staff services;
- procedures for client and engagement acceptance, including an assessment to verify whether possible conflicting services are involved;

Baker Tilly Berk have not provided (prohibited) non-audit services as referred

Mr. Frühling explains that Baker Tilly Berk has adjusted its license. The expenses related to the license to audit listed companies exceed the revenues. Therefore, they will not be auditing listed companies anymore.

Mr. Sallenhag thanks Mr. Frühling for the years that he has audited RoodMicrotec and wishes him good luck in the future.

4. Financial Statements for 2018 (voting item).

The AGM votes for accepting the Financial Statements 2018.

5. Result appropriation (voting item).

The AGM votes for accepting the result appropriation.

6. Release from liability of the members of the Board of Management (voting item).

The AGM votes for releasing the members of the Board of Management from liability.

7. Release from liability of the members of the Supervisory Board (voting item).

The AGM votes for releasing the members of the Supervisory Board from liability.

8. Proposal to appoint Mr. Arvid Ladega as member of the Board of Management for a 4-year period (voting item).

The AGM votes for appointing Mr. Arvid Ladega as member of the Board of Management for a 4-year period, following the retirement of Mr. Pusch.

9. Proposal to re-appoint Mr. Vic Tee as a member of the Supervisory Board for a 2-year period (voting item).

The AGM votes for appointing Mr. Vic Tee as member of the Supervisory Board for a 2-year period.

10. Proposal to appoint Mr. Marc Verstraeten as a member of the Supervisory Board for a 4-year period (voting item).

The AGM votes for appointing Mr. Marc Verstraeten as member of the Supervisory Board for a 4-year period.

Mr. Verstraten introduces himself. He is 53 years old and lives in Tilburg. He has worked with DocData for 17 years, the last 12 years as CFO. He is honoured that RoodMicrotec asked him to support the company.

11. Delegation to the Board of Management of the authority to issue shares and to grant rights to acquire shares (voting item).

The AGM votes for delegating to the Board of Management of the authority to issue shares and to grant rights to acquire shares.

One shareholder votes against with 77,777 registered shares.

12. Delegation to the Board of Management of the authority to restrict or exclude pre-emptive rights upon the issue of shares and granting of rights to acquire shares (voting item).

The AGM votes for delegating to the Board of Management of the authority to restrict or exclude pre-emptive rights upon the issue of shares and granting of rights to acquire shares.

13. Authorization of the Board of Management to repurchase shares in the Company (voting item).

The AGM votes for authorization of the Board of Management to repurchase shares in the company.

14. Proposal to amend the articles of association, to change the corporate seat to Deventer (voting item).

The AGM votes for the proposal to amend the articles of association, to change the corporate seat to Deventer.

Mr. Sallenhag explains that the reason to change to Deventer is to save costs and secondary costs because this office is nearer by for Mr. Ladega.

15. Other items and any other business.

Mr. Sallenhag thanks Mr. Bartelink and Mr. Tuik for the work they have done for the company. Unfortunately, Mr. Tuik was not able to attend this meeting. Mr. Bartelink is handed a gift.

Mr. Bartelink states that his time with RoodMicrotec was interesting. He has experienced his support to the company as a nice road to drive on. The company is on the right track now, therefore it is time to move on. He wishes Mr. Verstraeten lots of success as a member of the Supervisory Board.

Mr. Tee adds to this that Mr. Bartelink and Mr. Tuik have been very helpful to the company. Their experience showed and is much appreciated.

Mr. Sallenhag thanks Mr. Pusch who will retire at the 31th of May. Mr. Pusch will continue to support the company as an advisor. Mr. Pusch is handed a gift by Mr. Tee.

Mr. Pusch thanks all the members of the Supervisory Board and the Board of Management separately and expresses his gratitude for the opportunity to work with RoodMicrotec

Mr. Sallenhag explains that the responsibilities of Mr. Pusch will be divided amongst a number of colleagues.

16. Closing.

With a picture of the new office in Deventer on the screen Mr. Sallenhag thanks all participants for their input and closes the AGM at 17.02 pm.

List of decisions

Agenda item	Description	Result
4	Financial Statements for 2018	accepted
5	Result appropriation	accepted
6	Release from liability of the members of the Board of Management	accepted
7	Release from liability of the members of the Supervisory Board	accepted
8	Proposal to appoint Mr. Arvid Ladega as member of the Board of Management for a 4-year period.	accepted
9	Proposal to re-appoint Mr. Vic Tee as a member of the Supervisory Board for a 2-year period.	accepted
10	Proposal to appoint Mr. Marc Verstraeten as a member of the Supervisory Board for a 4-year period.	accepted
11	Delegation to the Board of Management of the authority to issue shares and to grant rights to acquire shares	accepted
12	Delegation to the Board of Management of the authority to restrict or exclude pre-emptive rights upon the issue of shares and granting of rights to acquire shares	accepted
13	Authorization of the Board of Management to repurchase shares in the company	accepted
14	Proposal to amend the articles of association, to change the corporate seat to Deventer.	accepted

Agreed and signed:

[For security reasons the published copy is not signed –
the signed original you can view at our office in Deventer]

Victor George Tee
Chairman Supervisory Board RoodMicrotec N.V.

Arvid Ladega
Secretary RoodMicrotec N.V.

Deventer, 03rd September 2019

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