COMPANY UPDATE

HANA MICROELECTRONICS (HANA TB)

THAILAND / SET / ELECTRONICS COMPONENTS

17 November 2026

Two turnarounds, growth abounds

- Solid demand outlook, confirmed by HANA's expansion
- Risks for demands, margins, and capital management are low
- Maintain BUY and a TP of THB63.0

Earnings outlook is heading from strength to strength

During 3Q26 analyst meeting, management delivered three key messages that confirm our positive BUY conviction on HANA. First, demand risk for AI and HANA's two core products IC/PCBA are all but strong, with order visibilities and backlogs extending beyond 1-2 years horizon. Second, margin risk is low given HANA's ability to fully "pass-through" the cost hike, particularly raw material, to customers via negotiations. Third, the financial turnarounds for HTI in U.S. and PMS in South Korea are on track to achieve the breakeven by 4Q26 (HTI) and 3Q27 (PMS).

Speed-up in revenue and profit growths on improving margins

Revenue and earnings outlook in 4Q26-2028 could not be more promising, considering that 1) orders are highly pent-up for IC/PCBA, and new products High Density PCBA (HDPCBA) and Phononic, are growing faster than expected; 2) margin outlooks is still on uptrend, projected to rise from 12.2% in 3Q26 towards 13-15% by 4Q27, propelled by the higher-margin products of HDPCBA and Phononic and the benefit of HANA's high operating leverage.

AI demand outlook remains brisk and visible ahead

Management emphasizes that the risks from AI data center demand halts, let alone potential collapse, is few and far between, for HANA given HANA's major customers still reiterate their strong orders and backlogs for the next 12-24 months. HANA could also pass through most of its cost inflations, particularly raw material and tariff costs, via the higher selling prices, indicating that demands remain visibly solid.

Margins stay healthy in 3Q26

In response to the stronger-than-expected demand and to serve new customers for HDPCBA and Phononic, HANA plans to invest THB3.8b in 2027, up from THB1.7b in 2026 and THB626m in 2025, to expand its capacity at Lamphun (LPN, THB1b), purchase new equipment (THB2.56b), and buy lands at LPN and AYT sites (THB0.24b). HANA's weak units – Jiaxing (EMS & IC) in China will face higher raw material cost but should improve on the higher revenue. HTI and PMS remain on turnaround tracks by 4Q26/3Q27 while Phononic signed a 3rd contract to double HANA's revenue to increase AI-related revenue portion from 6% in 3Q26 to 13-15% by 4Q27 (Phononic 1-3, HDPCBA).

Wallstreet-negative share price offers main street-positive BUY

Maintain BUY and a TP of THB63, based on 34x 2027E P/E. We believe the currently negative "wall street" sentiment caused by NVIDIA CEO exit has limited impacts to the industry real demands, reflected in HANA's growing committed contracts, plus turnarounds for PMS/HTI.

ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	**63.0**
VS. BB Consensus TP (%)	+5.7%
Share Price (THB)	44.60
Upside/Downside	+41.3%

Share Data

Market Cap (THB m)	39,487.35
Par (THB)	1.00
Free Float (%)	62.48
Issued shares (m shares)	885

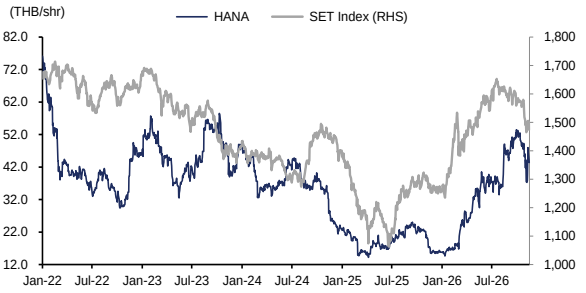
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	20,563	25,512	30,670	33,636
Net profit	670	1,601	1,651	2,334
Core net profit	670	1,601	1,651	2,334
vs Consensus (%)		59.2	5.2	20.8
Net profit growth (%)	205.8	138.9	3.1	41.4
Core net profit growth (%)	205.8	138.9	3.1	41.4
EPS (THB)	0.76	1.81	1.86	2.64
Core EPS (THB)	0.76	1.81	1.86	2.64
Chg from previous (%)		82.9	13.3	23.4
DPS (THB)	0.60	0.90	0.93	1.32
P/E (x)	21.53	24.66	23.92	16.92
P/BV (x)	0.55	1.41	1.32	1.21
ROE (%)	2.51	5.90	5.71	7.47
Dividend yield (%)	3.68	2.03	2.09	2.96

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(11.24)	12.20	41.59	173.62
Market	(6.89)	20.40	43.33	129.85
12M High/Low (THB)				54.25 / 15.10



Major Shareholders (%) as of 17 Mar 2026

OMAC (HK) LIMITED	19.48
LGT BANK (SINGAPORE) LTD	8.14
OMAC LIMITED	4.62

Company Profile

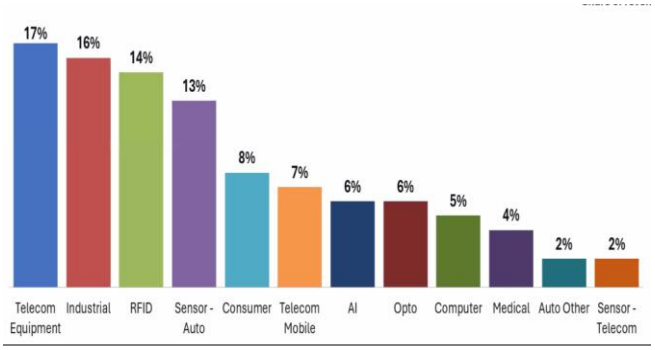
Electronics Manufacturing Service "EMS" Producer.

Source: SETSMART, SET

Analyst

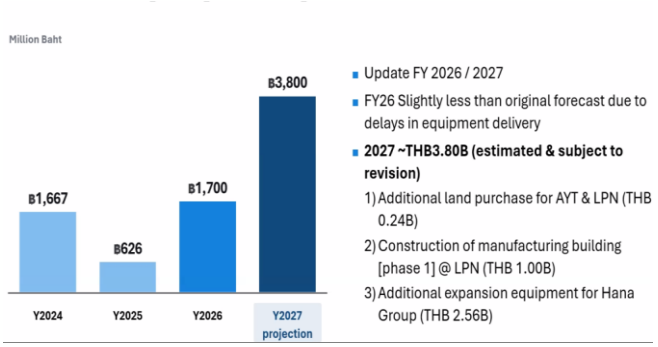
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Exhibit 1: Product end application by segment



Sources: HANA

Exhibit 2: Capital expenditure plan



Sources: HANA

Exhibit 3: 2Q26E-2027E promising outlook

GROUP	All plants	Raw material cost increases & shortages + lengthening M/C ordering lead-times remain a challenge to expansion.
THAILAND	Lamphun – EMS	AI Cooling & PCBA will continue to expand supporting growth in Q4 and 2027
	Ayutthaya – IC	Strong demand continues – new major contract will support growth in 2027
CHINA	Jiaxing – EMS	Outlook remains difficult with growth prospects challenging
	Jiaxing – IC	Profitability will be uneven due to a drop in the EV module product, but power packages are steadily building up revenue
CAMBODIA	Koh Kong – EMS	New product lines continue to support growth despite logistic challenges due to the Thai/Cambodian conflict.
USA	Ohio – RFID	Ramp up challenges delay recovery, but we do expect to see an improvement in 2027
KOREA	PMS Korea – SiC/Si	New opportunities continue to grow increasing our revenues. Cost rises due to higher energy & commodity prices are challenging. Korean semi-companies driven by high AI rated profits increasing salaries – putting pressure on PMS

Sources: HANA

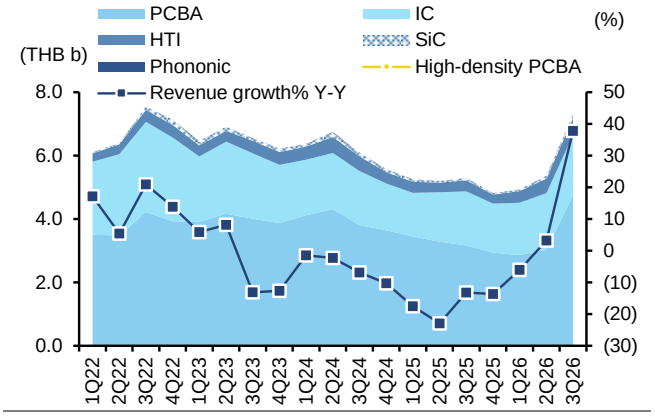
Exhibit 4: 3Q26 breakdown

GROUP SALES	LIKE-FOR-LIKE REVENUE	FX GAIN ON OPERATIONS	GROSS MARGIN
THB 7,300m	THB 6,120m	THB 146m	12.2% (14.5%)
QoQ +36% incl. THB 1,180m turnkey reversal	QoQ +14%	vs avg. rate, last two quarters	excl. turnkey reversal +10.7% QoQ +6.0% YoY

SUBSIDIARY	REVENUE QOQ	OP QOQ
Ayutthaya · Thailand · IC	▲ Up	▲ Up
Jiaxing · China · IC	▼ Down	▼ Down
Lamphun · Thailand · EMS	▲ Up	▲ Up
Jiaxing · China · EMS	▲ Up	▲ Up
Koh Kong · Cambodia · EMS	▲ Up	▲ Up
Ohio · USA · RFID	▲ Up	Still negative
PMS · Korea · SiC/Si	▲ Up	Still negative

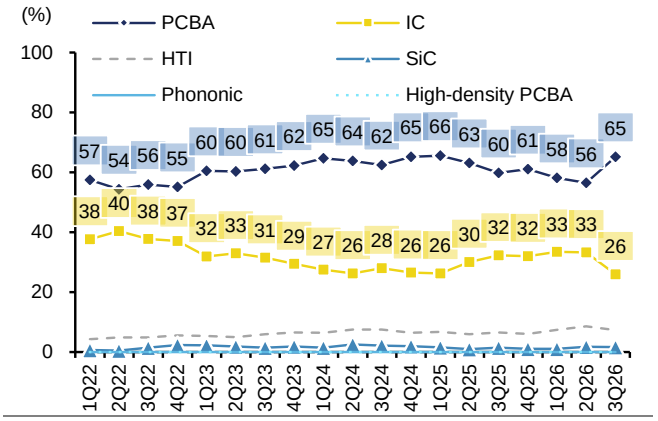
Sources: HANA

Exhibit 5: Revenue breakdown vs revenue growth



Sources: HANA

Exhibit 6: Revenue breakdown by segment (%)



Sources: HANA

Balance sheet (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	6,689	4,937	5,505	5,638	7,640
Account receivable	4,481	4,091	3,608	3,027	2,389
Inventories	7,096	5,803	7,090	8,473	8,956
Others	4,154	7,505	9,761	12,610	14,797
Non-current assets					
Net fixed assets	9,328	8,201	7,141	6,080	5,020
Others	769	623	623	623	623
Total Assets	**32,516**	**31,159**	**33,727**	**36,451**	**39,426**
Current liabilities					
Account payable	3,026	3,156	3,856	4,608	4,871
ST borrowing	557	141	141	141	141
Others	515	510	510	510	510
Long-term liabilities					
Long-term debts	336	1	200	200	200
Others	1,004	1,032	1,032	1,032	1,032
Total liabilities	**5,438**	**4,840**	**5,738**	**6,490**	**6,753**
Paid-up capital	885	885	885	885	885
Retained earnings	20,337	20,286	21,929	23,874	26,560
Others	5,856	5,148	5,148	5,148	5,148
Minority interest	0	0	26	53	79
Shareholders' equity	**27,078**	**26,319**	**27,989**	**29,961**	**32,673**

Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**24,801**	**20,563**	**25,512**	**30,670**	**33,636**
Cost of goods sold	(20,830)	(17,435)	(21,302)	(25,456)	(26,909)
Gross profit	**3,971**	**3,129**	**4,209**	**5,214**	**6,727**
Operating expenses	(1,691)	(1,570)	(1,837)	(2,214)	(2,473)
Operating profit	**2,280**	**1,559**	**2,373**	**3,000**	**4,255**
EBIT	**503**	**33**	**910**	**1,497**	**2,202**
Depreciation	(1,777)	(1,526)	(1,463)	(1,503)	(2,053)
EBITDA	**2,280**	**1,559**	**2,373**	**3,000**	**4,255**
Non-operating income	**(1,009)**	**858**	**1,195**	**456**	**557**
Other incomes	642	668	663	307	336
Other non-op income	(1,651)	190	532	150	220
Non-operating expense	**(55)**	**(143)**	**(355)**	**(150)**	**(220)**
Interest expense	(64)	(13)	(355)	(150)	(220)
Other non-op expense	10	(130)	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	**(560)**	**748**	**1,750**	**1,804**	**2,538**
Extraordinary items					
Current taxation	(86)	(51)	(123)	(126)	(178)
Minorities	13	(26)	(26)	(26)	(26)
Net Profit	**(634)**	**670**	**1,601**	**1,651**	**2,334**
Core net profit	**(634)**	**670**	**1,601**	**1,651**	**2,334**
EPS (THB)	**(0.72)**	**0.76**	**1.81**	**1.86**	**2.64**
Core EPS (THB)	**(0.72)**	**0.76**	**1.81**	**1.86**	**2.64**

Key ratios					
Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	(5.2)	(17.1)	24.1	20.2	9.7
Operating profit	(25.3)	(31.6)	52.2	26.4	41.8
EBITDA	(25.3)	(31.6)	52.2	26.4	41.8
Net profit	(136.0)	205.8	138.9	3.1	41.4
Core net profit	(136.0)	205.8	138.9	3.1	41.4
EPS	(136.0)	205.8	138.9	3.1	41.4
Core EPS	(136.0)	205.8	138.9	3.1	41.4
Profitability (%)					
Gross margin	16.0	15.2	16.5	17.0	20.0
Operation margin	9.2	7.6	9.3	9.8	12.6
EBITDA margin	9.2	7.6	9.3	9.8	12.6
Net margin	(2.6)	3.3	6.3	5.4	6.9
ROE	(2.3)	2.5	5.9	5.7	7.5
ROA	(1.9)	2.1	4.9	4.7	6.2
Stability					
Interest bearing debt/equity (x)	0.0	0.0	0.0	0.0	0.0
Net debt/equity (x)	n.a.	n.a.	n.a.	n.a.	n.a.
Interest coverage (x)	7.8	2.5	2.6	10.0	10.0
Interest & ST debt coverage (x)	0.8	0.2	1.8	5.2	6.1
Cash flow interest coverage (x)	0.2	0.1	0.2	0.2	0.5
Current ratio (x)	5.5	5.9	5.8	5.7	6.1
Quick ratio (x)	2.7	2.4	2.0	1.6	1.8
Net debt (THB m)	(5,797)	(4,794)	(5,164)	(5,297)	(7,299)
Activity					
Asset turnover (X)	0.8	0.6	0.7	1.2	2.5
Days receivables	65.9	72.6	51.6	36.0	25.9
Days inventory	124.3	121.5	121.5	121.5	121.5
Days payable	53.0	66.1	66.1	66.1	66.1
Cash cycle days	137.3	128.0	107.0	91.4	81.3

Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**1,061**	**575**	**970**	**1,060**	**3,384**
Net profit	(634)	670	1,601	1,651	2,334
Depre.& amortization	1,777	1,526	1,463	1,503	2,053
Change in working capital	87	(1,544)	(1,787)	(1,804)	(592)
Others	(169)	(78)	(307)	(290)	(410)
Investment cash flow	**1,868**	**(5)**	**891**	**925**	**2,820**
Net CAPEX	597	(399)	(10)	(9)	(9)
Change in LT investment	1,270	393	901	934	2,828
Change in other assets	0	0	0	0	1
Free cash flow	**2,929**	**569**	**1,861**	**1,985**	**6,204**
Financing cash flow	**(3,194)**	**(2,322)**	**(1,293)**	**(1,852)**	**(4,202)**
Change in share capital	0	0	0	0	0
Net change in debt	0	0	26	26	26
Dividend paid	(407)	(531)	(531)	(801)	(826)
Others	(2,787)	(1,790)	(788)	(1,078)	(3,403)
Net cash flow	**(265)**	**(1,753)**	**568**	**133**	**2,003**

Per share (THB)					
EPS	(0.72)	0.76	1.81	1.86	2.64
Core EPS	(0.72)	0.76	1.81	1.86	2.64
CFPS	1.28	2.51	3.49	3.59	4.98
BVPS	30.58	29.73	31.58	33.78	36.81
Sales/share	28.01	23.23	28.82	34.64	37.99
EBITDA/share	2.57	1.76	2.68	3.39	4.81
DPS	0.46	0.60	0.90	0.93	1.32
Valuation					
P/E (x)	-213.07	21.53	24.66	23.92	16.92
P/BV (x)	4.99	0.55	1.41	1.32	1.21
Dividend yield (%)	0.30	3.68	2.03	2.09	2.96
Divdend payout ratio (%)	-64.27	79.24	50.00	50.00	50.00

HANA MICROELECTRONICS (HANA TB) | THAILAND / SET / ELECTRONICS COMPONENTS

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment Total GHG emissions (Scope 1+2) fell to 51,880 tCO2e in 2025, a 20% reduction from the 64,962 tCO2e 2020 base year (three-year trend: 57,612 → 54,960 → 51,880), tracking toward the 30%-by-2030 target. Grid electricity (Scope 2) remains the dominant source at 50,563 tCO2e, though also declining from 56,731 tCO2e in 2023. Scope 1 was 1,317 tCO2e. GHG intensity improved to 3.38 tCO2e per million THB of sales (-20% vs base), and efficiency/renewable-energy initiatives delivered THB 11.79 million in cost savings in 2025, with a further ~2,779 tCO2e/year of reductions expected.	AAA	0.00
Social Headcount contracted to 5,418 employees in 2025, down from 5,783 (2024) and 6,450 (2023) a cumulative 16% reduction reflecting automation and restructuring in electronics manufacturing. Despite the workforce decline, safety performance was exemplary, with LTIFR at 0.00 and zero fatalities sustained across all three years (2023-2025). Provident fund participation stood at 91.57% of eligible employees, and 37 employees with disabilities were employed.		1.59
Governance The Board comprises 8 directors, 4 independent (50%), with an independent Chairman — exceeding the SET's one-third minimum. HANA holds a 5-star "Excellent" CG Rating (2025 Thai IOD survey) and is a certified CAC member, actively encouraging its business partners and subcontractors to also join CAC as part of its supply-chain governance approach ("Collective Impact").		4.40
Overall | CG Score: 5 (Excellent) | CAC: Certified	**AAA**	**1.68**

SET ESG Rating (AAA) as provided. Bloomberg ESG scores reflect latest available data (Environment 0.00, Social 1.59, Governance 4.40, composite 1.68) — the 0.00 Environment score sits notably below the Company's disclosed GHG reduction performance, likely reflecting a Bloomberg data-coverage gap rather than a performance issue; worth flagging if used in client materials. CG Score of 5 (Excellent) reflects the 2025 Thai IOD survey.
Sources: HANA Annual Report 2025 (Form 56-1 One Report), HANA ESG Performance Report 2025, Globlex Securities Research.

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	**HANA**	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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Analyst Certification

Suwat Sinsadok, Register No. 020799, Globlex Securities Public Company Limited

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.
* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.