

Overall Group Performance

Hana Microelectronics Group 'Hana' Sales Revenue decreased -17% year on year, at THB 20,563 million in year 2025 from THB 24,801 million in year 2024. Sales Revenue in USD terms decreased by -11% to USD 626m in 2025 from USD 703m in 2024. Normalised Profit decreased -33% to THB 804m in 2025 from THB 1,201m in 2024. Note: Normalised Profit in 2024 includes THB 299m from the termination of Credit Suisse Supply Chain Fund.

Net Profit increased by 206% to THB 670m in 2025 from THB -634m in 2024 due to 2024 incurring material valuation reduction at IC Korea and exceptional items being impairment at IC Korea and return of funds from termination of Credit Suisse Supply Chain Fund.

Past Performance Analysis**Revenue Analysis**

Group sales decreased -17% in 2025 to THB 20,563m from 2024 at THB 24,801m driven by a continued downturn in the semiconductor cycle. USD sales were -11% lower in 2025 at USD 626m down from USD 703m in 2024. The average THB/USD exchange rate strengthened 7% to THB/USD 32.9 in 2025 from THB/USD 35.3 in 2024.

The Microelectronics divisions' sales revenue in USD decreased -14% [-19% in THB terms] in 2025 over 2024. The microelectronics operation in Lamphun sales decreased -10% [-17% in THB terms] and Jiaying decreased by -28% [-33% in THB terms] in 2025.

In 2025 IC assembly sales overall decreased by -1% [-8% in THB terms]. Specifically, IC AYT sales decreased -9% [-15% in THB terms] and IC JXG USD sales increased by 68% [57% in THB terms].

Hana Technologies Inc 'HTI', sales decreased -20% [-26% in THB terms] for the year.

The annual sales split was:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
PCBA (Thailand)	50%	49%	47%
PCBA (China)	11%	14%	12%
PCBA (Cambodia)	2%	1%	2%
IC (Thailand)	25%	24%	28%
IC (China)	5%	3%	3%
HTI (USA)	6%	7%	6%
IC (Korea)	1%	2%	2%
	100%	100%	100%

Gross Profit / Cost of Sales Analysis and Sales and Administration Analysis

Gross Profit decreased by THB -591m with the gross margin decreasing -1% point to 8% in 2025 from 9% in 2024 due to the lower sales in the IC AYT, and PCBA divisions.

Normalised Profit Analysis

Normalised Profit margin decreased to 3.9% in 2025 from 4.8% in 2024 due to higher other operating income. SGA including R&D expenses were -10% lower in 2025.

Payout Analysis

In Q425 THB 221m dividend of THB 0.25 per share was paid as an interim dividend from the profits of 2025.

In Q225 THB 443m final dividend of THB 0.50 per share was paid during the quarter from the profits of 2024.

In Q424 THB 221m dividend of THB 0.25 per share was paid as an interim dividend from the profits of 2024.

In Q224 THB 443m final dividend of THB 0.50 per share was paid during the quarter from the profits of 2023.

In Q423 THB 442m dividend of THB 0.50 per share was paid as an interim dividend from the profits of 2023.

In Q223 THB 402m final dividend of THB 0.50 per share was paid during the quarter from the profits of 2022.

Financial Status

Net Cash reserves and financial investments were THB 11.9 billion at the 31st December 2025 up from THB 10.2 billion at the 31st December 2024.

Asset Quality

Accounts Receivable

Most of customers are well known and have good reputation in the IC, and electronics industry. Provision is made of amounts outstanding over 90 days and amounts which the management believe may be doubtful. Accounts receivable were 76 days in 2025, 71 days in 2024 and 71 days in 2023.

Trade Receivables	'000	<u>2025</u>	<u>2024</u>	<u>2023</u>
Less than 3 months		3,599,070	4,165,292	4,846,118
3 - 6 months		220,296	83,927	45,888
6 - 12 months		167,072	67,395	20,445
More than 12 months		2,651	5,411	8,950
Total accounts receivable - other compan		3,989,089	4,322,025	4,921,401
Less : Allowance for doubtful accounts		(25,380)	(4,002)	(15,964)
		<u>3,963,709</u>	<u>4,318,023</u>	<u>4,905,437</u>

Inventory

In general, Hana's production is based on clients' order, consequently, the majority of inventory are raw materials, expendable tools and work in process with little finished goods pending for customer delivery. The group companies normally write-off out-of-date inventory, and make provision for aged inventory and depletion in the value of fixed assets, if material, each quarter. Inventory days were 124 days in 2025, 130 days in 2024 and 145 days in 2023.

Accounts Payable

Credit terms with suppliers are mostly open account with credit terms varying from cash in advance to 90 days. The credit term has been determined in accordance with the principles of fair dealing between the Company and suppliers. Accounts payable were 50 days in 2025, 52 days in 2024 and 59 days in 2023.

Liquidity

The group has THB 11.9 billion in net cash and financial investments. Liquidity ratios are high at over 3 times current liabilities.

Operating Cashflow (EBITDA) was THB 2,228m in 2025, -29% lower than THB 3,138m in 2024 and THB 3,490 m in 2023.

Net cash and financial investments in 2025 increased to THB 11.9 billion, due to EBITDA 2.2 billion less final dividend THB 0.4b 2024 paid in Q225, interim dividend Q425 THB 0.2b, net capital expenditure THB 0.6b, other items THB 0.8b.

Net cash and financial investments in 2024 increased to THB 10.2 billion, due to EBITDA 3.1 billion less final dividend THB 0.4b 2023 paid in Q224, interim dividend Q424 THB 0.2b, net capital expenditure THB 1.7b, other items THB 1.7b.

Net cash and financial investments in 2023 increased to THB 7.8 billion, due to EBITDA 3.5 billion less final dividend THB 0.4b 2022 paid in Q223, interim dividend Q423 THB 0.4b, net capital expenditure THB 2.7b, share capital increase THB 4.6 billion, other items THB -0.4b.

Capital Expenditure

Capital Expenditure was THB 646m in 2025, THB 1,667m in 2024, and THB 2,689m in 2023.

Capital Expenditure was much reduced in 2025 due to weaker IC market growth.

Capital Expenditure in 2024 & 2023 was mainly for IC Korea plant due to investment in expansion of Silicon Carbide devices and building purchase for Hana Technologies expansion.

Generally, capital expenditure for production equipment will follow the increase in sales, particularly in the IC division. However, there is a 6 to 12 month time lag due to the ordering lead time. Plant expansion will depend on the current building utilisation and lead time to construct new plant or expand in an existing plant.

Source of Financial Capital

The group has cash to fund certain subsidiaries capital expenditure. As the operating working capital is positive, the groups major funding is from the shareholders equity.

Major Factors which could have an Impact on the Company's Performance

The company business is that of an electronics manufacturing service company. The company manufactures products on behalf of its customers for shipment to them or their customers. Therefore, the company's performance is mostly affected by its ability to win and retain business from the existing and new customers. In turn, customer demand is affected by world economic growth and the customer's sales growth.

The groups sales revenue are in foreign currency (primarily USD) and USD currency costs are approximately 60% percent of sales revenues. The Group operating profit sensitivity to change in the Thai Baht/USD and Chinese CNY/USD exchange rates is currently about Baht 200m per quarter for every 10% change in the average Baht/USD and CNY/USD rates (i.e. $(1 - 0.60) \times \text{Sales Revenue} \times 10\%$). Out of the groups foreign exchange exposure, as of the 30th September 2023 all foreign exchange contracts to hedge the Baht against the USD have been unwound so there is zero net outstanding THB/USD contracts. This action was taken due to weakening THB/USD and high interest rate differential between USD and THB. At the end of Q223 USD 120m was hedged (sell USD buy THB).

Whilst the book value of the offshore companies are represented in foreign currency, the effect of the change in the exchange rate is shown by the movement of the foreign currency 'Translation Adjustment' in the shareholders funds section of the balance sheet. There is no cash affect concerning its movement.

For Hana being an export group of companies the currency movements cause volatility in earnings due to effects on the operating margins and also inventory valuations (which the management report each quarter when there is a material effect on the profits) and margins.

Other factors which may affect operating performance of the company are (but not limited to): Customer retention, winning new customers, product price erosion, customers products success in their respective markets and lifecycle of such products, consistently manufacturing products to agreed specifications and delivery schedules with customers, recall, product liability risks in the event of product failures, suppliers price and consistent supply of raw materials to agreed specifications, supplier financial solvency, fluctuation in foreign exchange rates for each of our operations compared to both product sales currency which is primarily USD, materials purchasing currency which is primarily USD and the operating currency in each country which we operate, wages and salaries increases, availability and turnover of direct labour and skilled staff, credit risks, market, liquidity and funding, insurance, operational, regulatory compliance, strategic, reputation, legal and regulatory environment, competitive and systemic risks. Our success in executing and completing mergers and acquisitions and subsequent operational risks. Our success in developing and marketing new products and factory processes. Success in protecting intellectual property developed.

Macro-economic stability of the countries in which we, our customers and suppliers operate. Global financial stability which may affect interest rates and access of funding of the company, its customers and suppliers.

Foreign Exchange Rates

The THB/USD currency has strengthened in 2025 from 2024 which was slightly weaker than the average 2023 rate. The average rate for 2025 was THB/USD 32.86 which was 7% stronger than THB/USD 35.26 in 2024, which was 1% weaker than THB/USD 34.80 in 2023.

Exceptional Items

On 9th August 2024, a subsidiary, received from Credit Suisse, USD 8,535,821 (THB 299m) being the final payment due from the voluntary redemption offer for the termination of Credit Suisse Asset Management (Switzerland) AG Supply Chain Fund in 2021.

31st Dec 2024, -THB 1,844m impairment provision due the revaluation of IC Korea (Powermaster).

The company issued 80.5m new shares in 2023 at THB 57 baht per share raising THB 4.6b.

Subsequent Event

None

HANA MICROELECTRONICS GROUP

CONSOLIDATED STATEMENT OF EARNINGS

	'000 Baht	Year		Year		Year		%	
		2025		2024		2023		2025-2024	2025-2024
REVENUES									
Sales		20,563,406		24,801,340		26,152,116		(4,237,934)	-17%
consisting of:									
PCBA (Lamphun, Thailand)		10,088,232	50%	12,111,496	49%	12,312,130	47%	(2,023,264)	-17%
PCBA (Jiaxing, China)		2,350,593	11%	3,482,882	14%	3,250,546	12%	(1,132,289)	-33%
PCBA (Cambodia)		403,038	2%	275,944	1%	395,269	2%	127,094	46%
IC (Ayuthaya, Thailand)		5,092,029	25%	6,008,474	24%	7,317,612	28%	(916,445)	-15%
IC (Jiaxing, China)		1,094,039	5%	696,623	3%	914,835	3%	397,416	57%
HTI (Ohio, USA)		1,282,629	6%	1,732,159	7%	1,482,207	6%	(449,530)	-26%
IC (Korea)		252,846	1%	493,763	2%	479,518	2%	(240,917)	-49%
		<u>20,563,406</u>	100%	<u>24,801,340</u>	100%	<u>26,152,116</u>	100%	<u>(4,237,934)</u>	-17%
Other Income		648,964		641,656		438,666		7,308	1%
TOTAL OPERATING REVENUES		<u>21,212,370</u>		<u>25,442,997</u>		<u>26,590,782</u>		<u>(4,230,627)</u>	-17%
EXPENSES									
Cost of Sales		18,960,447	92%	22,607,047	91%	23,172,094	89%	(3,646,600)	-16%
Selling & Admin. Expenses		1,408,227	7%	1,554,338	6%	1,499,628	6%	(146,111)	-9%
R&D Expenses		161,708	1%	136,931	1%	131,561	1%	24,777	18%
Other Expenses		-		-		-		-	-
TOTAL EXPENSES		<u>20,530,382</u>	100%	<u>24,298,316</u>	98%	<u>24,803,283</u>	95%	<u>(3,767,934)</u>	-16%
OPERATING EARNINGS incl Other Income		<u>681,988</u>	3%	<u>1,144,680</u>	4%	<u>1,787,499</u>	7%	<u>(462,693)</u>	-40%
Other Income - non operating		18,732		13,028		83		5,705	
Interest		193,403		193,758		96,965		(355)	0%
Finance Expenses		(13,041)		(64,327)		(51,834)		51,286	-80%
EARNINGS before Income Tax		<u>881,082</u>	4%	<u>1,287,140</u>	5%	<u>1,832,714</u>	7%	<u>(406,058)</u>	-32%
Corporate Income Tax		(50,799)	6%	(86,171)	7%	(85,468)	5%	35,372	-41%
Share of Assoc. company Profit (Loss)		(26,432)		-		-		(26,432)	
Normalised Profit after tax		<u>803,852</u>	4%	<u>1,200,969</u>	5%	<u>1,747,246</u>	7%	<u>(397,117)</u>	-33%
Revaluation of Financial Instruments		-		-		(49,418)		-	
Exchange Gain (Loss)		(133,452)		9,780		41,283		(143,233)	
Exceptional Items		-		(1,844,420)		21,456		1,844,420	
NET EARNINGS for the Period		<u>670,399</u>	3%	<u>633,671</u>	-2%	<u>1,760,567</u>	7%	<u>1,304,071</u>	-206%

HANA MICROELECTRONICS GROUP

CONSOLIDATED Balance Sheet

'000 Baht	Year 2025	Year 2024	Year 2023	2025-2024	% 2025-2024
ASSETS					
CURRENT ASSETS					
Cash in Hand & at Banks	5,313,558	6,689,073	6,954,416	(1,375,516)	-21%
Financial Investments	6,679,936	4,055,507	1,938,097	2,624,429	65%
Accounts Receivable - trade	4,080,507	4,480,722	5,178,141	(400,215)	-9%
Inventories	5,803,004	7,096,004	8,969,347	(1,293,000)	-18%
Other Current Assets	75,033	98,064	119,368	(23,031)	-23%
TOTAL CURRENT ASSETS	22,323,198	22,419,370	23,159,370	(96,173)	0%
Long Term Financial Investments	141	-	-	141	
INVESTMENTS IN ASSOCIATED COMPANY	303,258	369,581	-	(66,323)	-18%
FIXED ASSETS (net)	8,241,065	9,485,798	11,773,778	(1,244,732)	-13%
Intangible Assets	129,704	-	-	129,704	
OTHER ASSETS	149,471	241,103	372,809	(91,632)	
TOTAL ASSETS	31,146,838	32,515,852	35,305,957	(1,369,014)	-4%
LIABILITIES					
CURRENT LIABILITIES					
Bank Overdrafts & Loans	137,384	509,355	1,076,408	(371,971)	-73%
Accounts & Notes Payable	2,183,661	3,026,410	3,390,546	(842,749)	-28%
Short Term Provisions	3,346	-	-	3,346	
Amounts due to Related Companies	776,317	-	-	776,317	
Current Portion of Long Term Loans	-	46,563	24,036	(46,563)	-100%
Corporate Income Tax Payable	26,074	-	50,816	26,074	
Accrued Expenses	182,990	-	342,233	182,990	
Other Current Liabilities	486,546	515,622	150,015	(29,076)	-6%
TOTAL CURRENT LIABILITIES	3,796,318	4,097,950	5,034,054	(301,632)	-7%
LONG TERM LIABILITIES					
Long Term Loans	-	334,322	203,340	(334,322)	
Other Long Term Liabilities	1,031,253	1,005,334	921,842	25,920	
TOTAL LIABILITIES	4,827,571	5,437,606	6,159,236	(610,035)	-11%
SHAREHOLDERS EQUITY					
Share Capital	885,367	885,367	885,367	-	
Share Premium	6,230,536	6,230,536	6,230,536	0	0%
Retained Earnings					
Appropriated Statutory Reserve	549,109	549,109	541,627	0	0%
Unappropriated & Treasury Share Reserve	20,373,626	19,788,234	21,130,039	585,392	3%
Other components of shareholders equity	(1,719,372)	(374,999)	359,152	(1,344,373)	359%
Treasury shares	-	-	-	-	
Excess Cost over Net Book Value of Subsidiary Investments	-	-	-	-	
TOTAL SHAREHOLDERS EQUITY	26,319,266	27,078,246	29,146,720	(758,980)	-3%
TOTAL LIABILITIES & SHAREHOLDERS EQUITY	31,146,837	32,515,852	35,305,957	(1,369,015)	-4%

HANA MICROELECTRONICS GROUP
CONSOLIDATED Summary Statement of Cashflows

'000 Baht	Year 2025	Year 2024	Year 2023	2025-2024
Cashflow from Operating Activities				
Net Earnings before Tax	721,198	(547,500)	1,846,035	1,268,698
Adjustments to reconcile net earnings to net cash provided by operating activities				
Non Cash items				
Depreciation & Amortisation	1,525,885	1,776,584	1,702,296	(250,699)
Unrealised (gain) Loss on exchange	9,576	(74,512)	18,139	84,088
Change in other provisions	(133,666)	1,705,694	544,080	(1,839,360)
	<u>1,401,795</u>	<u>3,407,766</u>	<u>2,264,515</u>	<u>(2,005,971)</u>
Working Capital (increase) decrease				
Trade accounts receivable	328,256	800,512	(195,782)	(472,257)
Inventories	1,356,239	1,656,714	53,281	(300,474)
Trade accounts payable	150,497	(320,978)	(670,730)	471,475
Other	(136,341)	(119,027)	(47,028)	(17,314)
	<u>1,698,651</u>	<u>2,017,221</u>	<u>(860,259)</u>	<u>(318,570)</u>
Net Cashflow from Operating Activities	<u>3,821,645</u>	<u>4,877,487</u>	<u>3,250,291</u>	<u>(1,055,843)</u>
Cashflow from Investing Activities				
(Increase) decrease in short term investment	(3,164,981)	(2,019,203)	(793,658)	(1,145,778)
Increase in property, plant and equipment	(649,948)	(1,157,699)	(2,653,935)	507,751
Proceeds from sale of fixed assets	56,888	13,711	34,975	43,177
Increase (decrease) in translation adjustment	(430,926)	(753,881)	(330,975)	322,956
Decrease in short term loans to related parties				-
Other	45,392	(31,807)	-	77,199
	<u>(4,143,574)</u>	<u>(3,948,879)</u>	<u>(3,743,593)</u>	<u>(194,695)</u>
Cashflow from Financing Activities				
Proceeds from Capital Increase	(3,552)	-	4587804.6	(3,552)
Cash received from increase in share capital & overdraft	(763,069)	(529,927)	1,330,329	(233,142)
Dividend paid	(664,025)	(664,025)	(845,123)	-
Net cash (used in) from financing activities	<u>(1,430,645)</u>	<u>(1,193,952)</u>	<u>5,073,011</u>	<u>(236,694)</u>
Net Cash, equivalents and short term liquid investments increase (decrease)	(1,752,574)	(265,343)	4,579,709	(1,487,232)
Cash and Equivalents at the beginning of the period	<u>6,689,073</u>	<u>6,954,416</u>	<u>2,374,708</u>	<u>(265,343)</u>
Cash and Equivalents at the end of the period	<u>4,936,499</u>	<u>6,689,073</u>	<u>6,954,416</u>	<u>(1,752,574)</u>

HANA MICROELECTRONICS GROUP

Financial Ratios

'000 Baht	Year 2025	Year 2024	Year 2023	2025-2024
Profitability Ratios				
Gross Profit Margin (%)	8%	9%	11%	-1%
Normalised Profit % of Sales	4%	5%	7%	-1%
Net Profit before Exceptional Margin (%)	4%	5%	7%	-1%
Net Profit after Exceptional Margin (%)	3%	-3%	7%	6%
EBITDA margin (%)	11%	13%	13%	-2%
Return On Equity (%) pa	3%	-2%	6%	5%
Return On Assets (%) pa	2%	-2%	5%	4%
Return On Operating Capital Employed (%) pa	4%	6%	8%	-2%
Efficiency Ratios				
Working Capital Turnover (A/R+Inventory-A/P)	3	3	2	
Account Receivable days	76	71	71	5
Inventory days	124	130	145	(6)
Accounts Payable days	50	52	59	(2)
Liquidity Ratios				
Current Ratio	5.9	5.5	5.5	0.4
Quick Ratio	4.2	3.7	3.7	0.5
Financial Capital Ratios				
Debt / Equity	0.2	0.2	0.2	
Net Debt to Equity	-0.3	-0.2	-0.1	-0.1
Interest Coverage	n/a	n/a	n/a	