

Hana Microelectronics Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Hana Microelectronics Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Hana Microelectronics Public Company Limited and its subsidiaries (the Group) as at 31 March 2021, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Hana Microelectronics Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Kamontip Lertwitworatep
Certified Public Accountant (Thailand) No. 4377

EY Office Limited
Bangkok: 13 May 2021

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	5,044,999	5,400,261	1,007,546	642,883
Trade and other receivables	4, 5	4,047,903	3,460,920	1,933,558	1,593,935
Inventories	6	4,763,671	4,496,142	2,351,543	2,295,245
Other current financial assets	7	4,756,149	4,266,900	-	-
Other current assets		104,040	95,709	45,194	45,403
Total current assets		18,716,762	17,719,932	5,337,841	4,577,466
Non-current assets					
Investments in subsidiaries	8	-	-	3,583,449	3,583,449
Investment property	9	72,304	72,304	72,304	72,304
Property, plant and equipment	10	7,296,638	6,938,256	2,331,432	2,392,024
Intangible assets		415,996	362,264	60,975	62,964
Other non-current financial assets	11	97	97	97	97
Deferred tax assets		28,855	1,614	2,019	1,614
Other non-current assets		108,497	85,665	10	10
Total non-current assets		7,922,387	7,460,200	6,050,286	6,112,462
Total assets		26,639,149	25,180,132	11,388,127	10,689,928

The accompanying notes are an integral part of the financial statements.

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	4, 12	2,979,114	2,354,747	1,674,851	1,267,907
Current portion of lease liabilities		7,024	10,728	-	-
Short-term provisions		313,394	300,371	-	-
Income tax payable		16,272	12,338	10,751	4,500
Derivative liabilities		113,904	-	-	-
Other current liabilities		121,546	127,928	24,234	25,304
Total current liabilities		3,551,254	2,806,112	1,709,836	1,297,711
Non-current liabilities					
Lease liabilities - net of current portion		6,643	7,911	-	-
Deferred tax liabilities		45,435	31,253	-	-
Provision for long-term employee benefits		730,062	721,243	331,169	333,196
Total non-current liabilities		782,140	760,407	331,169	333,196
Total liabilities		4,333,394	3,566,519	2,041,005	1,630,907
Shareholders' equity					
Share capital					
Registered					
974,403,900 ordinary shares of Baht 1 each		974,404	974,404	974,404	974,404
Issued and fully paid-up					
804,878,860 ordinary shares of Baht 1 each		804,879	804,879	804,879	804,879
Share premium		1,723,219	1,723,219	1,723,219	1,723,219
Retained earnings					
Appropriated - statutory reserve		456,463	456,463	100,000	100,000
Unappropriated		19,540,755	19,239,560	6,719,024	6,430,923
Other components of shareholders' equity		(219,561)	(610,508)	-	-
Total shareholders' equity		22,305,755	21,613,613	9,347,122	9,059,021
Total liabilities and shareholders' equity		26,639,149	25,180,132	11,388,127	10,689,928

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries**Income statements****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues					
Sales		5,214,475	4,609,660	2,404,078	2,242,004
Dividend income		410	400	-	-
Gain on exchange		69,484	-	42,926	23,141
Other income		77,070	73,527	8,456	13,190
Total revenues		5,361,439	4,683,587	2,455,460	2,278,335
Expenses					
Cost of sales		4,593,263	3,901,412	2,076,154	1,769,117
Selling and distribution expenses		49,344	46,068	16,092	18,158
Administrative expenses		262,612	252,180	68,761	68,470
Loss on exchange		-	117,964	-	-
Loss on derivatives		167,957	163,577	-	-
Impairment loss on financial assets (reversal)		(2,751)	23,122	-	-
Loss on FVTPL equity instrument		15,624	-	-	-
Total expenses		5,086,049	4,504,323	2,161,007	1,855,745
Operating profit		275,390	179,264	294,453	422,590
Finance income		29,064	43,538	11	140
Finance cost		(1,434)	(5,581)	(516)	(2,432)
Profit before income tax expenses		303,020	217,221	293,948	420,298
Income tax expenses	13	(1,825)	(13,505)	(5,847)	(4,042)
Profit for the period		301,195	203,716	288,101	416,256
Profit attributable to:					
Equity holders of the Company		301,195	203,716	288,101	416,256
Earnings per share					
14					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		0.37	0.25	0.36	0.52
Number of weighted average ordinary shares					
(Thousand shares)		804,879	804,879	804,879	804,879

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit for the period	<u>301,195</u>	<u>203,716</u>	<u>288,101</u>	<u>416,256</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Loss on changes in value of debt instruments designated at fair value through other comprehensive income - net of income tax	(64,255)	(153,907)	-	-
Exchange differences on translation of financial statements in foreign currency - net of income tax	13 <u>455,202</u>	<u>862,243</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>390,947</u>	<u>708,336</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>390,947</u>	<u>708,336</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>692,142</u>	<u>912,052</u>	<u>288,101</u>	<u>416,256</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>692,142</u>	<u>912,052</u>	<u>288,101</u>	<u>416,256</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from operating activities				
Profit before tax	303,020	217,221	293,948	420,298
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	314,155	280,791	96,113	102,919
Amortisation	7,621	2,054	2,135	1,497
Allowance for expected credit loss (reversal)	(1,048)	4,595	-	2,492
Reduction of inventories to net realisable value (reversal)	2,055	(2,117)	10,107	(19,895)
Dividend income from other company	(410)	(400)	-	-
Loss (gain) on disposals/write-off of equipment and intangible assets	(314)	900	(101)	84
Reversal of allowance for impairment loss on assets	-	(1)	-	(1)
Provision for long-term employee benefits	19,524	21,232	6,698	8,299
Gain on sales of debt instruments at fair value through other comprehensive income	(3,533)	-	-	-
Loss (gain) on fair value adjustments of financial instruments	11,923	(7,664)	-	-
Impairment loss on financial assets (reversal)	(2,751)	23,122	-	-
Unrealised loss (gain) on exchange	1,758	38,484	(16,478)	22,618
Unrealised loss on derivatives	167,957	163,577	-	-
Finance income	(29,064)	(43,538)	(11)	(140)
Finance cost	36	4,044	-	1,905
Profit from operating activities before changes in operating assets and liabilities	790,929	702,300	392,411	540,076

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(548,830)	141,854	(264,485)	107,616
Inventories	(269,584)	(342,918)	(66,405)	(258,211)
Other current assets	(16,780)	16,690	(5,173)	13,036
Operating liabilities increase (decrease)				
Trade and other payables	524,570	74,854	358,719	224,282
Other current liabilities	(6,314)	(58,730)	(1,070)	132
Cash from operating activities	473,991	534,050	413,997	626,931
Cash paid for long-term employee benefits	(10,705)	(6,482)	(8,725)	(361)
Cash paid for income tax	(4,192)	(20,361)	(1)	(3)
Net cash from operating activities	459,094	507,207	405,271	626,567
Cash flows from investing activities				
Increase in other current financial assets	(653,053)	(879,941)	-	-
Interest received	31,781	96,765	8	-
Proceeds from sales of financial instruments	39,857	1,116	-	-
Dividend income from other company	410	400	-	-
Acquisitions of property, plant and equipment and intangible assets	(658,913)	(362,481)	(44,916)	(54,496)
Proceeds from disposals of equipment	4,990	266	4,300	-
Decrease (increase) in other non-current assets	(22,832)	1,040	-	-
Net cash used in investing activities	(1,257,760)	(1,142,835)	(40,608)	(54,496)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from financing activities				
Repayment of short-term loans from financial institutions	-	(500,000)	-	(500,000)
Payment of principal portion of lease liabilities	(5,447)	-	-	-
Interest paid	-	(2,038)	-	(2,038)
Net cash used in financing activities	<u>(5,447)</u>	<u>(502,038)</u>	<u>-</u>	<u>(502,038)</u>
Increase (decrease) in cash and cash equivalents	(804,113)	(1,137,666)	364,663	70,033
Translation adjustment	448,851	851,065	-	-
Net increase (decrease) in cash and cash equivalents	<u>(355,262)</u>	<u>(286,601)</u>	<u>364,663</u>	<u>70,033</u>
Cash and cash equivalents at beginning of the period	<u>5,400,261</u>	<u>5,434,979</u>	<u>642,883</u>	<u>577,211</u>
Cash and cash equivalents at end of the period				
(Note 3)	<u>5,044,999</u>	<u>5,148,378</u>	<u>1,007,546</u>	<u>647,244</u>

Supplemental cash flow information

Non-cash related transactions from investing activities

Net increase (decrease) in accounts payable for

purchases of plant and equipment

79,653 (38,107) (5,050) (6,621)

Revaluation loss on changes in fair value of debt instruments

at FVOCI

(64,255) (153,907) - -

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

Consolidated financial statements

	Consolidated financial statements							
					Other components of shareholders' equity			
					Other comprehensive income			
	Issued and paid up share capital	Share premium	Retained earnings		Fair value reserve of financial assets at FVOCI	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total shareholders' equity
Appropriated - Statutory reserve			Unappropriated					
Balance as at 1 January 2020	804,879	1,723,219	456,463	18,441,803	208,868	(1,089,616)	(880,748)	20,545,616
Profit for the period	-	-	-	203,716	-	-	-	203,716
Other comprehensive income for the period	-	-	-	-	(153,907)	862,243	708,336	708,336
Total comprehensive income for the period	-	-	-	203,716	(153,907)	862,243	708,336	912,052
Balance as at 31 March 2020	<u>804,879</u>	<u>1,723,219</u>	<u>456,463</u>	<u>18,645,519</u>	<u>54,961</u>	<u>(227,373)</u>	<u>(172,412)</u>	<u>21,457,668</u>
Balance as at 1 January 2021	804,879	1,723,219	456,463	19,239,560	283,699	(894,207)	(610,508)	21,613,613
Profit for the period	-	-	-	301,195	-	-	-	301,195
Other comprehensive income for the period	-	-	-	-	(64,255)	455,202	390,947	390,947
Total comprehensive income for the period	-	-	-	301,195	(64,255)	455,202	390,947	692,142
Balance as at 31 March 2021	<u>804,879</u>	<u>1,723,219</u>	<u>456,463</u>	<u>19,540,755</u>	<u>219,444</u>	<u>(439,005)</u>	<u>(219,561)</u>	<u>22,305,755</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Separate financial statements				Total Shareholders' equity
	Issued and paid up share capital	Share premium	Retained earnings		
			Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2020	804,879	1,723,219	100,000	5,817,137	8,445,235
Profit for the period	-	-	-	416,256	416,256
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	416,256	416,256
Balance as at 31 March 2020	804,879	1,723,219	100,000	6,233,393	8,861,491
Balance as at 1 January 2021	804,879	1,723,219	100,000	6,430,923	9,059,021
Profit for the period	-	-	-	288,101	288,101
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	288,101	288,101
Balance as at 31 March 2021	804,879	1,723,219	100,000	6,719,024	9,347,122

The accompanying notes are an integral part of the financial statements.

Hana Microelectronics Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month period ended 31 March 2021

1. General information

1.1 Corporate information

Hana Microelectronics Public Company Limited (“the Company”) was incorporated as a limited company under Thai law and transformed to be a public limited company under the Public Limited Companies Act on 27 January 1993. The Company operates its business in Thailand and is principally engaged in the manufacture and trading of electronic components. The registered office of the Company is at 65/98, Soi Vibhavadi-Rangsit 64, Junction 2, Kwang Talad Bangkhen, Khet Laksi, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

A new wave of the Coronavirus disease 2019 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.4 Basis of consolidation

These consolidated interim financial statements include the financial statements of Hana Microelectronics Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. There are no changes in the group structure during the current period.

1.5 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The management of Group believes that adoption of amendments will not have any significant impact on the Group's financial statements.

2. Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

3. Cash and cash equivalents

Cash and cash equivalents as at 31 March 2021 and 31 December 2020, as reflected in the statements of financial position, consisted of the followings:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
Cash	1,255	615,372	189	214
Bank deposits	4,543,744	3,426,752	507,357	642,669
Fixed deposits with maturity not over 3 months	500,000	1,358,137	500,000	-
Total cash and cash equivalents	<u>5,044,999</u>	<u>5,400,261</u>	<u>1,007,546</u>	<u>642,883</u>

As at 31 March 2021, bank deposits in savings accounts and fixed deposits carried interests between 0.001 and 0.300 percent per annum (31 December 2020: 0.001 and 0.900 percent per annum).

4. Related party transactions

During the periods, the Group had significant business transactions with the related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Separate financial statements		Pricing policies
	For the three-month periods		
	ended 31 March		
	<u>2021</u>	<u>2020</u>	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)			
Sales of goods	43	21	Prices agreed between the parties due to the uniqueness of products sold to each customer
Purchase of materials	81	83	Cost plus mark up
Service fee expenses	2	3	Rates stipulated in the agreement

(Unaudited but reviewed)

As at 31 March 2021 and 31 December 2020, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Trade receivables (Note 5)				
Trade receivables - related parties				
Subsidiary companies	-	-	27,876	10,880
Total trade receivables - related parties	-	-	27,876	10,880
Trade and other payables (Note 12)				
Trade payables - related parties				
Subsidiary companies	-	-	693,907	623,083
Total trade payables - related parties	-	-	693,907	623,083
Other payables - related parties				
Subsidiary companies	-	-	138	-
Total other payables - related parties	-	-	138	-
Total trade and other payables	-	-	694,045	623,083

Directors' and management's benefits

During the three-month periods ended 31 March 2021 and 2020, the Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	24.0	25.5	4.5	4.3
Post-employment benefits	0.4	0.4	0.2	0.2
Total	24.4	25.9	4.7	4.5

(Unaudited but reviewed)

5. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Age of receivables				
Trade receivables - subsidiary companies				
Not yet due	-	-	17,718	6,077
Past due				
Up to 3 months	-	-	4,582	459
3 - 6 months	-	-	368	2,650
6 - 12 months	-	-	3,616	1,612
Over 12 months	-	-	1,592	82
Total trade receivables - subsidiary companies (Note 4)	-	-	27,876	10,880
Trade receivables - unrelated parties				
Not yet due	3,089,793	2,833,017	1,387,273	1,375,442
Past due				
Up to 3 months	747,426	485,573	492,402	187,186
3 - 6 months	4,688	18,861	4,182	962
6 - 12 months	1,413	3,203	1,278	2,876
Over 12 months	3,186	2,418	1,368	-
Total trade receivables - unrelated parties	3,846,506	3,343,072	1,886,503	1,566,466
Less: Allowance for expected credit losses	(5,069)	(6,117)	(2,492)	(2,492)
Total trade receivables - unrelated parties - net	3,841,437	3,336,955	1,884,011	1,563,974
Total trade receivables - net	3,841,437	3,336,955	1,911,887	1,574,854
Other receivables				
Other receivables - unrelated parties	148,628	71,672	18,362	15,971
Receivables from the Revenue Department	57,838	52,293	3,309	3,110
Total other receivables	206,466	123,965	21,671	19,081
Trade and other receivables - net	4,047,903	3,460,920	1,933,558	1,593,935

(Unaudited but reviewed)

6. Reduction of inventories to net realisable value (Inventory provision)

Movements in the inventory provision to reduce inventories to net realisable value during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
Inventory provision	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2020	216,518	109,547
Reduction of inventory value during the period	28,217	26,404
Reversal of reduction of inventory value during the period	(26,536)	(16,297)
Translation adjustment	374	-
Balance as at 31 March 2021	218,573	119,654

7. Other current financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 March 2021	31 December 2020
<u>Debt instruments at amortised cost</u>		
Fixed deposits	2,129,462	1,283,941
Total debt instruments at amortised cost	2,129,462	1,283,941
<u>Debt instruments at FVOCI</u>		
Overseas marketable corporate bonds	1,096,113	1,059,877
Overseas quoted bonds	685,754	697,813
Total	1,781,867	1,757,690
Less: Allowance for expected credit losses	(22,759)	(25,510)
Total debt instruments at FVOCI - net	1,759,108	1,732,180
<u>Financial assets at FVTPL</u>		
Overseas securities	867,579	1,196,726
Derivative assets	-	54,053
Total financial assets at FVTPL	867,579	1,250,779
Total other current financial assets - net	4,756,149	4,266,900

As at 31 March 2021, fixed deposits with financial institutions carried interests between 0.10 and 3.20 percent per annum (31 December 2020: between 0.30 and 1.95 percent per annum).

(Unaudited but reviewed)

During the period, the Group reversed allowance of Baht 2.75 million for expected credit losses on its debt instruments at FVOCI.

In March 2021, Credit Suisse Asset Management (Switzerland) AG, a fund management company, announced the termination of Supply Chain Fund, in which the Group has the investment in securities of USD 37.3 million or equivalent to Baht 1,169.8 million as at a date of termination. The pay back amounts by the fund were as follows:

Date received	Consolidated financial statements	
	(Million USD)	(Million Baht)
10 March 2021	11.7	365.4
15 April 2021	7.2	226.3
	<u>18.9</u>	<u>591.7</u>

The remaining will be paid after either the obligors pay the amounts outstanding to the fund or the insurance companies pay the amounts to the fund.

8. Investments in subsidiaries

Company's name	(Unit: Thousand Baht)					
	Paid up capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2021	2020	2021	2020	2021	2020
			Percent	Percent		
Hana Semiconductor (Ayutthaya) Company Limited	1,200,000	1,200,000	58	58	2,142,910	2,142,910
Hana Semiconductor (BKK) Company Limited	1,000,000	1,000,000	100	100	1,011,100	1,011,100
Omac Sales Limited	325	325	100	100	273,492	273,492
Hana Microelectronics (Cambodia) Company Limited	155,947	155,947	100	100	155,947	155,947
Hana Microelectronics International Company Limited	-	-	100	100	-	-
Hana Microelectronics Investment Company Limited	-	-	100	100	-	-
Total investments in subsidiaries					<u>3,583,449</u>	<u>3,583,449</u>

In June 2020, Hana Microelectronics Enterprise Company Limited, an overseas subsidiary company, additionally invested in 14,526,840 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 6 million or equivalent to Baht 191.07 million. In October 2020, it additionally invested in 6,783,900 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 3 million or equivalent to Baht 93.58 million.

As at 31 March 2021, the overseas subsidiary company has invested in 45,468,997 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 19.49 million or equivalent to Baht 610.95 million, representing 100% of the issued and paid-up share capital of that company.

9. Investment property

The fair value of the investment property based on market price as at 31 March 2021 amounted to approximately Baht 96 million (31 December 2020: Baht 96 million).

10. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2020	6,938,256	2,392,024
Acquisitions during the period - at cost	616,409	39,720
Write-off during the period - net book value at write-off date	(4,676)	(4,199)
Depreciation for the period	(314,155)	(96,113)
Translation adjustment	60,804	-
Net book value as at 31 March 2021	<u>7,296,638</u>	<u>2,331,432</u>

As at 31 March 2021, the Group had right-of-use assets with net book value of Baht 174 million included as part of property, plant and equipment (31 December 2020: Baht 174 million).

11. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<u>Equity instruments designated at FVOCI</u>				
Local marketable equity securities	97	97	97	97
Total equity instruments designated at FVOCI	<u>97</u>	<u>97</u>	<u>97</u>	<u>97</u>
Total other non-current financial assets	<u>97</u>	<u>97</u>	<u>97</u>	<u>97</u>

(Unaudited but reviewed)

12. Trade and other payables

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Trade payables - subsidiary companies (Note 4)	-	-	693,907	623,083
Trade payables - unrelated parties	2,148,011	1,644,679	857,689	551,357
Other payables - subsidiary companies (Note 4)	-	-	138	-
Advance received from customers	230,223	213,311	21,900	26,725
Other payables for purchase of machinery	251,301	171,648	28,888	33,938
Accrued expenses	349,579	325,109	72,329	32,804
Total trade and other payables	<u>2,979,114</u>	<u>2,354,747</u>	<u>1,674,851</u>	<u>1,267,907</u>

13. Income tax

Interim corporate income tax is calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2021 and 2020 are made up as follows:

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Interim corporate income tax charge	8,058	11,262	6,252	3,824
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>(6,233)</u>	<u>2,243</u>	<u>(405)</u>	<u>218</u>
Income tax expense reported in the income statement	<u>1,825</u>	<u>13,505</u>	<u>5,847</u>	<u>4,042</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2021 and 2020 are as follows:

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	<u>(6,826)</u>	<u>148</u>	<u>-</u>	<u>-</u>

14. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

15. Segment information

The Group are organised into business units based on their products and services. During the current period, the Group has not changed the organisation of its reportable segments.

The following table presents revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2021 and 2020.

(Unit: Million Baht)

Consolidated financial statements for the three-month periods ended 31 March												
	Printed Circuit Board Assembly (PCBA)		Integrated Circuit (IC)		Others		Total reportable segments		Eliminations		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	2,953	2,717	2,072	1,751	189	142	5,214	4,610	-	-	5,214	4,610
Intersegment revenues	564	468	142	113	204	126	910	707	(910)	(707)	-	-
Total revenues	<u>3,517</u>	<u>3,185</u>	<u>2,214</u>	<u>1,864</u>	<u>393</u>	<u>268</u>	<u>6,124</u>	<u>5,317</u>	<u>(910)</u>	<u>(707)</u>	<u>5,214</u>	<u>4,610</u>
Segment profit	417	529	187	132	16	45	620	706	1	3	621	709
Gain (loss) on exchange											70	(118)
Other income											77	74
Selling and distribution expenses											(49)	(46)
Administrative expenses											(263)	(252)
Loss on derivatives											(168)	(164)
Impairment loss on financial assets (reversal)											3	(23)
Loss on FVTPL equity instrument											(16)	-
Finance income											29	44
Finance cost											(1)	(6)
Income tax expenses											(2)	(14)
Profit for the period											<u>301</u>	<u>204</u>

16. Commitments and contingent liabilities

16.1 Capital commitments

As at 31 March 2021, the Group had capital commitments relating to acquisitions of machinery totaling USD 19.0 million and CNY 10.3 million or equivalent to Baht 645.6 million (31 December 2020: USD 9.8 million or equivalent to Baht 354 million) and the Company only of approximately Baht 120 million (31 December 2020: Baht 29 million).

16.2 Commitments under service agreements

The Group has future payments required under these non-cancellable service contracts as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
Payable:				
In up to 1 year	98.0	100.8	26.8	35.7
In over 1 year and up to 5 years	10.7	11.6	1.1	1.5

16.3 Marketing supportive service agreements

Since the year 2001, the Company and three subsidiary companies entered into marketing supportive service agreement with an overseas subsidiary company. Under that agreement, the Company and the three subsidiary companies have to pay service fees to that subsidiary company at the rates stipulated in the agreement.

16.4 Sale representative agreements

Since the year 2015, an overseas subsidiary entered into sale representative agreement with an unrelated company with the annual service fees of approximately USD 0.6 million.

16.5 Guarantees

As at 31 March 2021, there were outstanding bank guarantees of approximately Baht 27 million (31 December 2020: Baht 27 million) and the Company only of approximately Baht 26 million (31 December 2020: Baht 26 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of businesses to guarantee electricity uses, among others.

17. Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward exchange contracts will mature within one year.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 March 2021 and 31 December 2020 are summarised below.

Foreign currency	Financial assets as at		Financial liabilities as at		Average exchange rate	
	31 March	31 December	31 March	31 December	as at	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per foreign currency unit)	
Cambodian Riel	2,191	2,370	7	-	0.7748	0.7448
US Dollar	113	98	63	63	31.3394	30.0371
Indian Rupee	40	40	-	-	0.4285	0.4091
Singapore Dollar	2	2	-	-	23.2729	22.6632
Hong Kong Dollar	1	2	-	-	4.0323	3.8753
Japan Yen	-	5	29	12	0.2833	0.2907

As at 31 March 2021 and 31 December 2020, the two overseas subsidiary companies had outstanding forward exchange contracts, of which details are presented below.

As at 31 March 2021

Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
120	23 April 2021 - 30 June 2021	29.720 - 31.232

As at 31 December 2020

Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
120	25 January 2021 - 22 June 2021	29.720 - 31.284

18. Fair value of financial instruments

Since most of the Group's financial instruments are classified as short-term or carrying interests at rates close to the market rates, their fair value is estimated to approximate the carrying amount presented in the statement of financial position.

As of 31 March 2021, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Financial assets at FVTPL			
Overseas marketable equity securities	867,579	-	867,579
Debt instruments at FVOCI			
Marketable corporate bonds	1,096,113	-	1,096,113
Quoted bonds	662,995	-	662,995
Local marketable equity securities	97	-	97
Assets for which fair value was disclosed			
Investment property	-	96,405	96,405
Financial liabilities measured at fair value			
Derivatives			
Foreign currency forward contracts - loss	-	113,904	113,904

During the current period, there were no transfers within the fair value hierarchy.

19. Event after the reporting period

On 30 April 2021, the Annual General Meeting of the Company's shareholders No. 28/2021 acknowledged the interim dividend payment on 9 November 2020 at Baht 0.65 per share and passed a resolution approving the payment of final dividend for 2020 to the Company's shareholders at Baht 0.75 per share, making a total dividend for 2020 of approximately Baht 1,127 million. The final dividend of Baht 604 million will be paid to the shareholders on 17 May 2021 and will be recorded in the second quarter of 2021.

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2021.