

Hana Microelectronics Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2022

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 30 September 2022, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-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 periods (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: 14 November 2022

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>Note</u> 30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	2,423,687	3,304,173	344,357	245,587
Trade and other receivables	2, 3 5,827,804	4,552,783	2,385,729	1,630,771
Inventories	4 9,128,291	6,856,572	4,004,321	3,518,228
Other current financial assets	5 1,394,816	2,694,695	-	-
Other current assets	139,810	161,612	18,595	39,995
Total current assets	18,914,408	17,569,835	6,753,002	5,434,581
Non-current assets				
Investments in subsidiaries	6 -	-	3,583,449	3,583,449
Investment property	72,304	72,304	72,304	72,304
Property, plant and equipment	7 10,656,202	9,662,666	2,192,957	2,203,638
Intangible assets	418,187	421,906	48,784	55,232
Other non-current financial assets	97	154	97	97
Deferred tax assets	12,917	10,069	3,260	1,556
Other non-current assets	101,912	116,033	10	10
Total non-current assets	11,261,619	10,283,132	5,900,861	5,916,286
Total assets	30,176,027	27,852,967	12,653,863	11,350,867

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

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 September 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>Note</u> 30 September 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	30 September 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Liabilities and shareholders' equity				
Current liabilities				
Short-term loan from related party	2	-	200,000	-
Trade and other payables	2, 8	4,835,368	1,859,562	1,544,125
Current portion of lease liabilities		4,915	-	-
Short-term provisions		379,067	-	-
Income tax payable		46,736	5,212	7,148
Derivative liabilities		104,307	-	-
Other current liabilities		174,882	28,069	25,534
Total current liabilities		5,545,275	2,092,843	1,576,807
Non-current liabilities				
Lease liabilities - net of current portion		364	-	-
Deferred income		66,120	-	-
Deferred tax liabilities		40,277	-	-
Provision for long-term employee benefits		726,152	323,377	332,488
Total non-current liabilities		832,913	323,377	332,488
Total liabilities		6,378,188	2,416,220	1,909,295
Shareholders' equity				
Share capital				
Registered				
974,403,900 ordinary shares of Baht 1 each		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
Share premium		1,723,219	1,723,219	1,723,219
Retained earnings				
Appropriated - statutory reserve		514,958	100,000	100,000
Unappropriated		19,565,664	7,609,545	6,813,474
Other components of shareholders' equity		1,189,119	-	-
Total shareholders' equity		23,797,839	10,237,643	9,441,572
Total liabilities and shareholders' equity		30,176,027	12,653,863	11,350,867

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

Directors

Hana Microelectronics Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2022**

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

	Note	Consolidated financial statements		Separate financial statements	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues					
Sales		7,545,165	6,241,013	2,994,210	2,758,014
Dividend income		655	484	26	26
Gain on exchange		-	-	44,236	41,621
Other income		108,784	94,893	19,476	10,722
Total revenues		<u>7,654,604</u>	<u>6,336,390</u>	<u>3,057,948</u>	<u>2,810,383</u>
Expenses					
Cost of sales		6,378,373	5,264,742	2,429,718	2,244,947
Selling and distribution expenses		55,566	54,032	16,724	17,960
Administrative expenses		352,191	321,616	66,661	81,620
Loss on exchange		383,811	110,632	-	-
Loss on derivatives		39,553	27,161	-	-
Impairment loss on financial assets (reversal)		2,468	(477)	-	-
Loss on FVTPL equity instrument		966	41	-	-
Total expenses		<u>7,212,928</u>	<u>5,777,747</u>	<u>2,513,103</u>	<u>2,344,527</u>
Operating profit		441,676	558,643	544,845	465,856
Finance income		23,721	28,626	3	40
Finance cost		(2,513)	(1,571)	(1,410)	(647)
Profit before income tax expenses		462,884	585,698	543,438	465,249
Income tax expenses	9	(46,248)	(21,919)	(4,193)	(4,596)
Profit for the period		<u>416,636</u>	<u>563,779</u>	<u>539,245</u>	<u>460,653</u>
Profit attributable to:					
Equity holders of the Company		<u>416,636</u>	<u>563,779</u>	<u>539,245</u>	<u>460,653</u>
Earnings per share					
10					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		<u>0.52</u>	<u>0.70</u>	<u>0.67</u>	<u>0.57</u>
Number of weighted average ordinary shares (Thousand shares)					
		<u>804,879</u>	<u>804,879</u>	<u>804,879</u>	<u>804,879</u>

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

Hana Microelectronics Public Company Limited and its subsidiaries**Statement of comprehensive income**

For the three-month period ended 30 September 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit for the period		<u>416,636</u>	<u>563,779</u>	<u>539,245</u>	<u>460,653</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 instrument designated at fair value through other comprehensive income					
- net of income tax		(53,390)	(4,355)	-	-
Exchange differences on translation of financial statements in foreign currency - net of income tax	9	<u>488,018</u>	<u>573,558</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>434,628</u>	<u>569,203</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period		<u>434,628</u>	<u>569,203</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>851,264</u></u>	<u><u>1,132,982</u></u>	<u><u>539,245</u></u>	<u><u>460,653</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u><u>851,264</u></u>	<u><u>1,132,982</u></u>	<u><u>539,245</u></u>	<u><u>460,653</u></u>

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

Hana Microelectronics Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2022**

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

	Note	Consolidated financial statements		Separate financial statements	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues					
Sales		20,042,062	17,520,181	8,438,604	7,898,816
Dividend income	6	1,668	1,607	200,072	280,072
Gain on exchange		-	-	116,582	118,189
Other income		337,201	288,243	52,585	26,256
Total revenues		<u>20,380,931</u>	<u>17,810,031</u>	<u>8,807,843</u>	<u>8,323,333</u>
Expenses					
Cost of sales		17,334,768	14,906,390	6,937,851	6,565,293
Selling and distribution expenses		159,405	153,524	45,909	49,483
Administrative expenses		1,030,090	907,471	207,351	219,333
Loss on exchange		680,652	120,684	-	-
Loss on derivatives		123,472	147,300	-	-
Impairment loss on financial assets (reversal)		1,822	(1,772)	-	-
Loss on FVTPL equity instrument		12,660	14,777	-	-
Total expenses		<u>19,342,869</u>	<u>16,248,374</u>	<u>7,191,111</u>	<u>6,834,109</u>
Operating profit		<u>1,038,062</u>	<u>1,561,657</u>	<u>1,616,732</u>	<u>1,489,224</u>
Finance income		71,097	86,284	179	428
Finance cost		(6,629)	(4,763)	(3,553)	(1,855)
Profit before income tax expenses		<u>1,102,530</u>	<u>1,643,178</u>	<u>1,613,358</u>	<u>1,487,797</u>
Income tax expenses	9	(75,940)	(41,428)	(12,408)	(14,983)
Profit for the period		<u>1,026,590</u>	<u>1,601,750</u>	<u>1,600,950</u>	<u>1,472,814</u>
Profit attributable to:					
Equity holders of the Company		<u>1,026,590</u>	<u>1,601,750</u>	<u>1,600,950</u>	<u>1,472,814</u>
Earnings per share					
10					
Basic earnings per share					
Profit attributable to equity holders of					
the Company (Baht)					
		<u>1.28</u>	<u>1.99</u>	<u>1.99</u>	<u>1.83</u>
Number of weighted average ordinary shares					
(Thousand shares)					
		<u>804,879</u>	<u>804,879</u>	<u>804,879</u>	<u>804,879</u>

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

Hana Microelectronics Public Company Limited and its subsidiaries**Statement of comprehensive income****For the nine-month period ended 30 September 2022**

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit for the period		<u>1,026,590</u>	<u>1,601,750</u>	<u>1,600,950</u>	<u>1,472,814</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 instrument designated at fair value through other comprehensive income					
- net of income tax		(354,901)	(38,858)	-	-
Exchange differences on translation of financial statements in foreign currency - net of income tax	9	<u>872,935</u>	<u>1,336,628</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>518,034</u>	<u>1,297,770</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period		<u>518,034</u>	<u>1,297,770</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>1,544,624</u></u>	<u><u>2,899,520</u></u>	<u><u>1,600,950</u></u>	<u><u>1,472,814</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u><u>1,544,624</u></u>	<u><u>2,899,520</u></u>	<u><u>1,600,950</u></u>	<u><u>1,472,814</u></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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

Separate financial statements					
	Issued and paid up share capital	Share premium	<u>Retained earnings</u>		Total Shareholders' equity
Note			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021	804,879	1,723,219	100,000	6,430,923	9,059,021
Profit for the period	-	-	-	1,472,814	1,472,814
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,472,814	1,472,814
Dividend paid	-	-	-	(603,659)	(603,659)
Balance as at 30 September 2021	<u>804,879</u>	<u>1,723,219</u>	<u>100,000</u>	<u>7,300,078</u>	<u>9,928,176</u>
Balance as at 1 January 2022	804,879	1,723,219	100,000	6,813,474	9,441,572
Profit for the period	-	-	-	1,600,950	1,600,950
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,600,950	1,600,950
Dividend paid	-	-	-	(804,879)	(804,879)
Balance as at 30 September 2022	<u>804,879</u>	<u>1,723,219</u>	<u>100,000</u>	<u>7,609,545</u>	<u>10,237,643</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

For the nine-month period ended 30 September 2022

(Unit: Thousand Baht)

		Consolidated financial statements							
				Retained earnings		Other components of shareholders' equity			
						Other comprehensive income			
						Fair value reserve	Exchange differences	Total other	Total
				Appropriated -		of financial assets	on translation of	components of	shareholders'
				statutory reserve		at FVOCI	financial statements	shareholders' equity	shareholders' equity
Note	Issued and paid up share capital	Share premium	Unappropriated	Unappropriated		in foreign currency			
	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	-	-	-	1,601,750	-	-	-	1,601,750
	Other comprehensive income for the period	-	-	-	-	(38,858)	1,336,628	1,297,770	1,297,770
	Total comprehensive income for the period	-	-	-	1,601,750	(38,858)	1,336,628	1,297,770	2,899,520
	Dividend paid	-	-	-	(603,659)	-	-	-	(603,659)
	Balance as at 30 September 2021	804,879	1,723,219	456,463	20,237,651	244,841	442,421	687,262	23,909,474
	Balance as at 1 January 2022	804,879	1,723,219	514,958	19,343,953	214,535	456,550	671,085	23,058,094
	Profit for the period	-	-	-	1,026,590	-	-	-	1,026,590
	Other comprehensive income for the period	-	-	-	-	(354,901)	872,935	518,034	518,034
	Total comprehensive income for the period	-	-	-	1,026,590	(354,901)	872,935	518,034	1,544,624
	Dividend paid	-	-	-	(804,879)	-	-	-	(804,879)
	Balance as at 30 September 2022	804,879	1,723,219	514,958	19,565,664	(140,366)	1,329,485	1,189,119	23,797,839

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

Hana Microelectronics Public Company Limited and its subsidiaries**Statement of cash flows****For the nine-month period ended 30 September 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities				
Profit before tax	1,102,530	1,643,178	1,613,358	1,487,797
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	1,119,398	939,758	266,682	284,279
Amortisation	41,055	33,837	6,491	6,492
Allowance for expected credit losses	9,555	2,736	-	-
Reduction of inventories to net realisable value	27,659	21,654	34,412	23,864
Dividend income from subsidiary companies	-	-	(200,000)	(280,000)
Dividend income from other companies	(1,668)	(1,607)	(72)	(72)
Loss (gain) on disposals/write-off of equipment and intangible assets	741	37,403	(1,391)	18,246
Provision for long-term employee benefits	58,014	58,999	19,109	20,094
Gain on sales of debt instruments at fair value through other comprehensive income	(3,880)	(21,219)	-	-
Loss on fair value adjustments of financial instruments	12,660	14,777	-	-
Impairment loss on financial assets (reversal)	1,822	(1,772)	-	-
Unrealised loss on exchange	50,874	89,676	5,618	41,418
Unrealised loss on derivatives	123,472	147,300	-	-
Finance income	(71,097)	(86,284)	(179)	(428)
Finance cost	986	61	1,329	-
Profit from operating activities before changes in operating assets and liabilities	2,472,121	2,878,497	1,745,357	1,601,690

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

Hana Microelectronics Public Company Limited and its subsidiaries**Statement of cash flows (continued)**

For the nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(1,143,267)	(962,168)	(639,075)	(190,464)
Inventories	(2,299,378)	(1,813,667)	(520,505)	(735,022)
Other current assets	25,326	(80,280)	19,855	(1,898)
Operating liabilities increase (decrease)				
Trade and other payables	1,127,730	1,258,635	170,907	379,732
Other current liabilities	14,472	30,536	2,535	(1,808)
Deferred Income	66,120	-	-	-
Cash from operating activities	263,124	1,311,553	779,074	1,052,230
Cash paid for long-term employee benefits	(50,713)	(31,311)	(28,220)	(17,420)
Cash paid for income tax	(58,239)	(33,193)	(16,048)	(15,002)
Net cash from operating activities	154,172	1,247,049	734,806	1,019,808
Cash flows from investing activities				
Decrease in other current financial assets	627,330	325,337	-	-
Decrease in other non-current financial assets	57	-	-	-
Interest received	80,956	88,764	186	396
Proceeds from sales of financial instruments	287,881	214,146	-	-
Dividend income from subsidiary companies	-	-	200,000	280,000
Dividend income from other companies	1,668	1,607	72	72
Acquisitions of property, plant and equipment and intangible assets	(2,127,853)	(3,151,814)	(244,713)	(155,750)
Proceeds from disposals of equipment	17,855	11,117	14,233	10,427
Decrease in other non-current assets	14,121	5,388	-	-
Net cash from (used in) investing activities	(1,097,985)	(2,505,455)	(30,222)	135,145

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

Hana Microelectronics Public Company Limited and its subsidiaries**Statement of cash flows (continued)**

For the nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from financing activities				
Increase in short-term loans from financial institutions	300,000	-	300,000	-
Repayment of short-term loans from financial institutions	(300,000)	-	(300,000)	-
Increase in short-term loans from related party	-	-	200,000	-
Payment of principal portion of lease liabilities	(6,363)	(9,475)	-	-
Interest paid	(935)	-	(935)	-
Dividend paid	(804,879)	(603,659)	(804,879)	(603,659)
Net cash used in financing activities	<u>(812,177)</u>	<u>(613,134)</u>	<u>(605,814)</u>	<u>(603,659)</u>
Increase (decrease) in cash and cash equivalents	(1,755,990)	(1,871,540)	98,770	551,294
Translation adjustment	875,504	1,342,063	-	-
Net increase (decrease) in cash and cash equivalents	(880,486)	(529,477)	98,770	551,294
Cash and cash equivalents at beginning of the period	3,304,173	5,400,261	245,587	642,883
Cash and cash equivalents at end of the period	<u>2,423,687</u>	<u>4,870,784</u>	<u>344,357</u>	<u>1,194,177</u>
Supplemental cash flow information				
Non-cash related transactions from investing activities				
Net increase (decrease) in accounts payable for purchases of plant and equipment	41,013	83,488	24,173	(52,084)
Revaluation loss on changes in fair value of debt instruments at FVOCI	(354,901)	(38,858)	-	-

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 and nine-month periods ended 30 September 2022

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

The Coronavirus disease 2019 pandemic is continuing to impact 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 interim consolidated financial statements include the financial statements of Hana Microelectronics Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. There are no changes in the group structure during the current period.

1.5 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 2021. During the current period, the Group has applied the accounting policies for the new transactions as below.

Government grants

Government grants are recognised when there is reasonable assurance that the grants will be received, and all attached conditions will be complied.

Grants related to assets are presented as deferred income and are recognised as income in the income statement on a straight-line basis over the useful lives of the assets.

Grants related to income are recognised as other income in the income statement.

Financial reporting standards that became effective in the current period

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group’s financial statements.

Financial reporting standards that will become effective in the future

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2023. The management of the Group is currently evaluating the impact of these standards to the financial statements in the years when they are adopted.

2. 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.

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements				Pricing policies
	For the three-month periods ended		For the nine-month periods ended		
	30 September		30 September		
	2022	2021	2022	2021	
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Sales of goods	31	52	114	150	Prices agreed between the parties due to the uniqueness of products sold to each customer
Dividend income	-	-	200	280	Declared rate
Purchase of materials	98	152	305	365	Cost plus mark up
Service fee expenses	3	2	9	7	Rates stipulated in the agreement

As at 30 September 2022 and 31 December 2021, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
		(Audited)		(Audited)
Trade receivables (Note 3)				
<u>Trade receivables - related parties</u>				
Subsidiaries	-	-	21,613	24,100
Total trade receivables - related parties	-	-	21,613	24,100
<u>Other receivables - related parties</u>				
Subsidiaries	-	-	4,152	-
Total other receivables - related parties	-	-	4,152	-
Total trade and other receivables	-	-	25,765	24,100
Trade and other payables (Note 8)				
<u>Trade payables - related parties</u>				
Subsidiaries	-	-	410,149	519,073
Total trade payables - related parties	-	-	410,149	519,073
<u>Other payables - related parties</u>				
Subsidiaries	-	-	2,358	2,115
Total other payables - related parties	-	-	2,358	2,115
Total trade and other payables	-	-	412,507	521,188

(Unaudited but reviewed)

Short-term loan from related party

As at 30 September 2022, the Company had short-term loan from the subsidiary of Baht 200 million, bearing interest at a rate of 0.5 percent per annum and due for repayment in November 2022.

Directors' and management's benefits

During the three-month and nine-month periods ended 30 September 2022 and 2021, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	39.2	28.4	3.4	3.9
Post-employment benefits	0.6	0.4	0.1	0.2
Total	<u>39.8</u>	<u>28.8</u>	<u>3.5</u>	<u>4.1</u>

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	105.7	79.8	10.5	12.9
Post-employment benefits	1.8	1.2	0.5	0.5
Total	<u>107.5</u>	<u>81.0</u>	<u>11.0</u>	<u>13.4</u>

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
		(Audited)		(Audited)
<u>Age of receivable</u>				
Trade receivables - subsidiaries				
Not yet due	-	-	11,024	16,662
Past due				
Up to 3 months	-	-	4,883	2,711
3 - 6 months	-	-	46	1,908
6 - 12 months	-	-	1,097	444
Over 12 months	-	-	4,563	2,375
Total trade receivables - subsidiaries				
(Note 2)	-	-	21,613	24,100

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
Trade receivables - unrelated parties				
Not yet due	4,621,827	3,614,000	1,817,540	1,207,027
Past due				
Up to 3 months	929,899	638,339	481,313	324,128
3 - 6 months	13,647	52,465	224	27,357
6 - 12 months	3,686	5,720	20	459
Over 12 months	11,128	5,408	3,161	2,790
Total trade receivables - unrelated parties	5,580,187	4,315,932	2,302,258	1,561,761
Less: Allowance for expected credit losses	(20,669)	(11,114)	(2,492)	(2,492)
Total trade receivables - unrelated parties - net	5,559,518	4,304,818	2,299,766	1,559,269
Total trade receivables - net	5,559,518	4,304,818	2,321,379	1,583,369
Receivables from the Revenue				
Department	99,055	113,967	15,492	11,308
Other receivables - subsidiaries (Note 2)	-	-	4,152	-
Other receivables - unrelated parties	169,231	133,998	44,706	36,094
Total other receivables	268,286	247,965	64,350	47,402
Trade and other receivables - net	5,827,804	4,552,783	2,385,729	1,630,771

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

Movements in the inventory provision to reduce inventories to net realisable value during the nine-month period ended 30 September 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial	financial
	statements	statements
Inventory provision		
Balance as at 31 December 2021	199,734	82,465
Reduction of inventory value during the period	191,703	90,948
Reversal of reduction of inventory value during the period	(165,904)	(56,536)
Write-off obsolete and damaged inventories during the period	(26,449)	(26,010)
Translation adjustment	1,860	-
Balance as at 30 September 2022	200,944	90,867

(Unaudited but reviewed)

5. Other current financial assets

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	30 September 2022	31 December 2021
		(Audited)
<u>Debt instruments at amortised cost</u>		
Fixed deposits	7,581	831,535
Total debt instruments at amortised cost	7,581	831,535
<u>Debt instruments at FVOCI</u>		
Overseas marketable corporate bonds	709,930	1,023,889
Overseas quoted bonds	619,539	758,192
Total	1,329,469	1,782,081
Less: Allowance for expected credit losses	(26,806)	(24,984)
Total debt instruments at FVOCI - net	1,302,663	1,757,097
<u>Financial assets at FVTPL</u>		
Overseas securities	84,572	86,898
Derivative assets	-	19,165
Total financial assets at FVTPL	84,572	106,063
Total other current financial assets - net	1,394,816	2,694,695

6. Investments in subsidiaries

Company's name	(Unit: Thousand Baht)							
	Paid up capital		Shareholding percentage		Cost		Dividend received for the nine-month periods ended	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	
	2022	2021	2022	2021	2022	2021	2022	2021
				Percent	Percent			
Hana Semiconductor (Ayutthaya) Company Limited	1,200,000	1,200,000	58	58	2,141,910	2,142,910	-	280,000
Hana Semiconductor (BKK) Company Limited	1,000,000	1,000,000	100	100	1,011,100	1,011,100	200,000	-
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 subsidiary companies					3,583,449	3,583,449	200,000	280,000

(Unaudited but reviewed)

In March and August 2022, Hana Microelectronics Enterprise Company Limited, an overseas subsidiary, additionally invested in 17,388,000 and 137,864,600 ordinary shares of Power Master Semiconductor Company Limited, respectively, in amount of USD 7.0 million or equivalent to Baht 233.08 million and USD 52.6 million or equivalent to Baht 1,918.77 million, respectively.

As at 30 September 2022, the overseas subsidiary has invested in 256,959,297 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 103.59 million or equivalent to Baht 3,565.50 million (31 December 2021: 101,706,697 ordinary shares, amounting to USD 43.99 million or equivalent to Baht 1,413.65 million), representing 100% of the issued and paid-up share capital of that company.

In June 2022, Hana Microelectronics Enterprise Company Limited, an overseas subsidiary, additionally invested in ordinary shares of Hana Microelectronics (Jiaxing) Company Limited, in total amount of USD 10.0 million or equivalent to Baht 352.97 million.

As at 30 September 2022, the overseas subsidiary has invested in ordinary shares of Hana Microelectronics (Jiaxing) Company Limited, amounting to USD 65 million or equivalent to Baht 2,345.68 million (31 December 2021: USD 55.0 million or equivalent to Baht 1,992.71 million), representing 100% of the issued and paid-up share capital of that company.

7. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2021	9,662,666	2,203,638
Acquisitions during the period - at cost	2,194,118	268,843
Write-off during the period - net book value at write-off date	(18,596)	(12,842)
Depreciation for the period	(1,119,398)	(266,682)
Translation adjustment	(62,588)	-
Net book value as at 30 September 2022	10,656,202	2,192,957

(Unaudited but reviewed)

8. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2022	2021	2022	2021
	(Audited)		(Audited)	
Trade payables - subsidiaries (Note 2)	-	-	410,149	519,073
Trade payables - unrelated parties	3,554,282	2,610,024	1,137,839	865,418
Other payables - subsidiaries (Note 2)	-	-	2,358	2,115
Advance received from customers	425,966	294,510	120,733	63,195
Other payables for purchases of assets	263,292	222,279	82,209	58,036
Accrued expenses	591,828	379,063	106,274	36,288
Total trade and other payables	4,835,368	3,505,876	1,859,562	1,544,125

9. 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 and nine-month periods ended 30 September 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Interim corporate income tax charge	41,945	19,286	5,074	4,451
Deferred tax:				
Relating to origination and reversal of temporary differences	4,303	2,633	(881)	145
Income tax expenses reported in the income statement	46,248	21,919	4,193	4,596

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Interim corporate income tax charge	84,447	45,584	14,112	15,038
Deferred tax:				
Relating to origination and reversal of temporary differences	(8,507)	(4,156)	(1,704)	(55)
Income tax expenses reported in the income statement	<u>75,940</u>	<u>41,428</u>	<u>12,408</u>	<u>14,983</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	<u>1,031</u>	<u>1,514</u>	<u>-</u>	<u>-</u>

	(Unit: Thousand Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	<u>1,776</u>	<u>3,724</u>	<u>-</u>	<u>-</u>

10. 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.

(Unaudited but reviewed)

11. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of its reportable segments from the last annual financial statements.

The following table presents revenue and profit information regarding the Group's operating segments for the three-month and nine-month periods ended 30 September 2022 and 2021.

(Unit: Million Baht)

	Consolidated financial statements for the three-month periods ended 30 September											
	Printed Circuit		Integrated Circuit				Total reportable		Eliminations		Total	
	Board Assembly (PCBA)		(IC)		Others		segments					
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues from external customers	4,219	3,615	2,847	2,370	479	256	7,545	6,241	-	-	7,545	6,241
Intersegment revenues	1,172	862	310	213	346	311	1,828	1,386	(1,828)	(1,386)	-	-
Total revenues	<u>5,391</u>	<u>4,477</u>	<u>3,157</u>	<u>2,583</u>	<u>825</u>	<u>567</u>	<u>9,373</u>	<u>7,627</u>	<u>(1,828)</u>	<u>(1,386)</u>	<u>7,545</u>	<u>6,241</u>
Segment profit	770	651	397	307	(12)	16	1,155	974	11	2	1,166	976
Dividend income											1	1
Other income											109	95
Selling and distribution expenses											(56)	(54)
Administrative expenses											(352)	(322)
Loss on exchange											(384)	(111)
Loss on derivatives											(40)	(27)
Reversal of impairment loss on financial assets (loss)											(2)	1
Loss on FVTPL equity instrument											(1)	-
Finance income											24	29
Finance cost											(3)	(2)
Income tax expenses											(46)	(22)
Profit for the period											<u>416</u>	<u>564</u>

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements for the nine-month periods ended 30 September

	Printed Circuit		Board Assembly		Integrated Circuit		Others		Total reportable		Eliminations		Total	
	Board Assembly		(PCBA)		(IC)				segments					
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from external customers	11,198	10,000	7,719	6,816	1,125	704	20,042	17,520	-	-	20,042	17,520		
Intersegment revenues	2,680	2,175	738	550	1,140	709	4,558	3,434	(4,558)	(3,434)	-	-		
Total revenues	<u>13,878</u>	<u>12,175</u>	<u>8,457</u>	<u>7,366</u>	<u>2,265</u>	<u>1,413</u>	<u>24,600</u>	<u>20,954</u>	<u>(4,558)</u>	<u>(3,434)</u>	<u>20,042</u>	<u>17,520</u>		
Segment profit	1,954	1,698	829	845	(90)	66	2,693	2,609	14	5	2,707	2,614		
Dividend income													2	2
Other income													337	288
Selling and distribution expenses													(159)	(154)
Administrative expenses													(1,030)	(907)
Loss on exchange													(681)	(121)
Loss on derivatives													(123)	(147)
Reversal of impairment loss on financial assets (loss)													(2)	2
Loss on FVTPL equity instrument													(13)	(15)
Finance income													71	86
Finance cost													(7)	(5)
Income tax expenses													(76)	(41)
Profit for the period													<u>1,026</u>	<u>1,602</u>

12. Dividend paid

During the nine-month periods ended 30 September 2022 and 2021, the Company and its subsidiaries had dividend payments as follows:

		Approved by	Total dividends	Dividend per
			Thousand Baht	share
				Baht
<u>The Company</u>				
<u>For the year 2022</u>				
Dividends on 2021 income and unappropriated retained earnings	Annual General Meeting of the shareholders on 29 April 2022		804,879	1.00
<u>For the year 2021</u>				
Dividends on 2020 income and unappropriated retained earnings	Annual General Meeting of the shareholders on 30 April 2021		603,659	0.75
<u>Subsidiaries</u>				
Hana Semiconductor (BKK) Company Limited				
<u>For the year 2022</u>				
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 28 April 2022		200,000	2.00
Hana Semiconductor (Ayutthaya) Company Limited				
<u>For the year 2021</u>				
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 7 April 2021		480,000	4.00

13. Commitments and contingent liabilities**13.1 Capital commitments**

As at 30 September 2022, the Group had capital commitments relating to acquisitions of machinery totaling USD 3 million, CNY 42 million and Baht 90 million or equivalent to Baht 441 million (31 December 2021: USD 11 million, CNY 12 million and Baht 123 million or equivalent to Baht 563 million) and the Company only of approximately Baht 90 million (31 December 2021: Baht 123 million).

13.2 Commitments under service agreements

The Group has future payments required under the service contracts as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2022	2021	2022	2021
Payable:				
In up to 1 year	87.2	67.9	17.0	33.6
In over 1 year and up to 5 years	88.2	10.6	1.9	8.4

13.3 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.

13.4 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.

13.5 Guarantees

As at 30 September 2022, there were outstanding bank guarantees of approximately Baht 27 million (31 December 2021: Baht 27 million) and the Company only of approximately Baht 26 million (31 December 2021: 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.

14. Financial instruments**14.1 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.

(Unaudited but reviewed)

As at 30 September 2022 and 31 December 2021, the two overseas subsidiary companies had outstanding forward exchange contracts, of which details are presented below.

As at 30 September 2022		
Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
120	11 October 2022 - 30 November 2022	35.1300 - 38.2200

As at 31 December 2021		
Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
120	31 January 2022 - 21 March 2022	33.2475 - 33.5500

14.2 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 30 September 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Level 1	Level 2	Total
Assets measured at fair value			
Financial assets at FVTPL			
Overseas marketable equity securities	84,572	-	84,572
Debt instruments at FVOCI			
Marketable corporate bonds	709,930	-	709,930
Quoted bonds	592,733	-	592,733
Local marketable equity securities	97	-	97
Liabilities measured at fair value			
Derivatives			
Forward exchange contracts - loss	-	104,307	104,307

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements		
	Level 1	Level 2	Total
Assets measured at fair value			
Financial assets at FVOCI			
Local marketable equity securities	97	-	97

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

15. Event after the reporting period

On 14 November 2022, the Meeting of the Company's Board of Directors No. 5/2022 passed a resolution approving the payment of interim dividend from the profit for the first six-month period of 2022 to the Company's shareholders at Baht 0.50 per share or a total of approximately Baht 402 million. The dividends will be paid to the shareholders on 14 December 2022.

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 November 2022.