

Hana Microelectronics Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 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 as at 30 June 2021, the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, the related statements of changes in shareholders' equity and cash flows for the six-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: 13 August 2021

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	<u>Note</u>	<u>30 June 2021</u>	<u>31 December 2020</u>	<u>30 June 2021</u>	<u>31 December 2020</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Assets					
Current assets					
Cash and cash equivalents	3	4,965,911	5,400,261	1,092,035	642,883
Trade and other receivables	4, 5	4,249,342	3,460,920	1,827,855	1,593,935
Inventories	6	5,465,145	4,496,142	2,620,091	2,295,245
Other current financial assets	7	4,127,976	4,266,900	-	-
Other current assets		135,768	95,709	35,391	45,403
Total current assets		18,944,142	17,719,932	5,575,372	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	8,177,996	6,938,256	2,305,884	2,392,024
Intangible assets		413,360	362,264	59,253	62,964
Other non-current financial assets	11	97	97	97	97
Deferred tax assets		9,979	1,614	1,814	1,614
Other non-current assets		99,193	85,665	10	10
Total non-current assets		8,772,929	7,460,200	6,022,811	6,112,462
Total assets		27,717,071	25,180,132	11,598,183	10,689,928

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 June 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	4, 12	3,614,509	2,354,747	1,762,885	1,267,907
Current portion of lease liabilities		6,926	10,728	-	-
Short-term provisions		320,533	300,371	-	-
Income tax payable		28,340	12,338	8,385	4,500
Derivative liabilities		66,086	-	-	-
Other current liabilities		126,988	127,928	22,942	25,304
Total current liabilities		4,163,382	2,806,112	1,794,212	1,297,711
Non-current liabilities					
Lease liabilities - net of current portion		5,211	7,911	-	-
Deferred tax liabilities		35,039	31,253	-	-
Provision for long-term employee benefits		736,947	721,243	336,448	333,196
Total non-current liabilities		777,197	760,407	336,448	333,196
Total liabilities		4,940,579	3,566,519	2,130,660	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		19,673,872	19,239,560	6,839,425	6,430,923
Other components of shareholders' equity		118,059	(610,508)	-	-
Total shareholders' equity		22,776,492	21,613,613	9,467,523	9,059,021
Total liabilities and shareholders' equity		27,717,071	25,180,132	11,598,183	10,689,928

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

Directors

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 June 2021**

(Unit: Thousand Baht except earnings per share expressed in 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>
Revenues					
Sales		6,064,693	4,592,370	2,736,724	1,915,331
Dividend income	8	713	430	280,046	536,046
Gain on exchange		-	30,961	33,642	10,981
Gain on derivatives		47,818	175,890	-	-
Other income		117,168	98,751	7,078	12,104
Total revenues		6,230,392	4,898,402	3,057,490	2,474,462
Expenses					
Cost of sales		5,048,385	3,888,950	2,244,192	1,596,142
Selling and distribution expenses		50,148	50,778	15,431	16,949
Administrative expenses		323,243	275,275	68,952	68,782
Loss on exchange		79,536	-	-	-
Impairment loss on financial assets		1,456	2,105	-	-
Total expenses		5,502,768	4,217,108	2,328,575	1,681,873
Operating profit		727,624	681,294	728,915	792,589
Finance income		28,594	36,471	377	556
Finance cost		(1,758)	(2,481)	(692)	(932)
Profit before income tax expenses		754,460	715,284	728,600	792,213
Income tax expenses	13	(17,684)	(32,982)	(4,540)	(1,598)
Profit for the period		736,776	682,302	724,060	790,615
Profit attributable to:					
Equity holders of the Company		736,776	682,302	724,060	790,615
Earnings per share					
14					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)					
		0.92	0.85	0.90	0.98
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 interim financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 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>736,776</u>	<u>682,302</u>	<u>724,060</u>	<u>790,615</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Gain on changes in value of debt instruments designated at fair value through other comprehensive income - net of income tax	29,752	157,659	-	-
Exchange differences on translation of financial statements in foreign currency - net of income tax	13 <u>307,868</u>	<u>(644,642)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>337,620</u>	<u>(486,983)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>337,620</u>	<u>(486,983)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,074,396</u>	<u>195,319</u>	<u>724,060</u>	<u>790,615</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>1,074,396</u>	<u>195,319</u>	<u>724,060</u>	<u>790,615</u>

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

(Unaudited but reviewed)

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

Income statement

For the six-month period ended 30 June 2021

(Unit: Thousand Baht except earnings per share expressed in 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>
Revenues					
Sales		11,279,168	9,202,030	5,140,802	4,157,335
Dividend income	8	1,123	830	280,046	536,046
Gain on exchange		-	-	76,568	34,122
Gain on derivatives		-	12,313	-	-
Other income		193,350	172,278	15,534	25,294
Total revenues		11,473,641	9,387,451	5,512,950	4,752,797
Expenses					
Cost of sales		9,641,648	7,790,362	4,320,346	3,365,259
Selling and distribution expenses		99,492	96,846	31,523	35,107
Administrative expenses		585,855	527,455	137,713	137,252
Loss on exchange		10,052	87,003	-	-
Loss on derivatives		120,139	-	-	-
Impairment loss on financial assets (reversal)		(1,295)	25,227	-	-
Loss on FVTPL equity instrument		14,736	-	-	-
Total expenses		10,470,627	8,526,893	4,489,582	3,537,618
Operating profit		1,003,014	860,558	1,023,368	1,215,179
Finance income		57,658	80,009	388	696
Finance cost		(3,192)	(8,062)	(1,208)	(3,364)
Profit before income tax expenses		1,057,480	932,505	1,022,548	1,212,511
Income tax expenses	13	(19,509)	(46,487)	(10,387)	(5,640)
Profit for the period		1,037,971	886,018	1,012,161	1,206,871
Profit attributable to:					
Equity holders of the Company		<u>1,037,971</u>	<u>886,018</u>	<u>1,012,161</u>	<u>1,206,871</u>
Earnings per share					
14					
Basic earnings per share					
Profit attributable to equity holders of					
the Company (Baht)					
		<u>1.29</u>	<u>1.10</u>	<u>1.26</u>	<u>1.50</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 interim financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 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>1,037,971</u>	<u>886,018</u>	<u>1,012,161</u>	<u>1,206,871</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Gain (loss) on changes in value of debt instruments designated at fair value through other comprehensive income - net of income tax	(34,503)	3,752	-	-
Exchange differences on translation of financial statements in foreign currency - net of income tax	13 <u>763,070</u>	<u>217,601</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>728,567</u>	<u>221,353</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>728,567</u>	<u>221,353</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,766,538</u>	<u>1,107,371</u>	<u>1,012,161</u>	<u>1,206,871</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>1,766,538</u>	<u>1,107,371</u>	<u>1,012,161</u>	<u>1,206,871</u>

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows

For the six-month period ended 30 June 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	1,057,480	932,505	1,022,548	1,212,511
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	612,761	564,166	190,562	206,421
Amortisation	20,817	5,939	4,301	3,561
Allowance for expected credit losses (reversal)	(1,662)	4,526	-	2,492
Reduction of inventories to net realisable value (reversal)	(14,706)	(3,354)	228	(15,207)
Write-off of obsolete and damaged inventories	19,630	-	8,003	-
Dividend income from subsidiary companies	-	-	(280,000)	(536,000)
Dividend income from other companies	(1,123)	(830)	(46)	(46)
Loss (gain) on disposals/write-off of equipment and intangible assets	24,230	419	5,963	(1,649)
Allowance for impairment loss on assets	-	4,192	-	4,192
Provision for long-term employee benefits	39,229	38,984	13,396	13,118
Gain on sales of debt instruments at fair value through other comprehensive income	(21,188)	-	-	-
Loss (gain) on fair value adjustments of financial instruments	14,736	(18,591)	-	-
Impairment loss on financial assets (reversal)	(1,295)	25,227	-	-
Unrealised loss on exchange	44,631	39,005	19,394	20,359
Unrealised loss (gain) on derivatives	120,139	(12,313)	-	-
Finance income	(57,658)	(80,009)	(388)	(696)
Finance cost	50	4,044	-	2,207
Profit from operating activities before changes in operating assets and liabilities	1,856,071	1,503,910	983,961	911,263

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the six-month period ended 30 June 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 (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(772,809)	274,525	(180,968)	308,512
Inventories	(973,927)	(705,116)	(333,077)	(453,085)
Other current assets	(53,571)	37,862	1,337	24,884
Operating liabilities increase (decrease)				
Trade and other payables	1,011,180	214,003	372,957	118,260
Other current liabilities	(818)	5,528	(2,362)	840
Cash from operating activities	1,066,126	1,330,712	841,848	910,674
Cash paid for long-term employee benefits	(23,525)	(6,482)	(10,144)	(361)
Cash paid for income tax	(10,418)	(35,687)	(6,702)	(5,370)
Net cash from operating activities	1,032,183	1,288,543	825,002	904,943
Cash flows from investing activities				
Increase in other current financial assets	(103,069)	(663,280)	-	-
Interest received	63,469	54,101	385	-
Proceeds from sales of financial instruments	161,184	2,413	-	-
Dividend income from subsidiary companies	-	-	280,000	536,000
Dividend income from other companies	1,123	830	46	46
Acquisitions of property, plant and equipment and intangible assets	(1,735,821)	(571,861)	(56,922)	(69,849)
Proceeds from disposals of equipment	4,990	4,608	4,300	1,734
Decrease (increase) in other non-current assets	(13,528)	2,781	-	-
Net cash from (used in) investing activities	(1,621,652)	(1,170,408)	227,809	467,931

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the six-month period ended 30 June 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 financing activities				
Repayment of short-term loans from financial institutions	-	(500,000)	-	(500,000)
Repayment of short-term loans from related parties	-	-	-	(210,000)
Payment of principal portion of lease liabilities	(7,451)	-	-	-
Interest paid	-	(2,038)	-	(3,609)
Dividend paid	(603,659)	(523,171)	(603,659)	(523,171)
Net cash used in financing activities	(611,110)	(1,025,209)	(603,659)	(1,236,780)
Increase (decrease) in cash and cash equivalents	(1,200,579)	(907,074)	449,152	136,094
Translation adjustment	766,229	214,250	-	-
Net increase (decrease) in cash and cash equivalents	(434,350)	(692,824)	449,152	136,094
Cash and cash equivalents at beginning of the period	5,400,261	5,434,979	642,883	577,211
Cash and cash equivalents at end of the period				
(Note 3)	4,965,911	4,742,155	1,092,035	713,305

Supplemental cash flow information

Non-cash related transactions from investing activities

Net increase (decrease) in accounts payable for

purchases of plant and equipment

217,813 (17,559) 58,353 (3,535)

Revaluation gain (loss) on changes in fair value of

debt instruments at FVOCI

(34,503) 3,753 - -

Transfer equipment to intangible assets

- 35,126 - 35,126

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

Consolidated financial statements								
Other components of shareholders' equity								
Other comprehensive income								
Exchange differences Total other								
components of Total								
shareholders' equity shareholders' equity								
Issued and Retained earnings Fair value reserve on translation of components of Total								
paid up Share Appropriated - of financial assets financial statements shareholders' equity equity								
at FVOCI in foreign currency equity equity								
Note	share capital	premium	Statutory reserve	Unappropriated	at FVOCI	in foreign currency	equity	equity
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	-	-	-	886,018	-	-	-	886,018
Other comprehensive income for the period	-	-	-	-	3,752	217,601	221,353	221,353
Total comprehensive income for the period	-	-	-	886,018	3,752	217,601	221,353	1,107,371
Dividend paid	-	-	-	(523,171)	-	-	-	(523,171)
Balance as at 30 June 2020	<u>804,879</u>	<u>1,723,219</u>	<u>456,463</u>	<u>18,804,650</u>	<u>212,620</u>	<u>(872,015)</u>	<u>(659,395)</u>	<u>21,129,816</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	-	-	-	1,037,971	-	-	-	1,037,971
Other comprehensive income for the period	-	-	-	-	(34,503)	763,070	728,567	728,567
Total comprehensive income for the period	-	-	-	1,037,971	(34,503)	763,070	728,567	1,766,538
Dividend paid	-	-	-	(603,659)	-	-	-	(603,659)
Balance as at 30 June 2021	<u>804,879</u>	<u>1,723,219</u>	<u>456,463</u>	<u>19,673,872</u>	<u>249,196</u>	<u>(131,137)</u>	<u>118,059</u>	<u>22,776,492</u>

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

Separate financial statements					
	Issued and paid up share capital	Share premium	<u>Retained earnings</u>		Total Shareholders' equity
<u>Note</u>			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	-	-	-	1,206,871	1,206,871
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,206,871	1,206,871
Dividend paid	-	-	-	(523,171)	(523,171)
Balance as at 30 June 2020	<u>804,879</u>	<u>1,723,219</u>	<u>100,000</u>	<u>6,500,837</u>	<u>9,128,935</u>
Balance as at 1 January 2021	804,879	1,723,219	100,000	6,430,923	9,059,021
Profit for the period	-	-	-	1,012,161	1,012,161
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,012,161	1,012,161
Dividend paid	-	-	-	(603,659)	(603,659)
Balance as at 30 June 2021	<u>804,879</u>	<u>1,723,219</u>	<u>100,000</u>	<u>6,839,425</u>	<u>9,467,523</u>

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

Hana Microelectronics Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and six-month periods ended 30 June 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 a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of Group believes that adoption of these 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 30 June 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	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Cash	1,223	615,372	193	214
Bank deposits	4,797,840	3,426,752	1,091,842	642,669
Fixed deposits with maturity				
not over 3 months	166,848	1,358,137	-	-
Total cash and cash equivalents	4,965,911	5,400,261	1,092,035	642,883

As at 30 June 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		For the six-month periods ended		
	30 June	30 June	30 June	30 June	
	2021	2020	2021	2020	
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Sales of goods	55	63	98	84	Prices agreed between the parties due to the uniqueness of products sold to each customer
Dividend income	280	536	280	536	Declared rate
Purchase of materials	132	109	213	192	Cost plus mark up
Service fee expenses	3	2	5	5	Rates stipulated in the agreement

(Unaudited but reviewed)

As at 30 June 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	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Trade receivables (Note 5)				
Trade receivables - related parties				
Subsidiary companies	-	-	19,935	10,880
Total trade receivables - related parties	<u>-</u>	<u>-</u>	<u>19,935</u>	<u>10,880</u>
Trade payables (Note 12)				
Trade payables - related parties				
Subsidiary companies	-	-	561,250	623,083
Total trade payables - related parties	<u>-</u>	<u>-</u>	<u>561,250</u>	<u>623,083</u>

Directors' and management's benefits

During the three-month and six-month periods ended 30 June 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 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	27.4	25.4	4.5	4.3
Post-employment benefits	0.4	0.4	0.1	0.2
Total	<u>27.8</u>	<u>25.8</u>	<u>4.6</u>	<u>4.5</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	51.4	50.9	9.0	8.6
Post-employment benefits	0.8	0.8	0.3	0.4
Total	<u>52.2</u>	<u>51.7</u>	<u>9.3</u>	<u>9.0</u>

(Unaudited but reviewed)

5. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Age of receivables				
Trade receivables - subsidiary companies				
Not yet due	-	-	12,517	6,077
Past due				
Up to 3 months	-	-	1,832	459
3 - 6 months	-	-	-	2,650
6 - 12 months	-	-	3,190	1,612
Over 12 months	-	-	2,396	82
Total trade receivables - subsidiary companies (Note 4)	-	-	19,935	10,880
Trade receivables - unrelated parties				
Not yet due	3,596,340	2,833,017	1,480,924	1,375,442
Past due				
Up to 3 months	380,917	485,573	270,194	187,186
3 - 6 months	2,047	18,861	1,506	962
6 - 12 months	19	3,203	18	2,876
Over 12 months	4,806	2,418	2,671	-
Total trade receivables - unrelated parties	3,984,129	3,343,072	1,755,313	1,566,466
Less: Allowance for expected credit losses	(4,455)	(6,117)	(2,492)	(2,492)
Total trade receivables - unrelated parties - net	3,979,674	3,336,955	1,752,821	1,563,974
Total trade receivables - net	3,979,674	3,336,955	1,772,756	1,574,854
Other receivables				
Other receivables - unrelated parties	217,802	71,672	49,405	15,971
Receivables from the Revenue Department	51,866	52,293	5,694	3,110
Total other receivables	269,668	123,965	55,099	19,081
Trade and other receivables - net	4,249,342	3,460,920	1,827,855	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 six-month period ended 30 June 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	64,308	44,785
Reversal of reduction of inventory value during the period	(59,804)	(36,554)
Write-off obsolete and damaged inventories during the period	(19,630)	(8,003)
Translation adjustment	420	-
Balance as at 30 June 2021	201,812	109,775

7. Other current financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June 2021	31 December 2020
<u>Debt instruments at amortised cost</u>		
Fixed deposits	1,689,218	1,283,941
Total debt instruments at amortised cost	1,689,218	1,283,941
<u>Debt instruments at FVOCI</u>		
Overseas marketable corporate bonds	1,054,636	1,059,877
Overseas quoted bonds	751,560	697,813
Total	1,806,196	1,757,690
Less: Allowance for expected credit losses	(24,215)	(25,510)
Total debt instruments at FVOCI - net	1,781,981	1,732,180
<u>Financial assets at FVTPL</u>		
Overseas securities	656,777	1,196,726
Derivative assets	-	54,053
Total financial assets at FVTPL	656,777	1,250,779
Total other current financial assets - net	4,127,976	4,266,900

As at 30 June 2021, fixed deposits with financial institutions carried interests between 0.10 and 2.33 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 1.30 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
7 July 2021	0.6	17.6
6 August 2021	1.8	58.9
	<u>21.3</u>	<u>668.2</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

(Unit: Thousand Baht)

Company's name	Paid up capital		Shareholding percentage		Cost		Dividend received for the six-month periods ended	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	30 June 2020
			Percent	Percent				
Hana Semiconductor (Ayutthaya) Company Limited	1,200,000	1,200,000	58	58	2,142,910	2,142,910	280,000	266,000
Hana Semiconductor (BKK) Company Limited	1,000,000	1,000,000	100	100	1,011,100	1,011,100	-	270,000
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	-	-	-	-
Hana Microelectronics Investment Company Limited	-	-	-	100	-	-	-	-
Total investments in subsidiary companies					<u>3,583,449</u>	<u>3,583,449</u>	<u>280,000</u>	<u>536,000</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.

(Unaudited but reviewed)

In June 2021, the subsidiary additionally invested in 20,064,600 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 9 million or equivalent to Baht 288.48 million.

As at 30 June 2021, the overseas subsidiary company has invested in 65,533,597 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 28.49 million or equivalent to Baht 899.43 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 30 June 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 six-month period ended 30 June 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	1,737,226	114,685
Write-off during the period - net book value at write-off date	(29,220)	(10,263)
Depreciation for the period	(612,761)	(190,562)
Translation adjustment	144,495	-
Net book value as at 30 June 2021	<u>8,177,996</u>	<u>2,305,884</u>

As at 30 June 2021, the Group had right-of-use assets with net book value of Baht 175 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	
	30 June 2021	31 December 2020	30 June 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>

12. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Trade payables - subsidiary companies (Note 4)	-	-	561,250	623,083
Trade payables - unrelated parties	2,530,299	1,644,679	964,690	551,357
Advance received from customers	256,922	213,311	46,079	26,725
Other payables for purchase of machinery	389,461	171,648	92,291	33,938
Accrued expenses	437,827	325,109	98,575	32,804
Total trade and other payables	3,614,509	2,354,747	1,762,885	1,267,907

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 and six-month periods ended 30 June 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		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	18,240	28,102	4,334	1,121
Deferred tax:				
Relating to origination and reversal of temporary differences	(556)	4,880	206	477
Income tax expenses reported in the income statement	17,684	32,982	4,540	1,598

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		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	26,298	39,364	10,587	4,945
Deferred tax:				
Relating to origination and reversal of temporary differences	(6,789)	7,123	(200)	695
Income tax expenses reported in the income statement	<u>19,509</u>	<u>46,487</u>	<u>10,387</u>	<u>5,640</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		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	1,076	(184)	-	-

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		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	2,210	(36)	-	-

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.

(Unaudited but reviewed)

15. 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.

The following table presents revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2021 and 2020.

(Unit: Million Baht)

	Consolidated financial statements for the three-month periods ended 30 June											
	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
Revenues from external customers	3,432	2,618	2,374	1,790	259	184	6,065	4,592	-	-	6,065	4,592
Intersegment revenues	749	818	195	159	194	211	1,138	1,188	(1,138)	(1,188)	-	-
Total revenues	<u>4,181</u>	<u>3,436</u>	<u>2,569</u>	<u>1,949</u>	<u>453</u>	<u>395</u>	<u>7,203</u>	<u>5,780</u>	<u>(1,138)</u>	<u>(1,188)</u>	<u>6,065</u>	<u>4,592</u>
Segment profit	630	505	351	143	34	52	1,015	700	2	3	1,017	703
Dividend income											1	1
Gain (loss) on exchange											(80)	31
Gain on derivatives											48	176
Other income											117	98
Selling and distribution expenses											(50)	(51)
Administrative expenses											(323)	(275)
Impairment loss on financial assets											(2)	(2)
Finance income											29	36
Finance cost											(2)	(2)
Income tax expenses											(18)	(33)
Profit for the period											<u>737</u>	<u>682</u>

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements for the six-month periods ended 30 June

	Printed Circuit		Board Assembly		Integrated Circuit		Others		Total reportable		Eliminations		Total	
	Board Assembly		Integrated Circuit		Others		segments		Eliminations		Total			
	(PCBA)	(IC)												
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues from external customers	6,385	5,335	4,446	3,541	448	326	11,279	9,202	-	-	11,279	9,202		
Intersegment revenues	1,313	1,286	337	272	398	337	2,048	1,895	(2,048)	(1,895)	-	-		
Total revenues	<u>7,698</u>	<u>6,621</u>	<u>4,783</u>	<u>3,813</u>	<u>846</u>	<u>663</u>	<u>13,327</u>	<u>11,097</u>	<u>(2,048)</u>	<u>(1,895)</u>	<u>11,279</u>	<u>9,202</u>		
Segment profit	1,047	1,034	538	275	50	97	1,635	1,406	3	6	1,638	1,412		
Dividend income													1	1
Loss on exchange													(10)	(87)
Gain (loss) on derivatives													(120)	12
Other income													193	172
Selling and distribution expenses													(99)	(97)
Administrative expenses													(586)	(527)
Impairment loss on financial assets (reversal)													1	(25)
Loss on FVTPL equity instrument													(15)	-
Finance income													58	80
Finance cost													(3)	(8)
Income tax expenses													(20)	(47)
Profit for the period													<u>1,038</u>	<u>886</u>

16. Dividend paid

During the six-month periods ended 30 June 2021 and 2020, the Company and its subsidiary companies had dividend payments as follows:

		Approved by	Total dividends	Dividend per
			Thousand Baht	share
				Baht
<u>The Company</u>				
<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>For the year 2020</u>				
Dividends on 2019 income and unappropriated retained earnings	Annual General Meeting of the shareholders on 30 April 2020		523,171	0.65
<u>Subsidiary companies</u>				
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
<u>For the year 2020</u>				
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 7 April 2020		456,000	3.80
Hana Semiconductor (BKK) Company Limited				
<u>For the year 2020</u>				
Interim dividends in respect of income for the period from 1 January 2020 to 30 April 2020	Board of Directors' Meeting on 29 April 2020		270,000	2.70

17. Commitments and contingent liabilities**17.1 Capital commitments**

As at 30 June 2021, the Group had capital commitments relating to acquisitions of machinery of USD 21 million, CNY 14 million and Baht 136 million or equivalent to totaling Baht 879 million (31 December 2020: USD 9.8 million, CNY 6 million and Baht 29 million or equivalent to totaling Baht 354 million) and the Company only of approximately Baht 136 million (31 December 2020: Baht 29 million).

17.2 Commitments under service agreements

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Payable:				
In up to 1 year	79.3	100.8	21.3	35.7
In over 1 year and up to 5 years	9.6	11.6	2.9	1.5

17.3 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.

17.4 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.

17.5 Guarantees

As at 30 June 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 Group in respect of certain performance bonds as required in the normal course of businesses to guarantee electricity uses, among others.

18. 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 30 June 2021 and 31 December 2020 are summarised below.

Foreign currency	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	30 June	31 December	30 June	31 December	30 June	31 December
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per foreign currency unit)	
Cambodian Riel	2,033	2,370	-	-	0.0079	0.0074
US Dollar	118	98	65	63	32.0533	30.0371
Indian Rupee	39	40	-	-	0.4305	0.4091
Singapore Dollar	1	2	-	-	23.8479	22.6632
Hong Kong Dollar	2	2	-	-	4.1306	3.8753
Japan Yen	1	5	52	12	0.2903	0.2907

As at 30 June 2021 and 31 December 2020, the two overseas subsidiary companies had outstanding forward exchange contracts, of which details are presented below.

As at 30 June 2021		
Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
120	30 July 2021 - 30 September 2021	31.203 - 31.938
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

19. 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 June 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	656,777	-	656,777
Financial assets at FVOCI			
Marketable corporate bonds	1,054,636	-	1,054,636
Quoted bonds	727,345	-	727,345
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			
Forward exchange contracts - loss	-	66,086	66,086
			(Unit: Thousand Baht)
	Separate financial statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Financial assets at FVOCI			
Local marketable equity securities	97	-	97
Assets for which fair value was disclosed			
Investment property	-	96,405	96,405

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

20. Reclassification

The Group has reclassified the following items in the Income statements for the three-month and six-month periods ended 30 June 2020 to conform to the current period's classification.

(Unit: Thousand Baht)

	For the three-month period ended 30 June 2020	
	Consolidated financial statements	
	As reclassified	As previously reported
Selling and distribution expenses	50,778	27,720
Administrative expenses	275,275	298,333

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2020	
	Consolidated financial statements	
	As reclassified	As previously reported
Selling and distribution expenses	96,846	73,788
Administrative expenses	527,455	550,513

The reclassification had no effect to previously reported profit or shareholders' equity.

21. Approval of interim financial statements

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