

Minutes

Annual General Meeting of Shareholders of RoodMicrotec N.V.

Thursday 23 July 2020 at 15:00 CEST

By webcast

Present:

Supervisory Board:

Vic Tee, Chairman
Marc Verstraeten

Board of Management:

Martin Sallenhag, CEO
Arvid Ladega, CFO

Shareholders:

Constant Stevense
Philip Nijenhuis
Dirk Lindenbergh
Martijn Kok
Jos van Erum
Simon Jost

John Verhoeven - KPMG
Rick Kroon - KPMG

Maarten Verbeek - The IDEA!
Henk Slotboom - The IDEA!

Remko Schotsman - Notuleerservice Nederland

The slides of the presentation can be downloaded by following this link:

<https://www.roodmicrotec.com/en/resources/downloads/investor-relations/shareholders-meeting/shareholders-meeting-2020/1499-presentation-of-agm-on-23rd-july-2020/file>

1. Opening and announcements

Mr. Verstraeten opens the meeting and gives the word to Mr. Tee, Chairman of the Supervisory Board.

Mr. Tee thanks the attendees for joining and hopes everybody is well. This is the first time the annual general meeting is held by webcast. Mr. Tee introduces the members of the Supervisory Board and the Board of Management. He gives the word to his colleagues in Deventer to run the meeting.

Mr. Sallenhag welcomes the attendees and apologises for holding the meeting by webcast, due to the current COVID-19 limitations on traveling and physical group meetings. He hopes he can see all participants in a face-to-face meeting soon.

Mr. Stevense asks if the meeting can be held in Dutch as RoodMicrotec is a Dutch company and is listed on a Dutch stock exchange.

Mr. Verstraeten answers that the meeting will be held in English as announced in the invitation. The CEO, Mr. Sallenhag is from abroad and fluent in German and English, but not in Dutch.

Mr. Sallenhag resumes and goes through the agenda. The 13 questions that Mr. Stevense has sent in have been translated and will be answered through the presentation.

2. Annual Report for the 2019 financial year

(a) Report of the Board of Management on the Company's activities during the 2019 financial year, including risk policy and corporate governance policy

Corporate and operational update

RoodMicrotec started in 1969 and held a 50-year celebration last year in Nördlingen.

The revenue in 2019 was 13.2 million euros, divided over the three operational units. Test Operations accounts for almost half of the revenue. The Industrial market grew last year and makes out more than half of the total income. Automotive is at 35% and the other markets are relatively small. Europe is the main target, focus and market as it has been the last years.

The Automotive and Industrial markets are strong in Central Europe. Healthcare is an important market for the future as people get older. HiRel/Aerospace is an interesting market. It does not grow fast but customers are willing to pay a lot for services and therefore RoodMicrotec will continue to be active on this market.

RoodMicrotec is a global supplier with the focus on Europe and has suppliers from around the world to be able to support and to give the services needed to its customers. Product Management is done through the ASIC Turnkey Production Solutions. RoodMicrotec is a recognized expert in the development of Test Solutions and has its Test Operation running 24/7. Qualification and Reliability has been built up over a long period and the Company has outstanding know-how in Failure Analysis. Nobody wants Failure Analysis but everybody needs it and it is an important part of the Company's offering.

Test Operations is divided into Engineering and Production. The Production is running 24/7. Qualification & Failure Analysis is another area of expertise. Industrial customers are coming into an area where they ask what to do to use a product for more than 20 years. RoodMicrotec has many years of experience in Failure Analysis.

In the Supply Chain Management Design, Wafer Fab and Package Assembly is done through partners. Eight SCM projects are now in production or close to ramping up. Project 10 is in a pre-study phase to define, together with the customer, the content and implementation. In the coming months this project will probably move into the next step. Three projects are still under negotiation. They are moving forward but it takes some time to get to the optimal solution.

In 2019, one out of four SCM projects under negotiation was booked.

RoodMicrotec has established a partnership with the Finnish company CoreHW. Together with Fraunhofer RoodMicrotec identified devices that are interesting in the public market as a standard product. Fraunhofer, RoodMicrotec and EBV will bring these parts out on to the market. An impressive volume is expected.

RoodMicrotec has continued to invest in new equipment in 2019. The AOI system is needed to be able to verify the quality of the wafers and is a must have to be significant in the wafer test area. The PXI test system is useful for low volume products.

RoodMicrotec participated in the project APPLAUSE as leader of one work package and as national coordinator in Germany. The question was asked how this project contributes to the Company. It leads to brand awareness, further technical development and it brings new business to the Company. Sales is being strengthened through representatives. KERR provides new leads to RoodMicrotec.

RoodMicrotec does Obsolete Management Support through the long-term cabinets together with Totech. RoodMicrotec does the failure analysis on the stored devices and before delivery, which brings business to the Company.

The corporate seat was moved to Deventer.

RoodMicrotec works on a commission base with its representatives. Through KERR, there is now local presence in Italy and in Scandinavia, Poland and the UK through CEDAR Technologies. Local presence is important to win local customers.

The average number of employees has not changed much the last years. Apprenticeships are important to get the right people to the Company. The question was asked how RoodMicrotec works with its employees. The Company is being developed by new employees but also invests in employees that already work for the Company. The Company has not had extra costs for working at home through COVID-19.

As a service provider quality is key. The Company continues maintaining the IEC 17025 accreditation and now has the VDA6.2 certificate also.

Financials & Outlook, including COVID-19 impact

Mr. Ladega goes through the financials. The Statement of Profit or Loss differs from previous years. Errors have been corrected and raw materials and consumables were previously presented as cost of sales. The line item gross margin disappeared. The total income dropped by 1.5%. Test Operations landed 7% higher and in Qualification and Failure Analysis, the total income declined. In SCM the total income declined because of the cancellation of a project of a customer's customer. Raw materials increased compared to previous years.

There is a slight increase in personnel expenses due to a rise of the average number of employees.

There is a shift in costs due to the implementation of IFRS 16. The change in Depreciation is mainly explained by IFRS 16 and a higher level of investments.

A secured loan has been repaid and therefore the financial expenses decreased.

The net profit is -73,000 euros, primarily effected by the increase of raw materials.

In 2018 an accrual was set for a legal case. In the first half of 2019 the accruals could be released. The total operating expenses reduced compared to 2018. The costs for being a listed company are increasing every year.

The total of the balance sheet increased, mainly because of IFRS 16 where the right-of-use assets are brought on the balance. Property, plant and equipment increased through higher investments.

Last year warrants were exercised. Share capital and Share premium increased.

The drop in Remeasurement of defined benefit obligations has to do with actuarial losses. The Plentum plan assets had a nominal value of 2.5 million euros. The Plentum fund is bankrupt and the remaining 1.2 million is written off, value of Plentum bonds is nil.

The Non-controlling interests consists of two perpetual bonds issued by RoodMicrotec GmbH. The 11.7% compensation is only due when there is a profit and when the free equity allows payment. Therefore, last year no compensation was due.

The bond loan has been moved to current liabilities. The lease liabilities are related to IFRS 16.

Operations generated cash of 1.2 million euros compared to 0.6 million in 2018. This is also an effect of IFRS 16. The cash generated is used for investments. In 2018 a piece of land was sold and there was an investment in late 2018 of which the delivery shifted into 2019. The cash flow from Financing increased through the issue of shares, exercised warrants and repayment of borrowings. The cash position at the end of the year was 1 million euros.

The EBITDA is 12%. RoodMicrotec has a target between 12 and 17%. There was improvement because of higher efficiency and more productivity. The EBIT is 1% with a target of 6 to 12%. This can be reached by improving operations. The solvency dropped from 38 to 28%, due to IFRS 16 and the remeasurement of the Plentum assets.

During the bondholders meeting in May, the bond term of the secure bond loan was extended to 30th June 2021. This gives more time to find an acceptable refinance solution.

The question was asked whether, in view of Corona, a stress test was performed. As part of a going concern analysis, a stress test has been performed and this included possible COVID-19 impact on the business. A worst-case scenario has been tested. In a scenario with a 50% dip in revenue, RoodMicrotec needs to look for measures for additional funding. The stress test shows that the Company is vulnerable when sales drop for a longer period. Cash out can be minimised by tight cost control and the Company can make use of the short working time in Germany. Investments that are not strictly necessary are pushed out.

The Company will refinance the bond loan within a year; the Board is looking at different scenarios. An issue of shares is one of the possibilities.

When the annual report was written the impact of COVID-19 was already visible. The Company gives a close look at health and health situations.

The second quarter showed impact of COVID-19 on the business. At this moment, it is not clear what the total impact will be. Reports from McKinsey from April show an overall semiconductor market decline by 5 to 15% in

2020. In the Automotive the decline is expected to be between 10 and 27% and Industrial between 1 and 11%. There is a drop in the Semiconductor market but it is yet unclear how big the impact will be.

The impact of COVID-19 can be seen in the results of the first half year of 2020. The revenue is 16% below the first half year of 2019. There were no projects lost. Clients are cautious and deliveries were shifted into later stages. In the first half year, the costs of raw materials are reduced. A possibility to save costs is making use of short time working in Germany, which also helps to keep employees motivated.

The full-unaudited interim report can be found via:

<https://www.roodmicrotec.com/en/resources/downloads/investor-relations/annual-reports/annual-reports19-21/1497-roodmicrotec-interim-report-2020-unaudited/file>

Mr. Lindenbergh asks about the difference in the cash flow statement between the EBITDA and the net cash flow. Mr. Ladega answers the working capital had a positive effect on the net cash generated from operations.

Due to the uncertainty about how COVID-19 will develop, it is impossible to predict what the impact will be for the financial results for 2020 and 2021. Therefore, RoodMicrotec withdraws its outlooks and will provide updates when appropriate.

COVID-19 will have an impact on refinancing and on the business. This causes for substantial doubt about the Company's ability to continue as a going concern.

Mr. Stevense asks how refinancing of the bond loan can be done without the issue of shares when there is a loss of 0.75 million euros.

Mr. Ladega answers that share issuance is one of the possibilities and will be looked at. The reason that was asked for an extension is that RoodMicrotec was in the process negotiations and were confronted with investors stepping back. Still, there are leads and options on the table and the Board is searching for the best conditions for the Company, but it needs more time.

Mr. Sallenhag adds that COVID-19 was the only reason for the extension.

Mr. Stevense asks how big the change is that there will be a convertible.

Mr. Verstraeten answers that it is too early to answer this question and asks to allow the management more time. This is the highest priority for both the Board of Management and the Supervisory Board.

Market Development, Trends & Strategy

Mr. Sallenhag explains that RoodMicrotec is focussing on the fastest growing markets. In the Automotive and Industrial market, the semiconductor content will grow faster than in other sectors. In the Automotive there are three main trends, being infotainment, autonomous driving and electrical cars.

There will probably be no real growth in the number of cars sold. But the increasing amount of electronics will still be there. The content of electronics in a car in dollars was \$164 in 1999, \$560 in 2019 and will be \$710 in 2024.

In Industrial there is a lot happening in e.g. artificial intelligence, security, smart cities and connected industry, which is thriving semiconductor content. Sensor technology is growing.

There is a growing demand for medical technology. The world is looking for quicker testing and this is an area where RoodMicrotec has a good position.

Digitalisation is happening in several fields and this is where RoodMicrotec has to bring up its knowledge to bring the Company to the next level. RoodMicrotec is a local supplier in Europe and the market in Europe is big enough. Being a local supplier is what customers appreciate. The Company sees opportunities in the area of applications that need IP protection, ASICs, testing, qualification and/or failure analysis.

In the technology roadmap the Company sees besides High Frequency, Opto-electronics&Photonics and High Power Components also Flexfoil. A flexible PCB is interesting for the Medical market. The four publicly funded projects that RoodMicrotec is working on are mapped on the four areas of technology where RoodMicrotec is working on. Doing these projects helps to build up technology for the future.

High Frequency goes into RADAR, not only for Automotive but also for Industrial. Opto-electronics can be found in the markets Automotive, Industrial, Medical and Datacom. High Power Components are found mainly in electrical vehicles. Flexfoil is besides the Medical market also interesting in the Industrial market. Lab on chip is, with testing in the field, also interesting.

The question was asked how the Company will grow in the right direction in the coming five years. The publicly funded projects and the roadmap shows that the Company is going in the right direction. RoodMicrotec does not see the need to go into Asia or North America and is even building up more partnerships with other European companies. Due to COVID-19 a lot of companies are bringing their production more local. Through the publicly funded projects brand awareness is increasing as many companies are included in these projects.

Mr. Sallenhag shows on slide 42 which documents with respect to Risk and Corporate Governance Policy are available on www.roodmicrotec.com. The remuneration policy is new.

(b) Report of the Supervisory Board on the 2019 financial year

Mr. Tee explains that the role of the Supervisory Board was reviewed in 2019. The Board concluded that the management team was operating in an effective way. The Supervisory Board was changed to improve the balance. Mr. Tuik and Mr. Bartelink stepped back and Mr. Verstraeten joined. Thanks to Mr. Verstraeten's experience the Company made much progress. There was an extraordinary general meeting last year because of the change of auditor. Mr. Verstraeten helped a lot in going through this process.

The Supervisory Board proposes to (i) adopt the financial statements for the financial year 2019, (ii) discharge Board of Management from liability for its conduct of business in 2019, (iii) discharge Supervisory Board from liability for its supervision of the management in 2019, and (iv) charge the net loss for the financial year 2019 to the retained earnings reserve within equity.

Mr. Tee expresses his thanks to the management team for the way they have taken this Company through COVID-19.

Mr. Verhoeven explains that the main focus has been on the audit of the financial statements. KPMG has also looked at the report of the Board of Management and other information, including corporate governance code. New in 2019 is the Remuneration report.

The auditors' report with the financial statements is unqualified. KPMG concluded that the Report of the Board of Management, other information and remuneration report are consistent with the financial statements and do not contain material misstatements. KPMG also concluded that these documents contain the information as required by Part 9 of Book 2 of the Dutch Civil Code.

It is an unqualified audit opinion although it has material uncertainty related to going concern. This relates to the COVID-19 uncertainties and the possibility to refinance the bond loan. Some errors were corrected and there were some changes in the presentation. This has not affected the result. A group materiality of 110,000 euros was applied which is based on the net sales. The maximum is 1% and it came out on 0,86%. The coverage of the group audit is almost 100%.

The two key audit matters were the valuation of goodwill and the valuation of deferred tax assets.

COVID-19 is considered as non-adjusting events since it had impact after 31st December 2019. The effects are not reflected in the 2019 Financial Statements.

Mr. Verstraeten thanks Mr. Verhoeven for his presentation. There are no questions.

(c) Advisory vote on the 2019 Remuneration Report (voting item)

This agenda item concerns an advisory vote on the Remuneration Report for the financial year 2019, published as a separate document 'RoodMicrotec N.V. Remuneration Report 2019'. It is proposed to the Meeting to cast a favourable advisory vote in respect of this agenda item.

Mr. Tee explains that this is a clear document and that he has not much to add to it.

The voting has taken place in advance. The Company has 74,869,267 shares issued. 4,100 shares of that number are treasury shares, leaving 74,892,167 shares outstanding.

A total of 13,142,769 number of shares have been registered for the meeting. This represents a total of 17.55% of the outstanding share capital.

All voted in favor, except 60 votes against and 600 votes abstained.

The 2019 Remuneration Report is approved.

(d) Adoption of the 2019 financial statements (voting item)

The Supervisory Board has approved the financial statements for the 2019 financial year, as drawn up by the Board of Management and included in the 2019 Annual Report. It is proposed to the Meeting to adopt the 2019 financial statements.

All voted in favor, except 600 votes abstained.

The 2019 Financial Statements are adopted.

(e) Appropriation of the 2019 net result (voting item)

In accordance with clauses 27.2 and 29.3(b) of the Company's Articles of Association, it is proposed to the Meeting that the net loss of the Company for the 2019 financial year in the amount of EUR 73,000 is charged against the retained earnings reserve within the equity of the Company.

All voted in favor, except 60 votes against and 600 votes abstained.

The proposed appropriation of the 2019 net result is adopted, and therefore the 2019 net loss of EUR 73,000 will be charged against the retained earnings reserve within equity.

3. Discharge of the members of:

(a) the Board of Management from liability for their management in 2019 (voting item)

In accordance with clause 29.3(c) of the Company's Articles of Association, it is proposed to the Meeting that the members of the Board of Management are granted discharge from liability for their management during the 2019 financial year.

All voted in favor, except 600 votes abstained.

The Board of Management is discharged from liability for their management in 2019.

(b) the Supervisory Board from liability for their supervision in 2019 (voting item)

In accordance with clause 29.3(c) of the Company's Articles of Association, it is proposed to the Meeting that the members of the Supervisory Board are granted discharge from liability for their supervision during the 2019 financial year.

All voted in favor, except 600 votes abstained.

The Supervisory Board is discharged from liability for their supervision in 2019.

4. Reappointment of Mr. Martin Sallenhag (CEO) as member of the Board of Management for a 4-year period (voting item)

The Supervisory Board proposes the following remuneration package for Mr. Sallenhag:

- a. Fixed compensation: annual base salary of EUR 150,000 gross, paid monthly in equal parts;
- b. Short-Term Incentive: variable annual cash bonus (gross) with a maximum of 30% of the fixed annual base salary, depending on the Company's results and personal targets, for evaluation by the Supervisory Board;
- c. Long-Term Incentive: at the end of the four-year service agreement term, 5% of the accumulated net profit (after tax) for the last four years will be paid out (gross) under a performance cash bonus plan (with due observance of the applicable provisions and conditions set by the Supervisory Board);
- d. Other benefits: monthly expense compensation such as lease car, costs allowance, statutory pension premium contribution and social security contributions (e.g. lease car).

Mr. Sallenhag is asked about his motivation for accepting the appointment.

Mr. Sallenhag is thankful for the possibility to lead the Company for another four years. He accepts, as he believes in the Company, its employees, the customer base and the offering. The Company's strategy is also his strategy.

Mr. Sallenhag is looking forward to lead RoodMicrotec for the upcoming years.

Mr. Tee adds that the numbers speak for themselves and that the changes can be seen. Mr. Sallenhag, who works closely with Mr. Ladega has made improvements to the Company e.g. in cost control. The Supervisory Board also thanks him for how he has taken the Company through COVID-19 and endorses his reappointment.

All voted in favor, except 600 votes abstained.

Mr. Sallenhag is reappointed for a next 4-year term, with the remuneration package as listed.

5. Approval of the Remuneration Policy (voting item).

It is proposed to the Meeting by the Supervisory Board to approve the Remuneration Policy for the Board of Management and the Supervisory Board for the four-year period covering the financial years 2020 until and including 2023, in accordance with the separate document 'RoodMicrotec Remuneration Policy 2020-2023'.

The proposed Remuneration Policy for the Board of Management aims to enable the Company to attract, retain, engage, motivate and reward highly qualified members of the Board of Management.

All voted in favor, except 60 votes against and 600 votes abstained.

The Remuneration Policy is adopted for the financial years 2020 up to and including 2023.

6. Authorization of the Board of Management to instruct the Company to purchase shares in its own capital (voting item)

In accordance with clause 9.2 of the Company's Articles of Association, it is proposed that the Meeting authorizes the Board of Management, for a 16-month period from the date of the Meeting (i.e. until and including 23 November 2021), to instruct the Company, subject to the Supervisory Board's approval, to acquire shares in the capital of the Company.

The purpose of this proposal is to give the Board of Management the authorization to reduce the Company's share capital to return capital to the Company's shareholders, and/or to cover obligations under share-based compensation plans for the Board of Management, or for other purposes.

Under the authorization, a share in the capital of the Company may be repurchased at the stock exchange or otherwise, at a price between the nominal value of the share and 110% of the opening price of the share on Euronext Amsterdam N.V.'s stock exchange on the day of the acquisition, provided that the Company and its subsidiaries will not hold more than 10% of the issued share capital of the Company.

All voted in favor, except 60 votes against and 600 votes abstained.

The Board of Management is authorized to instruct the Company to purchase shares in its own capital, under the limitations and conditions listed.

7. Designation of the Board of Management as the body authorized:

(a) to issue shares and to grant rights to acquire shares (voting item)

In accordance with clause 5.1 of the Company's Articles of Association, it is proposed that the Meeting appoints the Board of Management, for a 16-month period from the date of the Meeting (i.e. until and including 23 November 2021), as the body of the Company which, subject to the Supervisory Board's approval, is authorized to issue shares and to grant rights to acquire shares at such a price and on such conditions as determined for each issue by the Board of Management, subject to the Supervisory Board's approval, as may be required.

The number of shares, including rights to acquire shares, which the Board of Management shall be authorized to issue shall be limited to:

- (i) 10% of the number of shares in the capital of the Company that are issued at the time of the Meeting, and
- (ii) an additional 10% of the number of shares in the capital of the Company that are issued at the time of the Meeting, in case of an issue of shares by the Company in relation to a merger or acquisition.

All voted in favor, except 60 votes against and 600 votes abstained.

The Board of Management is authorized to issue shares and to grant rights to acquire shares in the capital of the Company, under the limitations and conditions listed.

(b) to restrict or exclude pre-emptive rights upon the issue of shares and the granting of rights to acquire shares (voting item)

In accordance with clause 7.6 of the Company's Articles of Association, it is proposed that the Meeting appoints the Board of Management, for a 16-month period from the date of the Meeting (i.e. until and including 23 November 2021), as the body of the Company which, subject to the Supervisory Board's approval, is authorized to restrict or exclude any pre-emptive rights of shareholders when shares are issued or rights to acquire shares are granted.

13,142,000 voted in favour, except 169 votes against and 600 votes abstained.

The Board of Management is authorized to restrict or exclude pre-emptive rights upon the issue of shares and the granting of rights to acquire shares in the capital of the Company, under the limitations and conditions listed.

8. Any other business

Mr. Verstraeten asks if there are additional questions or people that have objections against the proceedings. If not, the decision-making by the general meeting is legally binding and in accordance with how the shareholders would want to have this meeting done.

Mr. Verstraeten concludes that there are no objections.

Mr. Jost is surprised by the high costs of being a listed company and asks for a specification of the fees. The expertise of the members of the Supervisory Board could be of great benefit and therefore external costs for advice or research should be limited in his view.

Mr. Sallenhag explains that the costs keep going up. This has partly to do with additional requirements from the AFM. Listing fees is handling share movements. NIBC used to do this for RoodMicrotec but stopped. There are fewer and fewer institutions that provide these services. This also goes for the annual audit. Corporate advice is related to these things. The Company has to get a lot of external advice and documentation to be able to go through the audit. The management does not take this lightly but also thought it was fair to show the costs of being a listed company. The Company continues to reduce costs where possible. However, if the AFM puts more demands the Company has to comply. Basically the same demands apply for RoodMicrotec as for much larger companies and this comes with a high price tag.

The internal costs are related to the number of employees that the Company has to have to be able to be audited as a listed company.

Mr. Tee adds that the Supervisory Board is also concerned about the amount of management bandwidth that gets occupied with being a listed company as it costs sales and business.

Mr. Sallenhag expresses his thanks to Mr. Verstraeten for chairing the meeting. He thanks Mr. Tee, Mr. Verstraeten and Mr. Ladega and the shareholders for their support and hopes that next time more shareholders will attend the meeting.

9. Closing

Mr. Tee apologises that the attendees cannot have a drink and a snack after the meeting and hopes soon it will be possible to do that again. He wishes that everybody stays safe and hopes to see all again at the next shareholders meeting.

Mr. Verstraeten closes the meeting at 16.36 pm.

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, 15th January 2021

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