

Hana Microelectronics Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month period ended 31 March 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 31 March 2022, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Hana Microelectronics Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 13 May 2022

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2022

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	As at	As at	As at	As at	
	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		3,483,588	3,304,173	353,156	245,587
Trade and other receivables	2, 3	4,861,020	4,552,783	2,084,375	1,630,771
Inventories	4	7,407,524	6,856,572	3,563,396	3,518,228
Other current financial assets	5	1,966,578	2,694,695	-	-
Other current assets		169,813	161,612	30,430	39,995
<b>Total current assets</b>		<b>17,888,523</b>	<b>17,569,835</b>	<b>6,031,357</b>	<b>5,434,581</b>
<b>Non-current assets</b>					
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	10,022,512	9,662,666	2,202,202	2,203,638
Intangible assets		403,672	421,906	53,093	55,232
Other non-current financial assets		97	154	97	97
Deferred tax assets		10,856	10,069	2,374	1,556
Other non-current assets		126,587	116,033	10	10
<b>Total non-current assets</b>		<b>10,636,028</b>	<b>10,283,132</b>	<b>5,913,529</b>	<b>5,916,286</b>
<b>Total assets</b>		<b>28,524,551</b>	<b>27,852,967</b>	<b>11,944,886</b>	<b>11,350,867</b>

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

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	2, 8	4,019,785	3,505,876	1,750,818	1,544,125
Current portion of lease liabilities		6,226	7,965	-	-
Short-term provisions		332,973	334,199	-	-
Income tax payable		21,372	20,528	10,742	7,148
Derivative liabilities		37,950	-	-	-
Other current liabilities		152,222	160,410	25,456	25,534
<b>Total current liabilities</b>		<b>4,570,528</b>	<b>4,028,978</b>	<b>1,787,016</b>	<b>1,576,807</b>
<b>Non-current liabilities</b>					
Lease liabilities - net of current portion		2,548	2,884	-	-
Deferred tax liabilities		47,639	44,160	-	-
Provision for long-term employee benefits		709,670	718,851	314,109	332,488
<b>Total non-current liabilities</b>		<b>759,857</b>	<b>765,895</b>	<b>314,109</b>	<b>332,488</b>
<b>Total liabilities</b>		<b>5,330,385</b>	<b>4,794,873</b>	<b>2,101,125</b>	<b>1,909,295</b>
<b>Shareholders' equity</b>					
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		514,958	514,958	100,000	100,000
Unappropriated		19,708,948	19,343,953	7,215,663	6,813,474
Other components of shareholders' equity		442,162	671,085	-	-
<b>Total shareholders' equity</b>		<b>23,194,166</b>	<b>23,058,094</b>	<b>9,843,761</b>	<b>9,441,572</b>
<b>Total liabilities and shareholders' equity</b>		<b>28,524,551</b>	<b>27,852,967</b>	<b>11,944,886</b>	<b>11,350,867</b>

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

Directors

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Income statements****For the three-month period ended 31 March 2022**

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

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>					
Sales		6,107,260	5,214,475	2,808,538	2,404,078
Dividend income		465	410	-	-
Gain on exchange		29,034	69,484	20,755	42,926
Other income		108,499	77,070	14,193	8,456
<b>Total revenues</b>		<b>6,245,258</b>	<b>5,361,439</b>	<b>2,843,486</b>	<b>2,455,460</b>
<b>Expenses</b>					
Cost of sales		5,444,680	4,593,263	2,354,973	2,076,154
Selling and distribution expenses		51,889	49,344	14,259	16,092
Administrative expenses		329,082	262,612	68,732	68,761
Loss on derivatives		57,115	167,957	-	-
Reversal of allowance for impairment loss on financial assets		(127)	(2,751)	-	-
Loss on FVTPL equity instrument		5,963	15,624	-	-
<b>Total expenses</b>		<b>5,888,602</b>	<b>5,086,049</b>	<b>2,437,964</b>	<b>2,161,007</b>
<b>Operating profit</b>		<b>356,656</b>	<b>275,390</b>	<b>405,522</b>	<b>294,453</b>
Finance income		24,500	29,064	1	11
Finance cost		(1,453)	(1,434)	(552)	(516)
<b>Profit before income tax expenses</b>		<b>379,703</b>	<b>303,020</b>	<b>404,971</b>	<b>293,948</b>
Income tax expenses	9	(14,708)	(1,825)	(2,782)	(5,847)
<b>Profit for the period</b>		<b>364,995</b>	<b>301,195</b>	<b>402,189</b>	<b>288,101</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		364,995	301,195	402,189	288,101
<b>Earnings per share</b>					
	10				
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		0.45	0.37	0.50	0.36
Number of weighted average ordinary shares (Thousand shares)					
		804,879	804,879	804,879	804,879

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

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries**

**Statements of comprehensive income**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Profit for the period</b>	<u>364,995</u>	<u>301,195</u>	<u>402,189</u>	<u>288,101</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Loss on changes in value of debt instruments designated at fair value through other comprehensive income - net of income tax	(184,922)	(64,255)	-	-
Exchange differences on translation of financial statements in foreign currency - net of income tax	9 <u>(44,001)</u>	<u>455,202</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>(228,923)</u>	<u>390,947</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>(228,923)</u>	<u>390,947</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>136,072</u></u>	<u><u>692,142</u></u>	<u><u>402,189</u></u>	<u><u>288,101</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u><u>136,072</u></u>	<u><u>692,142</u></u>	<u><u>402,189</u></u>	<u><u>288,101</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

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Consolidated financial statements								
			Other components of shareholders' equity					Total	Total
			Retained earnings			Fair value reserve of financial assets at FVOCI	Exchange differences on translation of financial statements in foreign currency		
	Issued and paid up share capital	Share premium	Appropriated - Statutory reserve	Unappropriated	equity			equity	
<b>Balance as at 1 January 2021</b>	804,879	1,723,219	456,463	19,239,560	283,699	(894,207)	(610,508)	21,613,613	
Profit for the period	-	-	-	301,195	-	-	-	301,195	
Other comprehensive income for the period	-	-	-	-	(64,255)	455,202	390,947	390,947	
Total comprehensive income for the period	-	-	-	301,195	(64,255)	455,202	390,947	692,142	
<b>Balance as at 31 March 2021</b>	<u>804,879</u>	<u>1,723,219</u>	<u>456,463</u>	<u>19,540,755</u>	<u>219,444</u>	<u>(439,005)</u>	<u>(219,561)</u>	<u>22,305,755</u>	
<b>Balance as at 1 January 2022</b>	804,879	1,723,219	514,958	19,343,953	214,535	456,550	671,085	23,058,094	
Profit for the period	-	-	-	364,995	-	-	-	364,995	
Other comprehensive income for the period	-	-	-	-	(184,922)	(44,001)	(228,923)	(228,923)	
Total comprehensive income for the period	-	-	-	364,995	(184,922)	(44,001)	(228,923)	136,072	
<b>Balance as at 31 March 2022</b>	<u>804,879</u>	<u>1,723,219</u>	<u>514,958</u>	<u>19,708,948</u>	<u>29,613</u>	<u>412,549</u>	<u>442,162</u>	<u>23,194,166</u>	

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

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Separate financial statements</b>				<b>Total Shareholders' equity</b>
	<b>Issued and paid up share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>		
			<b>Appropriated - Statutory reserve</b>	<b>Unappropriated</b>	
<b>Balance as at 1 January 2021</b>	804,879	1,723,219	100,000	6,430,923	9,059,021
Profit for the period	-	-	-	288,101	288,101
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	288,101	288,101
<b>Balance as at 31 March 2021</b>	<b>804,879</b>	<b>1,723,219</b>	<b>100,000</b>	<b>6,719,024</b>	<b>9,347,122</b>
<b>Balance as at 1 January 2022</b>	804,879	1,723,219	100,000	6,813,474	9,441,572
Profit for the period	-	-	-	402,189	402,189
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	402,189	402,189
<b>Balance as at 31 March 2022</b>	<b>804,879</b>	<b>1,723,219</b>	<b>100,000</b>	<b>7,215,663</b>	<b>9,843,761</b>

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

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries**

**Statement of cash flows**

**For the three-month period ended 31 March 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>
<b>Cash flows from operating activities</b>				
Profit before tax	379,703	303,020	404,971	293,948
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	346,041	314,155	88,609	96,113
Amortisation	12,693	7,621	2,139	2,135
Allowance for expected credit loss (reversal)	3,637	(1,048)	-	-
Reduction of inventories to net realisable value (reversal)	(11,537)	2,055	(3,090)	10,107
Dividend income from other company	(465)	(410)	-	-
Loss (gain) on disposals/write-off of equipment and intangible assets	1,768	(314)	947	(101)
Provision for long-term employee benefits	19,206	19,524	6,370	6,698
Loss (gain) on sales of debt instruments at fair value through other comprehensive income	1,919	(3,533)	-	-
Loss on fair value adjustments of financial instruments	5,963	15,624	-	-
Reversal of impairment loss on financial assets	(127)	(2,751)	-	-
Unrealised loss (gain) on exchange	4,879	1,758	(5,029)	(16,478)
Unrealised loss on derivatives	57,115	167,957	-	-
Finance income	(24,500)	(29,064)	(1)	(11)
Finance cost	20	36	-	-
Profit from operating activities before changes in operating assets and liabilities	796,315	794,630	494,916	392,411

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

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries**

**Statement of cash flows (continued)**

**For the three-month period ended 31 March 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>
<b>Cash flows from operating activities (continued)</b>				
Operating assets (increase) decrease				
Trade and other receivables	(320,670)	(548,830)	(442,452)	(264,485)
Inventories	(539,415)	(269,584)	(42,078)	(66,405)
Other current assets	(8,714)	(16,780)	9,765	(5,173)
Operating liabilities increase (decrease)				
Trade and other payables	431,541	524,570	186,584	358,719
Other current liabilities	(8,188)	(6,314)	(78)	(1,070)
Cash from operating activities	350,869	477,692	206,657	413,997
Cash paid for long-term employee benefits	(28,387)	(10,705)	(24,749)	(8,725)
Cash paid for income tax	(11,107)	(4,192)	(6)	(1)
<b>Net cash from operating activities</b>	<b>311,375</b>	<b>462,795</b>	<b>181,902</b>	<b>405,271</b>
<b>Cash flows from investing activities</b>				
Decrease (increase) in other current financial assets	448,067	(656,754)	-	-
Decrease in other non-current financial assets	57	-	-	-
Interest received	30,469	31,781	8	8
Proceeds from sales of financial instruments	68,208	39,857	-	-
Dividend income from other company	465	410	-	-
Acquisitions of property, plant and equipment and intangible assets				
	(623,143)	(658,913)	(74,341)	(44,916)
Proceeds from disposals of equipment	612	4,990	-	4,300
Increase in other non-current assets	(10,554)	(22,832)	-	-
<b>Net cash used in investing activities</b>	<b>(85,819)</b>	<b>(1,261,461)</b>	<b>(74,333)</b>	<b>(40,608)</b>

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

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries**

**Statement of cash flows (continued)**

**For the three-month period ended 31 March 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>
<b>Cash flows from financing activities</b>				
Payment of principal portion of lease liabilities	(1,958)	(5,447)	-	-
<b>Net cash used in financing activities</b>	<u>(1,958)</u>	<u>(5,447)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	223,598	(804,113)	107,569	364,663
Translation adjustment	(44,183)	448,851	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	179,415	(355,262)	107,569	364,663
Cash and cash equivalents at beginning of the period	3,304,173	5,400,261	245,587	642,883
<b>Cash and cash equivalents at end of the period</b>	<u>3,483,588</u>	<u>5,044,999</u>	<u>353,156</u>	<u>1,007,546</u>
<b>Supplemental cash flow information</b>				
Non-cash related transactions from investing activities				
Net increase (decrease) in accounts payable for				
purchases of plant and equipment	79,583	79,653	13,779	(5,050)
Revaluation loss on changes in fair value of debt instruments				
at FVOCI	(184,922)	(64,255)	-	-

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

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

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.

#### 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.

(Unit: Million Baht)

	Separate financial statements		Pricing policies
	For the three-month periods		
	ended 31 March	ended 31 March	
	<u>2022</u>	<u>2021</u>	
<b>Transactions with subsidiary companies</b>			
(eliminated from the consolidated financial statements)			
Sales of goods	53	43	Prices agreed between the parties due to the uniqueness of products sold to each customer
Purchase of materials	100	81	Cost plus mark up
Service fee expenses	3	2	Rates stipulated in the agreement

(Unaudited but reviewed)

As at 31 March 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	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
<b>Trade receivables (Note 3)</b>				
<b>Trade receivables - related parties</b>				
Subsidiary companies	-	-	34,704	24,100
<b>Total trade receivables - related parties</b>	-	-	34,704	24,100
<b>Trade and other payables (Note 8)</b>				
<b>Trade payables - related parties</b>				
Subsidiary companies	-	-	614,587	519,073
<b>Total trade payables - related parties</b>	-	-	614,587	519,073
<b>Other payables - related parties</b>				
Subsidiary companies	-	-	2,732	2,115
<b>Total other payables - related parties</b>	-	-	2,732	2,115
<b>Total trade and other payables</b>	-	-	617,319	521,188

#### **Directors' and management's benefits**

During the three-month periods ended 31 March 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 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	29.5	24.0	3.5	4.5
Post-employment benefits	0.6	0.4	0.2	0.2
<b>Total</b>	<b>30.1</b>	<b>24.4</b>	<b>3.7</b>	<b>4.7</b>

(Unaudited but reviewed)

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<b><u>Age of receivable</u></b>				
<b>Trade receivables - subsidiary companies</b>				
Not yet due	-	-	22,036	16,662
Past due				
Up to 3 months	-	-	5,247	2,711
3 - 6 months	-	-	1,209	1,908
6 - 12 months	-	-	3,845	444
Over 12 months	-	-	2,367	2,375
Total trade receivables - subsidiary companies (Note 2)	-	-	34,704	24,100
<b>Trade receivables - unrelated parties</b>				
Not yet due	3,827,834	3,614,000	1,592,908	1,207,027
Past due				
Up to 3 months	714,870	638,339	387,358	324,128
3 - 6 months	24,826	52,465	16,768	27,357
6 - 12 months	10,549	5,720	5,247	459
Over 12 months	5,386	5,408	2,777	2,790
Total trade receivables - unrelated parties	4,583,465	4,315,932	2,005,058	1,561,761
Less: Allowance for expected credit losses	(14,751)	(11,114)	(2,492)	(2,492)
Total trade receivables - unrelated parties - net	4,568,714	4,304,818	2,002,566	1,559,269
Total trade receivables - net	4,568,714	4,304,818	2,037,270	1,583,369
Receivables from the Revenue Department	116,649	113,967	12,152	11,308
Other receivables - unrelated parties	175,657	133,998	34,953	36,094
Total other receivables	292,306	247,965	47,105	47,402
Trade and other receivables - net	4,861,020	4,552,783	2,084,375	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 three-month period ended 31 March 2022 are summarised below.

	(Unit: Thousand Baht)	
Inventory provision	Consolidated financial statements	Separate financial statements
<b>Balance as at 31 December 2021</b>	199,734	82,465
Reduction of inventory value during the period	48,787	19,292
Reversal of reduction of inventory value during the period	(60,223)	(22,382)
Write-off obsolete and damaged inventories during the period	(13,859)	(13,859)
Translation adjustment	(101)	-
<b>Balance as at 31 March 2022</b>	<u>174,338</u>	<u>65,516</u>

**5. Other current financial assets**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 March 2022	31 December 2021 (Audited)
<u>Debt instruments at amortised cost</u>		
Fixed deposits	<u>389,486</u>	<u>831,535</u>
Total debt instruments at amortised cost	<u>389,486</u>	<u>831,535</u>
<u>Debt instruments at FVOCI</u>		
Overseas marketable corporate bonds	672,138	1,023,889
Overseas quoted bonds	<u>849,222</u>	<u>758,192</u>
Total	1,521,360	1,782,081
Less: Allowance for expected credit losses	<u>(24,857)</u>	<u>(24,984)</u>
Total debt instruments at FVOCI - net	<u>1,496,503</u>	<u>1,757,097</u>
<u>Financial assets at FVTPL</u>		
Overseas securities	80,589	86,898
Derivative assets	<u>-</u>	<u>19,165</u>
Total financial assets at FVTPL	<u>80,589</u>	<u>106,063</u>
Total other current financial assets - net	<u>1,966,578</u>	<u>2,694,695</u>

**6. Investments in subsidiaries**

Company's name	(Unit: Thousand Baht)					
	Paid up capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021
			Percent	Percent		(Audited)
Hana Semiconductor (Ayutthaya) Company Limited	1,200,000	1,200,000	58	58	2,142,910	2,142,910
Hana Semiconductor (BKK) Company Limited	1,000,000	1,000,000	100	100	1,011,100	1,011,100
Omac Sales Limited	325	325	100	100	273,492	273,492
Hana Microelectronics (Cambodia) Company Limited	155,947	155,947	100	100	155,947	155,947
Hana Microelectronics International Company Limited	-	-	100	100	-	-
Hana Microelectronics Investment Company Limited	-	-	100	100	-	-
Total investments in subsidiaries					<u>3,583,449</u>	<u>3,583,449</u>

In March 2022, Hana Mircroelectronics Enterprise Company Limited, an overseas subsidiary, additionally invested in 17,388,000 ordinary shares of Power Master Semiconductor Company Limited, in total amount of USD 7.0 million or equivalent to Baht 233.08 million.

As at 31 March 2022, the overseas subsidiary has invested in 119,094,697 ordinary shares of Power Master Semiconductor Company Limited, amounting to USD 50.99 million or equivalent to Baht 1,646.73 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.

(Unaudited but reviewed)

## 7. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 31 December 2021</b>	9,662,666	2,203,638
Acquisitions during the period - at cost	788,554	88,120
Write-off during the period - net book value at write-off date	(2,380)	(947)
Depreciation for the period	(346,041)	(88,609)
Translation adjustment	(80,287)	-
<b>Net book value as at 31 March 2022</b>	<u>10,022,512</u>	<u>2,202,202</u>

## 8. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
Trade payables - subsidiary companies (Note 2)	-	-	614,587	519,073
Trade payables - unrelated parties	2,937,578	2,610,024	906,216	865,418
Other payables - subsidiary companies (Note 2)	-	-	2,732	2,115
Advance received from customers	412,779	294,510	88,612	63,195
Other payables for purchases of assets	301,862	222,279	71,815	58,036
Accrued expenses	367,566	379,063	66,856	36,288
<b>Total trade and other payables</b>	<u>4,019,785</u>	<u>3,505,876</u>	<u>1,750,818</u>	<u>1,544,125</u>

## 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 periods ended 31 March 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	11,951	8,058	3,600	6,252
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>2,757</u>	<u>(6,233)</u>	<u>(818)</u>	<u>(405)</u>
<b>Income tax expenses reported in the income statement</b>	<u>14,708</u>	<u>1,825</u>	<u>2,782</u>	<u>5,847</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	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>(65)</u>	<u>(6,826)</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 periods ended 31 March 2022 and 2021.

(Unit: Million Baht)

	Consolidated financial statements for the three-month periods ended 31 March											
	Printed Circuit Board Assembly (PCBA)		Integrated Circuit (IC)		Others		Total reportable segments		Eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from external customers	3,507	2,953	2,296	2,072	304	189	6,107	5,214	-	-	6,107	5,214
Intersegment revenues	743	564	208	142	473	204	1,424	910	(1,424)	(910)	-	-
Total revenues	<u>4,250</u>	<u>3,517</u>	<u>2,504</u>	<u>2,214</u>	<u>777</u>	<u>393</u>	<u>7,531</u>	<u>6,124</u>	<u>(1,424)</u>	<u>(910)</u>	<u>6,107</u>	<u>5,214</u>
Segment profit (loss)	554	417	153	187	(45)	16	662	620	1	1	663	621
Gain on exchange											29	70
Other income											108	77
Selling and distribution expenses											(52)	(49)
Administrative expenses											(329)	(263)
Loss on derivatives											(57)	(168)
Reversal of allowance for impairment loss on financial assets											1	3
Loss on FVTPL equity instrument											(6)	(16)
Finance income											24	29
Finance cost											(1)	(1)
Income tax expenses											(15)	(2)
Profit for the period											<u>365</u>	<u>301</u>

## 12. Commitments and contingent liabilities

### 12.1 Capital commitments

As at 31 March 2022, the Group had capital commitments relating to acquisitions of machinery totaling USD 17 million, CNY 9 million and Baht 150 million or equivalent to Baht 758 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 150 million (31 December 2021: Baht 123 million).

### 12.2 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	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Payable:				
In up to 1 year	108.9	67.9	28.0	33.6
In over 1 year and up to 5 years	116.9	10.6	6.2	8.4

### 12.3 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.

### 12.4 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.

### 12.5 Guarantees

As at 31 March 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.

### 13. 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.

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

As at 31 March 2022		
Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
120	4 April 2022 - 30 June 2022	32.0500 - 33.7125

  

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. Fair value of financial instruments

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

As of 31 March 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
<b>Assets measured at fair value</b>			
Financial assets at FVTPL			
Overseas marketable equity securities	80,589	-	80,589
Debt instruments at FVOCI			
Marketable corporate bonds	672,138	-	672,138
Quoted bonds	824,365	-	824,365
Local marketable equity securities	97	-	97
<b>Liabilities measured at fair value</b>			
Derivatives			
Forward exchange contracts - loss	-	37,950	37,950

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

**15. Event after the reporting period**

On 29 April 2022, the Annual General Meeting of the Company's shareholders No. 29/2022 acknowledged the interim dividend payment on 15 November 2021 at Baht 1.00 per share and passed a resolution approving the payment of final dividend for 2021 to the Company's shareholders at Baht 1.00 per share, making a total dividend for 2021 of approximately Baht 1,610 million. The final dividend of Baht 805 million will be paid to the shareholders on 17 May 2022 and will be recorded in the second quarter of 2022.

**16. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2022.