



March 14, 2019

Subject : Submission of the Opinion of the Company on the Tender Offer (Form 250-2)
of Delta Electronics (Thailand) Public Company Limited

To : Secretary-General of the Office of the Securities and Exchange Commission
President of the Stock Exchange of Thailand (SET) and
Shareholders of Delta Electronics (Thailand) Public Company Limited

Enclosures: 1. The Opinion of the Company on the Tender Offer (Form 250-2)
2. The Opinion of Independent Financial Advisor on the Tender Offer

According to the notification that Delta Electronics (Thailand) Public Company Limited (the "Company") received a copy of the Tender Offer for Securities (Form 247-4) from Delta Electronics International (Singapore) Pte. Ltd. as the Offeror dated February 22, 2019.

The Company hereby submits the Opinion of the Company on Tender Offer (Form 250-2) and the Opinion of Independent Financial Advisor on the Tender Offer as shown in the enclosures.

Please be informed accordingly.

Sincerely Yours,

Delta Electronics (Thailand) Public Company Limited

Mr. Anusorn Muttaraid

Director

- Translation -
Opinion of the Company on the Tender Offer
(Form 250-2)

Of
Delta Electronics (Thailand) Public Company Limited



Tender Offeror
Delta Electronics International (Singapore) Pte. Ltd.

March 14, 2019

Opinion of the Company on the Tender Offer (Form 250-2)

March 14, 2019

Dear Shareholders

Delta Electronics (Thailand) Public Company Limited

As Delta Electronics (Thailand) Public Company Limited (“DELTA” or “the Business” or “the Company”) received a copy of the Tender Offer to purchase the securities of the Company (“Form 247-4” or the “Tender Offer”) from Delta Electronics International (Singapore) Pte. Ltd. (the “Tender Offeror” or “DEISG”) which is a company incorporated in 2010 and is based in Singapore, with the principal activity of selling electronic control systems, industrial automation, digital display and consumer electronic products electronic products and is directly held as to 100.00% by Delta Electronics, Inc., (“DEI”). DEI is a Taiwanese electronics manufacturing company, the shares of which are listed on Taiwan Stock Exchange Corporation (the “Taiwan Stock Exchange”) (Stock Code: 2308) as a Tender Offeror on February 22, 2019 with details as follows:

Type of Securities	Number of securities to be purchased		Percentage of securities to be purchased ^{1/}		Tender Offer Price per unit (THB) ^{2/}	Total Tender Offer value (THB)
	(Share/Unit)	Total voting rights	Total paid-up shares of the Company	Total voting rights of the Company		
Ordinary shares ^{3/}	986,269,024	986,269,024	79.07	79.07	71.00	70,025,100,704
Preferred shares	-	-	-	-	-	-
Warrants	-	-	-	-	-	-
Convertible debentures	-	-	-	-	-	-
Other securities (if any)	-	-	-	-	-	-
Total	986,269,024		Total	79.07	Total	70,025,100,704

Remark 1/ The Business has a total of 1,247,381,614 shares with par value of THB 1.00 per share

2/ The Offer Price of the Business' share is 71.00 (Seventy-one) (the “Offer Price”) and the Net Offer Price that the selling shareholder who accepts the Tender Offer (the “Offeree”) will receive is THB 71.00 (Seventy-one) per share.

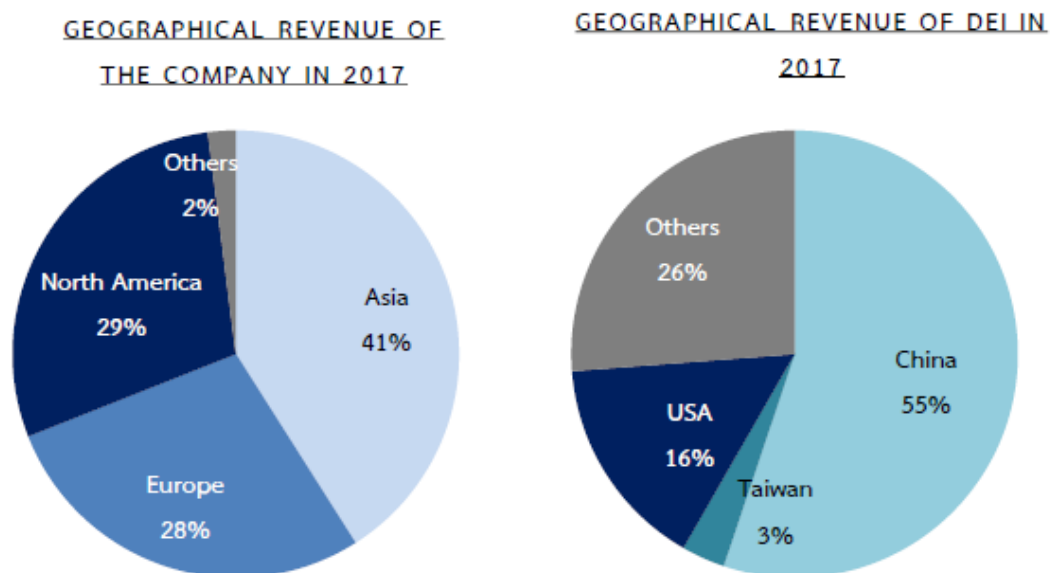
3/ As at the date of submission of this VTO document, the Offeror does not hold any shares in the Company.

The intention of the Offeror (DEISG) is to acquire additional shares by proposing Conditional Voluntary Tender Offer (“CVTO” or “VTO”) in the Company which the Offeror, together with DEI and DEI's subsidiary which is Delta International Holding Ltd. (“DIH”) (together referred to as the “Group”), has an objective to take the attractive investment opportunities to complement its existing businesses and to maximize shareholder benefits. The key intentions of the Offeror in initiating this CVTO are as follows; (1) Global manufacturing reach:

The Offeror intends to strengthen its global manufacturing reach to deal with international trade uncertainties. The Company possesses excellent manufacturing competencies in Thailand, India and Slovakia, which will complement the group of main manufacturing facilities based in China and Taiwan which can be shown in the following figure.



(2) Customer supports in the related regions: South East Asia and India have fast economic growth. The Company's proximity to key customers in South East Asia and other regions is expected to be beneficial as well as in regards to better customer support which the Group's key customers are located in China, Taiwan and United State of America as shown in the following pie charts of revenue structure of the Company and DEI by geography.



(3) Positive impacts on revenues and profits: From 2010 to present, the Company's revenues have surpassed USD 1 billion and its earnings will also add up to the Offeror's profitability structure with the

Company's earnings for 2018 of USD 159 million.

According to the reasons above, the Board of Directors' Meeting of the Offeror held on July 31, 2018 has resolved to approve making a voluntary tender offer for the entire securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) at the offering price of THB 71.00 per share. The CVTO shall be commenced in which case the certain pre-conditions are absolutely completed. DEISG has the pre-conditions to obtain regulatory approval (Merger Control Clearance) from the Relevant regulatory agencies which determined that a company that plans to acquire control over another company is required to obtain a regulatory approval before the transaction is implemented. In this CVTO, it is necessary to obtain regulatory approvals from the Federal Trade Commission and Antitrust Division of Department of Justice of United States (the "Related Regulatory Agency in the US"), Directorate-General for Competition of the European Commission of European Union (the "Related Regulatory Agency in the EU") and State Administration for Market Regulation Anti-monopoly Bureau of China (the "Related Regulatory Agency in China"). As of February 13, 2019, DEISG obtained the approval from the "Related Regulatory Agency in the US" on September 5, 2018, the "Related Regulatory Agency in the EU" on October 24, 2018 and the "Related Regulatory Agency in China" on February 13, 2019. In this regard, DEISG is obliged to submit a statement of intention to make a tender offer (Form 247-3) on February 18, 2019 and an offer document (Form 247-4) on February 22, 2019 pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended).

Currently, the Company has 87.50% foreign shareholders as of February 25, 2019 which the Company's foreign limit is 100.00%. However, after the completion of the Tender Offer, the Offeror intends to maintain the listing status of the Company on the SET.

As at the date of the submission of this CVTO document, the Company has only one class of security, namely ordinary shares. The Company has a total of 1,247,381,614 issued and fully paid-up ordinary shares with par value of THB 1.00 ("Delta Shares" or the "Company Shares") which include shares held by DEI and DIH in amount of 261,112,590 shares, representing 20.93% the total issued and paid-up shares of the Company and total voting rights.

As set out above, on December 4, 2018 DEI and DIH as shareholders of the Company, announced Notification of intention of decline to sell any of the shares to the Offeror in the CVTO; in any cases, such shares amounting to 69,128,140 shares and 191,984,450 shares representing 5.54% and 15.39% of the total issued and paid-up shares of the Company and the Company's total voting rights, respectively or total of 261,112,590 shares representing 20.93% of the total issued and paid-up shares of the Company and the Company's total voting rights. On this basis, the number of shares which are subject to the CVTO (excluding the 261,112,590 ordinary shares held by DEI and DIH) are 986,269,024 shares or 79.07% of total issued and paid-up shares of

the Company and the Company's total voting rights (As detailed in Notification of intention of decline to sell any of the shares to the Offeror in the CVTO in Attachment 7 in Form 247-4).

The Offeror shall make a tender offer for all remaining 986,269,024 ordinary shares of the Business, representing 79.07% of the total issued and paid-up shares of the Business. The Tender Offer Period is 25 business days commencing on February 26, 2019 and ending on April 1, 2019 (the "Offer Period"). Such Offer Period is the final period which will not be extended. Krungsri Securities Public Company Limited as the Tender Offer Agent will make payment to the Offeree after the 3rd business day from the last day of the Offer Period, which is April 4, 2019. The Acceptance Form submitted by the Offeree must be correct and completed and the transfer of the tendered shares must be completed ("Settlement Date").

The Offeree is able to revoke the acceptance of the Tender Offer at the office of the Tender Offer Agent on any business day from February 26, 2019 to March 25, 2019 (totaling of 20 business days) during 9:00 a.m. to 4:00 p.m. (the "Tender Offer Revocation Period"). (If the Offeree wishes to revoke the acceptance, the Offeree must follow the Tender Offer Cancellation Procedures and Forms as specified in Attachment 2.1 in Form 247-4).

Such Offer Price is the final offer which shall not be changed, and such Offer Period is the final period which shall not be extended, unless the following conditions arise:

- 1) The Offeror may reduce the Offer Price or extend the Offer Period in the case of any event or action that occurs during the Offer Period which causes severe damage to the status or assets of the Business.
- 2) The Offeror may change the offer or extend the Offer Period to compete with another offeror who has submitted a tender offer for shares of the Business during the Offer Period.

The Offeror may cancel the Tender Offer to purchase the Company's securities if any of the following events occur (Material Adverse Effect):

- 1) Any event, occurrence, fact, condition or change that arises after the statement of this Tender Offer has been filed with the Office of the Securities and Exchange Commission (the "SEC") and during the Tender Offer Period which is or would reasonably be materially adverse to the business, effect of operations, financial condition or assets of the Company provided that such event or act is not caused by the Group;
- 2) Any event or occurrence, including, among others, any act performed by the Company after the statement of this Tender Offer has been filed with the SEC and during the Offer Period that results or is likely to result in a substantial reduction in the market price of the Shares as quoted on the Stock Exchange of Thailand ("SET");
- 3) Any event or occurrence, including, among others, any act performed by the Company which is likely to affect the Tender Offer as specified in the Notification of the Capital Market Supervisory Board No.

ThorJor. 14/2554 Re: Acts or Omission to Act Which is Likely to Affect Tender Offer of Business (including any amendment thereto).

1. The status of the Company in respect of past

1.1. Background and important development

Delta Electronics (Thailand) Public Company Limited ("the Company", "DELTA" and "the Business"), is a manufacturer and exporter of power supplies and electronics equipment and parts, the Company was inaugurated on June 16, 1988, with THB 40 million in initial capital. The company was converted to a public limited company on September 23, 1994 and listed on the Stock Exchange of Thailand on July 24, 1995, under the symbol of "DELTA". As of December 31, 2017, the Company has THB 1,259,000 in registered capital with THB 1,247,381,614 in paid-up capital at THB 1 par value per share.

Delta Thailand is one of the world's leading producers of power supplies and electronic components that include cooling fans, EMI filters and solenoids. Our businesses are now mainly involved in power management solutions. Our current power management product line covers various types of power supplies including power systems for information technology, telecommunications, industrial applications, office automation and medical industries; and power supplies for servers, networking and DC-DC converters and adapters. Presently, we are extending our businesses to cover renewable energies such as solar power, wind power, electric vehicle and hybrid-electric vehicles.

1.2. Nature of business

Business operation

DELTA and our subsidiaries are manufacturers and distributors of power supplies and electronic equipment and parts. At present, the Company has 2 main plants in Thailand, our headquarters in Bangpoo Industrial Estate, Samutprakarn and another plant in Wellgrow Industrial Estate, Chachoengsao. Our overseas plants are in India (Rudrapur and New Delhi), Slovakia (Dubnica nad Váhom and Liptovsky Hradok) and Myanmar (Yangon). DELTA divides its products into 3 main business groups as follows;

1. Power Electronics Group

1.1. Embedded Power Solutions (EPSBG) Product Group which can be further divided down into 3 subgroups as follows;

- DC-DC Power
- Computer & Networking Power, i.e. power supply for storage, server and networking.
- Custom Design Power, which offers high-end custom-designed power supplies for information technology, telecommunications and industrial applications.

1.2. Fan & Thermal Management (FMBG) Product Group includes Cooling Fan, EMI filter and Solenoid product categories.

- 1.3. Electrics Vehicle Solutions (EVSBG) Product Group includes power supplies and electronics for automotive product categories.
- 1.4. Merchant & Mobile Power (MPBG) Product Group includes adapters for notebooks and power supplies for industrial and consumer electronics.
2. Automation Group supplies automatic equipment for the industrial sector and smart factory including smart sensors and automatic systems for building, lighting and surveillance.
3. Infrastructure Group
 - 3.1. ICT Infrastructure (ICTBG) Product Group which can be further divided down into 2 subgroups as follows;
 - Telecom Power Solutions (TPS)
 - Uninterruptible Power Supplies (UPS)
 - 3.2. Energy Infrastructure Solutions (EISBG) Product Group including renewable energy product and electric vehicle charging solutions

Product Profile

1. Power Electronics Group

DELTA is a leading supplier and provider of switching power supplies and DC brushless fans. We offer a diversified selection of power supplies and thermal management product for use in an extensive range of portable devices, cloud computing equipment, home appliances and medical-device applications. Our design customization services are also the first choice of leading OEMs / ODMs. We provide tailor-made components, devices and related services to help our customers advance their competitiveness in the field power electricity. This following are our 4 power electronics business group.

- 1.1. Embedded Power Solutions (EPSBG) As a result of major technological advances, DELTA has steadily increased the efficiency of its power supply products and has introduced products with energy saving features. Important power supply of this group are as follows.
 - DC-DC Converter'



DC-DC Converter's main application is to supply the stable voltage to microprocessor that generally generates unstable load (Dynamic load) during operation. DELTA offers high voltage DC-DC converters up to 2650W that provide high power density, a low profile and high efficiency.

- Computer & Networking Power



This subgroup mainly comprises of power supplies for PCs, servers, networking, workstations, storage and other high voltage power supplies that provide power ranging up to 7200W per power module, with efficiency over 90% and power density up to 25W/inch³

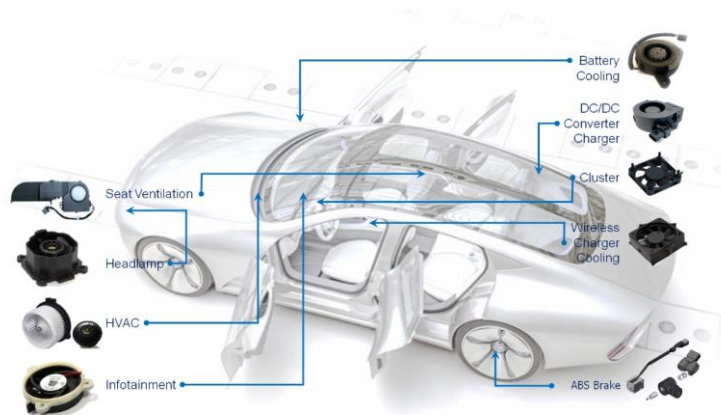
- Custom Design Power



Our custom design provides fully customized innovative solutions/products for the computing (server, networking), office automation, and medical, as well as telecommunications, the automotive industry and industrial applications. As technology leader, our customized solution/products are packed with innovative technologies.

1.2. Fan & Thermal Management (FMBG)

- DC fans



DELTA DC fans are custom-designed and produced with cooling, ventilating and circulating functions to be used in many areas for our world-renowned customers' automotive, telecom, IT, household and industrial applications.

- EMI Filter



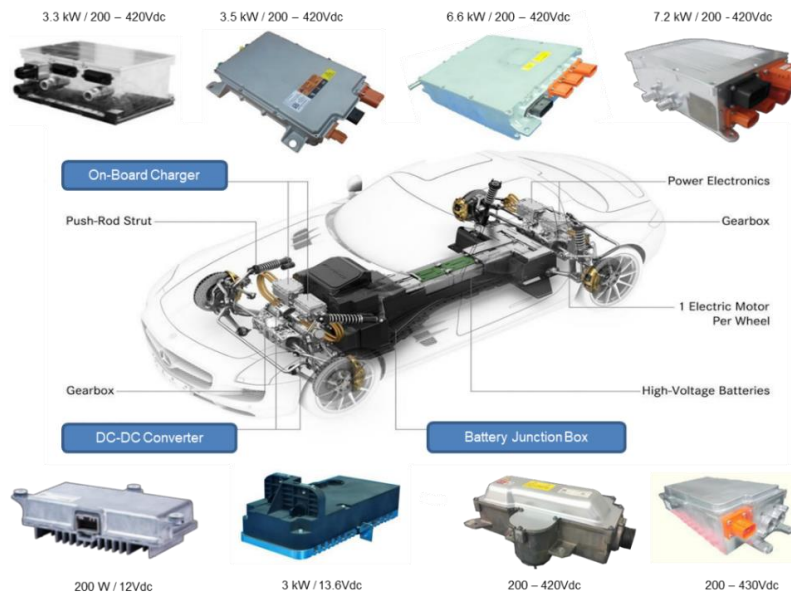
Electromagnetic Interference (EMI) Filters, with its function for noise & interference reduction, are widely used in home appliances, IT, Telecom to Industrial applications

- Solenoid



Home appliance and automotive Solenoid are available for our customers' unique requirements, such as applications in the automotive ABS system, refrigerator, ice maker and electric door locks.

1.3. Electric Vehicle Solutions (EVSBG)



DELTA's automotive business provides reliable and efficient EV/HEV powertrain solutions and power electronics components which focused on high power upgrade technology including OBCM of up to 11.0KW, DC/DC converters and APM with an industry-leading 96% energy efficiency of to 3.0KW. The subgroup also develop new traction inverter related products to support the technology requirements of HEV models on the road today and present the future for the automotive business.

1.4. Merchant & Mobile Power (MPBG)



The Merchant & Mobile Power Business Group includes DELTA branded industrial power supplies and adaptor for broadband, printing, game, industrial and power tools. We are one of the world's largest producers of AC/DC adapters for portable computers and other external power source applications.

The use of ASIC, hybrid circuits, and thin film technology allow us to produce adapters with industry-leading power density and a broad range of standard power supplies for industrial and medical applications.

2. Automation Group



DELTA offers high-performance, reliable automation products and solutions with high performance and reliability, including drives, motion control systems, industrial control and communication, power quality improvement, human machine interfaces, sensors, meters, and robot solutions. We also provide information monitoring and management systems such as SCADA and Industrial EMS for complete, smart manufacturing solutions.

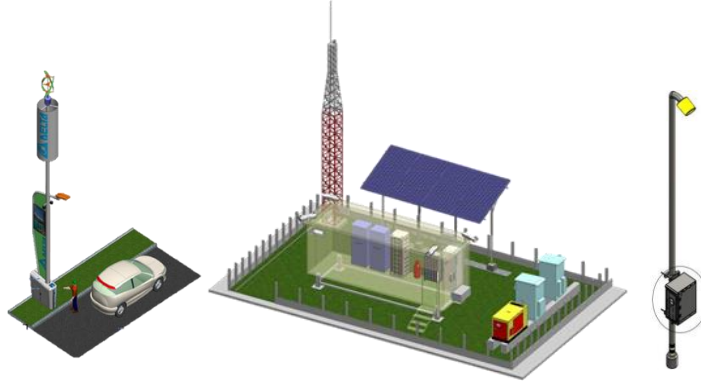
3. Infrastructure Group

3.1. ICT Infrastructure (ICTBG)

DELTA is a world-leading developer and supplier of telecom power systems, uninterruptible power supplies, medium-voltage drives, and solar and wind-energy solutions. We are the number one provider of telecom power solutions in India, and Brazil, and the leading supplier in Europe, Americas and the Asia-Pacific regions.

At DELTA, we offer an extensive range of energy management products and regularly apply our advanced engineering capabilities to the design and/or customization of systems and solutions for applications in datacenters, renewable energy, electronic vehicles, eco-friendly transportation infrastructure and green buildings.

- Telecom Power Solutions



DELTA is a pioneer in providing energy saving solutions for Telecom network requirements. Every 2nd telecom site in India is powered by DELTA's Power solutions. We leverage our board product portfolio to serves telecom operators, telecom equipment manufacturers & infrastructure companies. With a market share of over 50%, the Company provides customized solutions for indoor & outdoor applications. DELTA provides solutions for all network layers starting from MSC (Bulk Power), BSC (Medium Power), BTS/Cell Site (Power Sharing-Multi Operator) & Last Mile Connectivity Solutions for 4G/LTE/Wi-Fi application with both DC & AC output. Additionally, DELTA is actively participating in non-telecom applications like Railways, PGCIL, Smart City Applications & Surveillance Solutions.

Our infrastructure product range includes all capacities of Power Conversion Products (like Rectifiers, Inverters & DC-DC Converters), Power Management Solutions (IPMS-Integrated Power Management Solutions, PIU-Power Interface Units), Energy Storage Solutions (VRLA & Li-Ion Batteries), Hybrid Solutions (DG Battery Hybrid, Solar Hybrid), Cooling Solutions (Fan based, HEX based, DC-Aircon based), DG Cranking solution (battery less) GBM solutions.

- Mission Critical Infrastructure Solutions

The Mission Critical Infrastructure Solutions (MCIS) business positions itself as: "The power behind competitiveness". We fulfil this role by providing highly reliable and efficient power management products and datacenter infrastructure solutions to ensure the continuity of our customers' mission critical operations while reducing their Total Cost of Ownership (TCO). DELTA MCIS is a powerful and trustworthy partner to our customers.



We support our customers in building customised, reliable, flexible and energy-efficient Datacenters with effective power usage. DELTA's InfraSuite Datacenter Infrastructure Solutions products include: power systems, racks and accessories, precision cooling and environment management systems. The Company MCIS portfolio covers products from uninterruptible power supplies (UPS) to datacenter infrastructure solutions-InfraSuite, that comes with a comprehensive range of services.

3.2. Energy Infrastructure (EISBG)

DELTA's Photovoltaic (PV) systems for Residential, Commercial and Large-scale application ensure independence from rising energy prices and help supply environmentally-friendly and reliable decentralized energy, they also generate consistent income since power is sold to the grid at prices guaranteed by the government.

Solar Inverter Solutions for Residential PV Systems

DELTA PV systems for single and multi-family homes help supply green reliable energy to users. Our customers can also generate consistent income by selling excess generated power to the grid.

Solar Inverter Solutions for Commercial PV Systems

Modern companies and facilities actively contribute to protecting our environment by employing rooftop DELTA PV systems, which reduce energy cost while also conserving resources.

Solar Inverter Solutions for PV Utility Power Stations

The rugged and high-performance power electronics in DELTA solar inverters are compatible with utility scale power plants to guarantee environmentally-friendly power generation for decades.

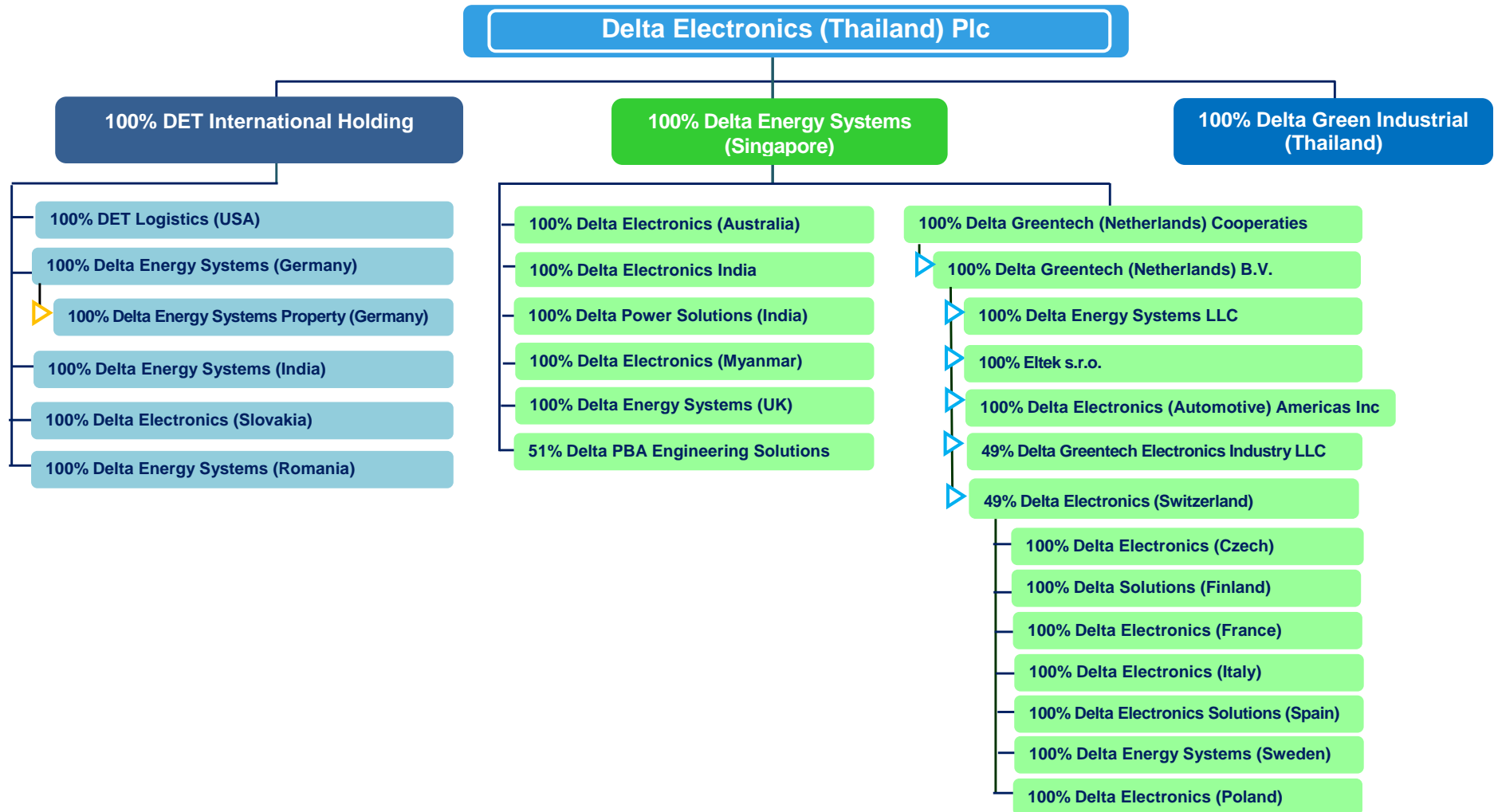
1.3. Revenue structure

Revenue Structure of DELTA and Subsidiaries are as follows:

Unit : THB Million (Rounded)

Product Group	2016		2017		2018	
	revenue	%	revenue	%	revenue	%
Power Electronics Group	28,422.00	60.70%	31,051.00	63.10%	34,404.00	64.80%
Infrastructure Group	16,147.00	34.40%	16,153.00	32.80%	16,471.00	31.00%
Automation Group	1,985.00	4.20%	1,809.00	3.70%	1,818.00	3.50%
Others	344.00	0.70%	211.00	0.40%	374.00	0.70%
Total Sales Revenue	46,887.00	100.00%	49,224.00	100.00%	53,067.00	100.00%

1.4. Group structure of DELTA as of January 31, 2019



The Company has no certain policy for assigning the businesses to the subsidiaries. It is up to appropriate business and availability of personnel

Company	Location	Type of Business	Type of product	Type of Stock	Registered Capital	Paid up Capital	% Holding
1. DET International Holding Ltd.	Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands	Business Investment	-	Common Stock	USD 300,000,000	USD 264,357,329	100
1.1 DET Logistics (USA) Corporation	46101 Fremont Blvd., Fremont, CA 94538 USA Tel: +1 510 668 5100 Fax: +1 510 668 0680	Logistic Service in USA	-	Common Stock	USD 1,000,000	USD 500,000	100
1.2 Delta Energy Systems (Germany) GmbH	Coesterweg 45, D-59494 Soest, Germany Tel: +49 2921 987 0 Fax: +49 2921 987 601	- Marketing & Sales - R&D	- Power System - Power Supply - Other Electronics Products	Common Stock	EUR 18,301,000	EUR 18,301,000	100
1.2.1 Delta Energy Systems Property (Germany) GmbH	Coesterweg 45, D-59494 Soest, Germany	Property	-	Common Stock	EUR 25,000	EUR 25,000	100
1.3 Delta Energy Systems (India) Pvt. Ltd.	Plot No. 43, Sector-35, Industrial Estate, Gurgaon, Haryana, India 122001 Tel: 91 124 4874900 Fax: 91 124 4874945	Marketing & Sales	Electronics Products	Common Stock	INR 494,500,000	INR 490,476,020	100
1.4 Delta Electronics (Slovakia) s.r.o	Priemyselna ulica 4600/1, SK – 018 41 Dubnica nad Vahom, Slovakia Tel: 421 42 466 1111 Fax: 421 42 466 1130	Manufacturing & Sales	Power Supply - Power Systems DEM Power Systems	Common Stock	EUR 47,120,947	EUR 47,120,947	100
1.5 Delta Energy Systems (Romania) S.R.L.	Intrarea Nestorei No. 1, Building B, 9th Floor, District 4, 040037, Bucharest, Romania Tel: +40 21 305 1770 Fax: +40 21 305 1789	R&D	-	Common Stock	RON 395,200	RON 395,200	100
2. Delta Energy Systems (Singapore) Pte.Ltd.	4 Kaki Bukit Avenue 1 #05-04 Singapore 417939 Tel: +65 6747 5155 Fax: +65 6744 9228	Business Investment Management and Consultancy Service Trading	-	Common Stock	USD 105,001,590	USD 105,001,590	100
2.1 Delta Electronics (Australia) Pty.Ltd.	Unit 20-21 , 45 Normanby Road, Notting Hill VIC 3168, Australia Tel: +61 9543 3720 Fax: +61 9544 0606	Marketing & Sales	Renewable Energy Products	Common Stock	AUD 3,329,000	AUD 3,329,000	100
2.2 Delta Electronics India Pvt. Ltd.	1st Floor, ASV Chamiers Square, New Door No. 87, Old No. 48, Chamiers Road, Raja Annamalaipuram, Chennai, Tamil Nadu, India, 600028 Tel: +91 124 4874900 Fax: +91 124 4874945	Marketing & Sales Manufacturing	Non-Telecom Power System & UPS Products	Common Stock	INR 6,070,000,000	INR 4,761,670,140	100

Company	Location	Type of Business	Type of product	Type of Stock	Registered Capital	Paid up Capital	% Holding
2.3 Delta Power Solutions (India) Pvt. Ltd.	1st Floor, ASV Chamiers Square, New Door No. 87, Old No. 48, Chamiers Road, Raja Annamalaipuram, Chennai, Tamil Nadu, India, 600028 Tel: +91 124 4874900 Fax: +91 124 4874945	- Marketing & Sales - Assembler - R&D	elecom Power Systems IPS	Common Stock	INR 1,700,000,000	INR 1,638,626,520	100
2.4 Delta Electronics (Myanmar) Co., Ltd.	Plot No.91 and 92, Myay Taing Quarter No.25, Shwe Lin Ban Industrial Zone. Hlaing Thar Yar Township, Yangon, Myanmar	Manufacturing	Mechanical Electronics Products under CMP system (Cutting, Making and Packaging)	Common Stock	USD 2,350,000	USD 2,350,000	100
2.5 Delta Energy Systems (UK) Ltd.	1 Redwood Court, Peel Park, East Kilbride, G74 5PF, Scotland, United Kingdom	R&D	Power Electronics	Common Stock	GBP 700,000	GBP 700,000	100
2.6 Delta PBA Engineering Solutions Co., Ltd.	714 Moo 4, Tambol Praksa, Amphur Muang Samutprakarn, Samutprakarn 10280, Thailand Tel: +66 2 709 2800 Fax: +66 2 709 2827	Provider of industrial automation solutions	Industrial Automation	Common Stock	THB 35,000,000	THB 35,000,000	51
2.7 Delta Greentech (Netherlands) Cooperaties UA	Zandsteen 15, 2132 MZ Hoofddorp, The Netherlands Tel.: +31 20 655 0900 Fax: +31 20 655 0999	Business Investment	Focusing on Telecom Power Systems Products	Common Stock	No registered	EUR 26,997,188	100
2.7.1 Delta Greentech (Netherlands) B.V.	Zandsteen 15, 2132 MZ Hoofddorp, The Netherlands Tel.: +31 20 655 0900 Fax: +31 20 655 0999	Business Investment	Focusing on Telecom Power Systems Products	Common Stock	EUR 26,937,182	EUR 26,937,182	100
2.7.1.1 Delta Energy Systems LLC	Office 401, Vereyskaya Plaza II, Vereyskaya Street 17, 121357, Moscow, Russia Tel: +7 495 644 3240 Fax: +7 495 644 3241	Marketing & Sales	Power Systems	Common Stock	RUR 30,000	RUR 30,000	100
2.7.1.2 Eltek s.r.o.	Pálenica 53/79, Liptovský Hrádok 033 17, Slovakia	Manufacturing	Telecom Power Systems	Common Stock	EUR 3,319,392	EUR 3,319,392	100
2.7.1.3 Delta Electronics (Automotive) Americas Inc.	46101 Fremont Blvd., Fremont, CA 94538 USA.	R&D	Automotive Power and Traction Inverter	Common Stock	USD 10,000,000	USD 2,500,000	100
2.7.1.4 Delta Greentech Electronics Industry LLC	Serifali Mevkii Soylesi Sok No:19/1, 34775, Yukaridudullu/Istanbul, Turkey	Marketing and distribution	lectronics Products	Common Stock	TRY 23,517,175	TRY 23,517,175	49

Company	Location	Type of Business	Type of product	Type of Stock	Registered Capital	Paid up Capital	% Holding
2.7.1.5 Delta Electronics (Switzerland) AG	Freiburgstrasse 251, CH-3018 , Bern-Bümpliz, Swizerland Tel: +41 31 998 5388 Fax: +41 31 998 5485	- Marketing & Sales - R&D	Power System	Common Stock	CHF 10,000,000	CHF 10,000,000	49
2.7.1.5.1 Delta Electronics (Czech Republic), spol. s r.o.	Perucka 2482/7, 120 00 Praha 2, Czech Republic Tel: 420 2 7175 18 00 Fax: 420 271 751 799	Marketing & Sales	Power Systems	Common Stock	CZK 8,000,000	CZK 8,000,000	49
2.7.1.5.2 Delta Solutions (Finland) Oy	Juvan Teollisuuskatu 15, PL63, FI-02921 Espoo, Finland Tel: +358 9 8496 60 Fax: +358 9 8496 6100	- Marketing & Sales - Assembler	Power Systems	Common Stock	EUR 269,100.68	EUR 134,550.34	49
2.7.1.5.3 Delta Electronics (France) S.A.	ZI du Bois Chaland2 - 15 rue des Pyrénées, LISSES, 91056 EVRY CEDEX, France Tel: 33 1 69 77 82 60 Fax: 33 1 64 97 05 77	Marketing & Sales	Power Systems	Common Stock	EUR 1,000,000	EUR 1,000,000	49
2.7.1.5.4 Delta Electronics (Italy) s.r.l.	Piazza Grazioli 18 , 00186 Roma, Italy Tel: +39 06 69941209 Fax: +39 06 69942293	- Marketing & Sales - Assembler	Power Systems	Common Stock	EUR 100,000	EUR 100,000	49
2.7.1.5.5 Delta Electronics Solutions (Spain) S.L.	Calle Luis I n° 60, Nave 1a, P.I. de Vallecas, E-28031 Madrid, Spain Tel: +420 2 7175 18 00 Fax: +420 2 7175 17 99	Marketing & Sales	Power Systems	Common Stock	EUR 200,000	EUR 200,000	49
2.7.1.5.6 Delta Energy Systems (Sweden) AB	Annvägen 3, P.O.Box 3096, S-350 33 Växjö, Sweden Tel: +46 470 70 68 00 Fax: +46 470 70 68 90	Marketing & Sales	Power Systems	Common Stock	SEK 2,010,000	SEK 2,010,000	49
2.7.1.5.7 Delta Electronics (Poland) Sp.zo.o	Poleczki 23, Street 02-822 Warsaw, Poland Tel: +48 22 335 2600 Fax: +48 22 335 2601	Marketing & Sales	Power Systems	Common Stock	PLN 2,500,000	PLN 2,500,000	49
3. Delta Green Industrial (Thailand) Co.,Ltd.	111 Moo 9, Bangwua, Bangpakong, Chachoengsao, Thailand Tel: +66 38 522455 Fax: +66 38 522460	Integration, Sales/Trading, Installation and Service	UPS Solar Inverter EV Charger Data Center	Common Stock	THB 206,000,000	THB 206,000,000	100

1.5. The Company's shareholding structure

1.5.1. Delta's 10 largest shareholders according to the latest share register book as of December 11, 2018

Rank	Name	Number of Shares	(%) Held	(%) Voting rights
1.	CITI (Nominees) Limited-CBHK-PBGSG- Restricted Shares ^{1/}	708,259,870	56.78	56.78
2.	Thai NVDR Co., Ltd.	83,472,351	6.69	6.69
3.	Delta Electronics Inc.	69,128,140	5.54	5.54
4.	UBS AG Singapore, Branch	53,172,220	4.26	4.26
5.	South East Asia UK (Type C) Nominees Limited	31,215,848	2.50	2.50
6.	RBC Investor Services Trust	29,569,840	2.37	2.37
7.	State Street Europe Limited	22,850,114	1.83	1.83
8.	BNY Mellon Nominees Limited	18,766,168	1.50	1.50
9.	South East Asia UK (Type A) Nominees Limited	15,834,950	1.27	1.27
10.	HSBC Bank PLC-HSBC Institutional TST SVS(IRE) LTD First State Global Umbrella Fund PLC - First State Asian EQU	11,077,500	0.89	0.89

Source : 247-4

Remark: 1/ As of December 11, 2018, CITI (Nominees) Limited-CBHK-PBGSG- Restricted Shares (The former name is Citibank Nominees Singapore Pte Ltd – CBHK - PBGSG – Restricted Shares) of 56.78% consist of shareholding by Delta International Holding Ltd. of 15.39% and others of 41.39%.

1.5.2. Expected 10 largest shareholders following the Completion of the Tender Offer

Rank	Name	Number of Shares	(%) Held	(%) Voting rights
1	Persons under Section 258 of Delta Electronics International (Singapore) Pte. Ltd:	261,112,590	20.93	20.93
	• Delta Electronics Inc.	69,128,140	5.54	5.54
	• Delta International Holding Ltd.	191,984,450	15.39	15.39
2	Delta Electronics International (Singapore) Pte. Ltd. (if able to receive all remaining shares via this CVTO)	986,269,024	79.07	79.07
	Total	1,247,381,614	100.00	100.00

Source: 247-4

Remark: Assuming all shareholders of the Company accept the VTO and others not accept VTO including Delta Electronics, Inc. and the Group, through its subsidiary Delta International Holding Ltd. whom signed the Notification of intention of decline to sell any of the shares to the Offeror in the CVTO. Please see Attachment 7 in Form 247-4 for more detail. DIH holds the Company shares in portion of 15.39% through CITI (Nominees) Limited-CBHK-PBGSG- Restricted Shares.

1.6. Board of Directors

1.6.1. Board of Directors before the submission of the Tender Offer are as follow:

Name	Position
Mr. Ng Kong Meng	Chairman of the Board
Mr. Ming-Cheng Wang	Vice Chairman
Mr. Hsieh Shen-yen	Director and President
Mr. Hsieh Heng-hsien	Director
Mr. Anusorn Muttaraid	Director
Mr. Chu Chih-yuan	Independent Director
Mr. Boonsak Chiempricha	Independent Director
Dr. Witoon Simachokedee	Independent Director
Mrs. Tippawan Chayutimand	Independent Director

Source: the Company

1.6.2. Board of Directors after the Completion of the Tender Offer

Following the completion of the Tender Offer, the Offeror expected to proceed with changing the number of directors of the Board of Directors as appropriate or the Offeror may nominate its representatives to hold director positions in the Board of Directors in accordance with its pro-rata shareholding, by taking into consideration of various factors for the benefits of the Company. Moreover, any changes in the number of directors of the Board of Directors or appointment of director in place of existing director, shall be done in consideration with the appropriateness and in compliance with relevant regulations including the Company's policy, the Company's article of association, the Company's Board of Directors meeting and/or the Company's shareholders meeting and shall inform shareholder through the SET Electronic Listed Company Information Disclosure (ELCID).

1.7. Consolidated financial position and operation results

Consolidated statement of financial position

Lists	2016 (Audited)		2017 (Audited)		2018 (Audited)	
	THB million	%	THB million	%	THB million	%
Assets						
Current assets						
Cash and cash equivalents	19,685.36	42.50%	17,319.88	37.64%	15,607.75	32.38%
Current investments	431.37	0.93%	215.46	0.47%	222.75	0.46%
Trade and other receivables	10,696.54	23.09%	10,468.27	22.75%	11,558.02	23.98%
Inventories	7,296.78	15.75%	7,684.00	16.70%	9,460.87	19.63%
Other current assets	818.35	1.77%	729.87	1.59%	1,138.35	2.36%
Total current assets	38,928.39	84.04%	36,417.48	79.14%	37,987.73	78.81%
Non-current assets						
Deposits at bank with restrictions	54.73	0.12%	46.51	0.10%	55.05	0.11%
Investments in associated companies	-	0.00%	592.67	1.29%	536.33	1.11%
Investments in subsidiary companies	-	0.00%	-	0.00%	-	0.00%
Advance payment for purchase of land	-	0.00%	201.68	0.44%	-	0.00%
Investment properties	211.36	0.46%	210.03	0.46%	236.74	0.49%
Property, plant and equipment	5,965.73	12.88%	7,257.99	15.77%	7,956.88	16.51%
Land-use rights	-	0.00%	44.03	0.10%	220.03	0.46%
Consolidation goodwill	306.76	0.66%	449.88	0.98%	438.41	0.91%
Other intangible assets	487.02	1.05%	525.02	1.14%	476.23	0.99%
Deferred tax assets	299.13	0.65%	226.25	0.49%	238.85	0.50%
Other non-current assets	66.16	0.14%	46.08	0.10%	54.46	0.11%
Total non-current assets	7,390.88	15.96%	9,600.15	20.86%	10,212.97	21.19%
Total assets	46,319.27	100.00%	46,017.63	100.00%	48,200.69	100.00%

Source: The Company's consolidated financial statements

Lists	2016 (Audited)		2017 (Audited)		2018 (Audited)	
	THB million	%	THB million	%	THB million	%
Liabilities and shareholders' equity						
Current liabilities	321.10	0.69%	228.67	0.50%	-	0.00%
Bank overdrafts and short-term loans from financial institutions	11,404.17	24.62%	10,480.41	22.77%	11,801.45	24.48%
Trade and other payables	77.13	0.17%	77.35	0.17%	56.43	0.12%
Income tax payable	94.18	0.20%	56.93	0.12%	13.39	0.03%
Short-term provisions						
Liabilities and provision from tax assessments	100.00	0.22%	617.31	1.34%	239.37	0.50%
Other current liabilities	405.49	0.88%	238.99	0.52%	247.14	0.51%
Total current liabilities	12,402.07	26.78%	11,699.65	25.42%	12,357.78	25.64%
Non-current liabilities						
Deferred tax liabilities	82.42	0.18%	113.27	0.25%	144.45	0.30%
Provision for long-term employee benefits	1,458.71	3.15%	1,337.17	2.91%	1,234.25	2.56%
Long-term provisions	473.82	1.02%	388.65	0.84%	499.04	1.04%
Other non-current liabilities	11.16	0.02%	5.16	0.01%	24.25	0.05%
Total non-current liabilities	2,026.10	4.37%	1,844.25	4.01%	1,901.99	3.95%
Total liabilities	14,428.18	31.15%	13,543.90	29.43%	14,259.77	29.58%
Shareholders' equity						
Share capital	1,259.00	2.72%	1,259.00	2.74%	1,259.00	2.61%
Issued and fully paid	1,247.38	2.69%	1,247.38	2.71%	1,247.38	2.59%
Share premium	1,491.91	3.22%	1,491.91	3.24%	1,491.91	3.10%
Surplus on business combination under common control	-	0.00%	(1,004.03)	-2.18%	(1,004.03)	-2.08%
Retained earnings	-	0.00%	-	0.00%	-	0.00%
Appropriated - Statutory reserve	125.90	0.27%	125.90	0.27%	125.90	0.26%
Unappropriated	30,705.03	66.29%	31,998.26	69.53%	34,432.01	71.43%
Other components of shareholders' equity	(1,679.14)	-3.63%	(1,400.75)	-3.04%	(2,356.67)	-4.89%
Equity attributable to owners of the Company	31,891.09	68.85%	32,458.68	70.54%	33,936.50	70.41%
Non-controlling interests of the subsidiary	-	0.00%	15.04	0.03%	4.42	0.01%
Total shareholders' equity	31,891.09	68.85%	32,473.72	70.57%	33,940.92	70.42%
Total liabilities and shareholders' equity	46,319.27	100.00%	46,017.63	100.00%	48,200.69	100.00%

Source: The Company's consolidated financial statements

Consolidated statement of comprehensive income

Lists	2016 (Audited)		2017 (Audited)		2018 (Audited)	
	THB million	%	THB million	%	THB million	%
Revenues						
Sales and service income	46,887.26	100.00%	49,224.01	100.00%	53,066.65	100.00%
Other income						
Interest income	197.44	0.42%	192.90	0.39%	240.30	0.45%
Gain on exchange	183.01	0.39%	64.18	0.13%	176.50	0.33%
Gain on sales of investments in subsidiary companies	-	0.00%	425.22	0.86%	-	0.00%
Dividend income from investment in subsidiary company	-	0.00%	-	0.00%	-	0.00%
Others	384.04	0.82%	378.58	0.77%	401.06	0.76%
Total revenues	47,651.76	101.63%	50,284.90	102.16%	53,884.50	101.54%
Expenses						
Cost of sales and services	34,471.47	73.52%	36,677.28	74.51%	40,943.97	77.16%
Selling expenses	3,104.09	6.62%	2,686.74	5.46%	3,774.26	7.11%
Administrative expenses	1,691.40	3.61%	1,596.69	3.24%	1,561.39	2.94%
Research and development expenses	2,523.53	5.38%	2,692.30	5.47%	2,042.69	3.85%
Loss from a fair value adjustment of investments in associated companies	-	0.00%	105.32	0.21%	-	0.00%
Loss on sales of investments in subsidiary company	-	0.00%	-	0.00%	-	0.00%
Loss on exchange	-	0.00%	-	0.00%	-	0.00%
Other expenses	129.87	0.28%	101.92	0.21%	270.49	0.51%
Total expenses	41,920.36	89.41%	43,860.24	89.10%	48,592.81	91.57%
Profit before share of profit from investments in associated companies, finance cost and income tax expenses	5,731.39	12.22%	6,424.65	13.05%	5,291.70	9.97%
Share of profit from investments in associated companies	-	0.00%	59.31	0.12%	52.73	0.10%
Profit before finance cost and income tax expenses	5,731.39	12.22%	6,483.96	13.17%	5,344.43	10.07%
Finance cost	(45.16)	-0.10%	(19.63)	-0.04%	(9.42)	-0.02%
Profit before income tax expenses	5,686.23	12.13%	6,464.33	13.13%	5,335.01	10.05%
Income tax expenses	(169.94)	-0.36%	(276.37)	-0.56%	(185.08)	-0.35%
Income tax expenses resulting from tax assessments	-	0.00%	(1,259.13)	-2.56%	(23.49)	-0.04%
Profit for the year	5,516.29	11.77%	4,928.83	10.01%	5,126.44	9.66%

Source: The Company's consolidated financial statements

Consolidated statement of cash flow

Lists	2016	2017	2018
	(Audited)	(Audited)	(Audited)
	THB million	THB million	THB million
Net cash flows from operating activities	5,328.85	4,475.36	4,278.53
Net cash flows used in investing activities	(2,378.83)	(2,680.95)	(2,372.70)
Net cash flows used in financing activities	(3,735.71)	(3,634.33)	(2,972.91)
Decrease in translation adjustments	(246.36)	(464.82)	(773.09)
Net decrease in cash and cash equivalents before effect from currency translation	(1,032.06)	(2,304.74)	(1,840.17)
Effect from currency translation of cash and cash equivalents	229.47	(60.75)	128.05
Net decrease in cash and cash equivalents	(802.59)	(2,365.49)	(1,712.12)
Cash and cash equivalents at beginning of year	20,487.95	19,685.36	17,319.88
Cash and cash equivalents at end of year	19,685.36	17,319.88	15,607.75

Source: The Company's consolidated financial statements

Financial ratios

Financial ratios	Financial statement of the Company		
	2016	2017	2018
	(Audited)	(Audited)	(Audited)
Liquidity ratio			
Current ratio (Times)	3.14	3.11	3.07
Quick ratio (Times)	2.43	2.38	2.22
Cash ratio (Times)	0.45	0.38	0.36
Account Receivable Turnover (Times)	4.67	4.70	4.82
Average Collection Period (Day)	77	77	75
Account Payable Period (Times)	5.00	5.21	5.42
Payable Conversion Period (Day)	72	69	66
Profitability Ratio			
Gross Profit Margin (%)	26.48	25.49	22.84
Net Profit Margin (%)	11.58	9.80	9.51
Return on Equity (ROE) (%)	17.67	15.32	15.44
Efficiency Ratio			
Return on Assets (ROA) (%)	12.25	10.68	10.87
Return on Fixed Assets (ROFA) (%)	116.94	89.99	82.27
Asset Turnover Ratio (Times)	1.06	1.09	1.14
Financial Policy Ratio			
Debt to Equity Ratio (Times)	0.45	0.42	0.42
Interest Coverage (Times)	95.03	227.59	531.88
Dividend Payout Ratio (%)	67.84	55.65	55.85 ^{1/}

Remark: 1/ Pending for approval from the 2019 annual shareholder's meeting

1.8. Analysis of operating results and financial position

■ Statement of Comprehensive Income

Revenue

Breakdown of sales revenues by business group

Unit : THB million (rounded)

Product Group	2016		2017		2018	
	revenue	%	revenue	%	revenue	%
Power Electronics Group	28,422.00	60.70%	31,051.00	63.10%	34,404.00	64.80%
Infrastructure Group	16,147.00	34.40%	16,153.00	32.80%	16,471.00	31.00%
Automation Group	1,985.00	4.20%	1,809.00	3.70%	1,818.00	3.50%
Others	344.00	0.70%	211.00	0.40%	374.00	0.70%
Total Sales Revenue	46,887.00	100.00%	49,224.00	100.00%	53,067.00	100.00%

Note

- Power electronics segment is a business segment which designs, manufactures, and sales of power supplies applied to computer, server, office automation equipment, household electric appliances and automotive electronic products. The main products are DC-DC Converter, Power supply for Computer & Server, Custom Design product, Automotive electronic product, Fan and thermal product, Adaptor product for industrial and private consumer, Solenoid and EMI filters etc.
- Infrastructure segment is a business segment which designs, manufactures, and installations of information and communication technology infrastructure and energy system infrastructure. The main products are Telecommunication system, Renewable energy, Energy storage and High power etc.
- Automation segment is a business segment which designs, manufactures, and installations of industrial and building automation. The main products are Machine automation, Industrial motion system, Smart sensor system and Lighting automation for building etc.

2016

In 2016, consolidated sales revenues were marginally decreased, only 0.11% from those of last year, to THB 46,887.26 million but increased for THB 2,815.90 million or 6.39% from those of 2014. This was mainly caused by the decrease in sales of Energy Management business group, especially sales of telecom power systems which reduced about THB 1,225.10 million or 11.90% from previous year and THB 756.50 million or 7.70% from those of 2014. This was mainly due to the declining sales in Europe following the slow recovery in its economy. However, sales of Power Electronics business group were increased during the past 3 consecutive years, particularly the increase in sales of Fan and Thermal Management group for THB 1,011.60 million or 16.70% from year 2015, THB 1,551.40 million or 28.10% from year 2014. The major product in this group is cooling fans used in automotive, telecommunications, and consumer electronic sectors. In addition, some sales growth contributions in this business group were also from MPBG (Mobile Power) products and power supplies for automotive. MPBG sales rose THB 488.00 million or 8.60% from 2015 and THB 1,328.50 million or 27.50% from 2014. The major item in MPBG is power tool generally used in construction. The Company has developed more variety models of this product to serve the clients' requirements. Sales of power supplies for automotive were increased THB 472.10 million, or 33.80%, from previous year and THB 299.90 million, or 19.10%, from 2014.

2017

In 2017, consolidated sales revenues were slightly increased, 4.98% from those of last year, to THB 49,224.01 million. This was mainly due to an increase in sales of Power Electronic business group, especially sales of power supplies for automotive (Electric Vehicle Solutions) sector which rose 73.20% from those of previous year and 1.40 times from those of 2015. This was caused by the increasing demands in Asia and Europe markets following the recovery in EU economy and the start of mass production of this product this year to serve Asia market. In addition, Merchant Power (MPBG) sales rose 12.00% from 2016 and 24.50% from 2015. The Company has developed more variety of products to meet clients' requirements, the demand of the products therefore continuously increased, especially power tools which are generally used in construction or home renovation.

However, sales of storage and networking power supplies (Computer & Networking Power) have seen consecutive drop in revenue at 26.20% and 36.50% for year 2016 and 2015, respectively. This is due to the rapid shift towards solid state drive (SSD) technology whereby much lesser power supplies are needed to power SSD as compared to storage devices like the hard disk drives in the past. Consequently, demand for such power supply has fallen drastically over the years. Nevertheless, the Company is relentlessly developing new products that meet current market needs while securing and developing new customer accounts base on the new products. For Telecom Power System (TPS) products, even with the expectation that its sales revenues would get affected significantly by the disposal of investment in subsidiaries*, its sales revenues dropped only 5.00% from the same period last year. This was because of the increase in TPS sales in India and Eltek, s.r.o., the new subsidiary located in Slovakia.

**The Company disposed 51% of investments in Delta Energy Systems (Switzerland) AG and Delta Electronics Industry LLC and 100% of investments in Delta Greentech (USA) and Delta Greentech (Brazil) S.A. in April 2017 (according to the resolution of the board of directors' meeting no. 1/2017 held on 14 February 2017). Main business of the disposed group is the distribution of Telecom Power Systems (TPS) in Europe market.*

2018

In 2018, consolidated sales revenues amount THB 53,066.65 million were slightly increased, 7.81% from 2017 and 13.18% from 2016, This was mainly due to an increase in sales of Power Electronic business group, especially sales of power supplies for automotive (Electric Vehicle Solutions) sector which rose up 26.20% from those of previous year and power supplies for Industrial Tool which rose up 15.5%. This was caused by the increasing demands in Asia and Europe markets following the recovery in EU economy, moreover, Computer & Networking power supplies and Custom Design power supplies also steadily growth at 7.60% and 6.00% respectively.

Other incomes

2016

Other income worth THB 764.50 million in 2016 consists of the following key items;

- Interest income of THB 197.44 million, reduced THB 26.72 million from 2015, in relation to lower cash on hand of THB 371.22 million due to the increase in investments in land, building and machines in the Company and the subsidiaries and the lower interest rate in Thailand.

- Foreign exchange gains worth THB 183.01 million, lower from THB 412.12 million in previous year. However, the Company has no policy to speculate on the exchange rate but continues its prudent policy in the full hedging on net position of each currency's exposure to minimize potential impact from exchange rate fluctuation.

2017

Other income worth THB 1,060.89 million in 2017 consists of the following key items;

- Interest income of THB 192.90 million, slightly reduced, about THB 4.55 million, from 2016, in relation to the lower cash on hand of THB 2,365.49 million as compared to that of previous year. Even having generated cash flow from operation of THB 4,475.36 million, the Company and its subsidiaries had spent its cash on investments in land, building and machines in the Company and the subsidiaries totaling THB 1,807.82 million.

- The Company has booked gain on sale of investments in subsidiaries of THB 425.22 million. This was caused by the disposal of 51.00% of investments in Delta Energy Systems (Switzerland) AG and Delta Electronics Industry LLC and 100% of investments in Delta Greentech (USA) and Delta Greentech (Brazil) S.A., as mentioned earlier.

- Foreign exchange gains worth THB 64.18 million, lower from THB 183.01 million in previous year and THB 348 million in 2015 following the recent THB appreciation. THB/USD had moved in a range of 32.7 to 35.4 in 2017 and 34.7 to 36.2 in 2016. However, the Company has no policy to speculate on the exchange rate but continues its prudent policy in the full hedging on net position of each currency's exposure to minimize potential impact from exchange rate fluctuation.

2018

Other income worth THB 817.86 million in 2018 consists of the following key items;

- Interest income of THB 240.30 million, increase about THB 47.40 million and THB 42.85 million from 2017 and 2016, respectively, in relation to the increase in FED interest from 0.75% in 2017 to be 1.50% in 2018 and higher cash on hand in USD currency compared to that of previous year.

- Foreign exchange gains worth THB 176.50 million, higher THB 112.31 million from 2017 and slightly drop compare to 2016 following the appreciation trend in 2017 and turning to the depreciation trend in 2018. However, the Company has no policy to speculate on the exchange rate but continues its prudent policy in the full hedging on net position of each currency's exposure to minimize potential impact from exchange rate fluctuation.

Cost of sales and expenses

2016

In 2016, cost of sales accounted for 73.52% of total sales, slightly higher than the level in 2015 and 2014 of 72.71% and 73.25%, respectively. However, the cost structure remained unchanged with high proportion of raw material cost being accounted for 78.00% of cost of sales. The Company therefore has continued emphasizing on managing risk of raw material. Major currencies of raw material purchased are in USD, EUR and India rupee.

Selling and administrative expenses (including research and development - R&D) in 2016 were increased when compared to those of the previous year because of the increase in R&D expenses THB 529.58 million and selling expenses of THB 167.45 million. 2016 R&D activities basically focused on the development of automotive products which is considered new business of the Company and also the development of some other products to serve the customers' various requirements. Selling expenses were also higher as compared to those of last year. The main higher item was increasing of new sales and marketing staff to boost up sales of some product groups particularly in India and South East Asia. As a result, selling and administrative expenses to sales ratio rose from 14.06% in 2015 and 14.48% in 2014 to 15.61% in 2016.

Financial costs or interest expenses worth THB 45.16 million increased THB 5.78 million or 14.67% from previous year. This is because of the business expansion in the Company's subsidiary in India, which used short term loans from financial institutions to support its working capital.

Corporate income tax of THB 169.94 million reduced from THB 274.83 million in 2015, in relation to the lower profitability of the Company and subsidiaries in 2016.

2017

In 2017, cost of sales accounted for 74.51% of total sales, slightly higher than that of in 2016 and 2015 of 73.52% and 72.71%, respectively. However, the cost structure is quite similar to that of the previous year with high proportion of raw material cost being accounted for 80.00% of cost of sales, compared to that of the previous year of 78.00%. This was attributed to the slight change in product mix by having more sales contribution from Automotive products that have comparatively high cost of raw materials when compared to others, increasing costs of some electrical parts and higher depreciation caused by the investments in new machineries for replacements and a launch of the production automation under the scheme of Delta Smart Manufacturing. The Company believes that it would benefit the Company by enhancing energy saving and improving the productivity both in short and long term.

Selling and administrative expenses (including research and development - R&D) in 2017 reduced 4.69% from the previous year even the R&D expenses rose by 6.69% which was mainly caused by the continuous development of the automotive products which now has played more important role to the Company. However, with the significant drop in selling and administrative expenses of 10.68 % from the past year, the overall selling and administrative including R&D expenses/sales in 2017 went down from 15.6% to 14.31% in 2016.

Financial costs or interest expenses of THB 19.63 million in 2017 increased THB 25.53 million or 56.62% from previous year. This is because of a decrease in short term loans from financial institutions. The current outstanding balance is incurred by subsidiary in India to support its working capital.

Income tax expenses resulting from tax assessments totaling THB 1,535.50 million included a major expense item of tax assessment totaling THB 1,259.13 million which consists of:

1) Tax assessment (including penalties and surcharges) during the year 1997-2000. The Company has already paid this amount to the Revenue Department according to the judgement of the Supreme Court announced on 26 June 2017,

2) Tax assessment (including penalties and surcharges) for the year 2001-2004. The Supreme Court announced the judgement on 23 January 2017. The Company has set a provision in full amount.

3) Tax assessment (including penalties and surcharges) for the year 2005-2006. The Company has submitted letter appealing the assessments to the Tax Appeal Committee of the Revenue Department and the appeal is currently under consideration by the Committee. However, the Company set a provision in full amount.

2018

In 2018, cost of sales accounted for 77.16% of total sales, slightly higher than that of in 2017 and 2016 of 74.51% and 73.52%, respectively. The boost up of raw material cost cause from the demand over supply in electronic commodity market in 2018, together with higher inventory provision, moreover, the increasing in depreciation caused by the investments in new machineries for replacements and a launch of the production automation under the scheme of Delta Smart Manufacturing. The company believes that it would be a key factor for the competitiveness enhancement in both short and long term.

Selling and administrative expenses (including research and development – R&D) in 2018 went up 5.77% from 2017 and keep close 2016 result from the Company have entered into the Intellectual Property & Technology License Agreement with one related company, in order to enhance the capability to develop new products to catch up with the technology changing and the dynamic marketing.

On the other hand, the Company have setting up new companies for research & development of Electric Vehicle in USA and Industrial Electric Vehicle in Europe in order to make sure that the Company can maintain a sustainability growth in long term

Income tax expenses THB 208.57 million comprise of current year income tax THB 185.08 million and previous year tax assessments THB 23.49 million.

Net profit

2016

The Company's gross margin in 2016 was 26.48%, lower from 26.69% in 2015 and 26.15% in 2014. Combined with higher selling & administrative expenses (including R&D), operating margin declined to 10.87%. Consequently, net profit in 2016 was down to THB 5,516.29 million, a decrease of 17.84% and 7.18% from 2015

and 2014 respectively. Earnings per share decreased to THB 4.42 in 2016, from THB 5.38 in 2015 and THB 4.76 in 2014.

2017

The Company's operating margin in 2017 was 11.32%, rose from 10.87% in previous year because effect with corporate income tax from tax assessment amounted to THB 1,259.13 million. Consequently, net profit in 2017 was down to THB 4,928.83 million, a decrease of 10.65% and 26.59% from 2016 and 2015 respectively. Earnings per share decreased to THB 3.95 in 2017, from THB 4.42 in 2016 and THB 5.38 in 2015.

2018

The Company's operating margin in 2018 was 8.94%, drop from 11.32% in 2017 and 10.87% in 2016 respectively cause from above mentioned higher material cost. Consequently, net profit in 2018 was 9.66% or THB 5,126.44 million compare to 10.01% and 11.77% from 2017 and 2016 respectively. Earnings per share was THB 4.12 in 2018 compare to THB 3.95 in 2017 and THB 4.42 in 2016.

▪ **Asset**

As of December 31, 2016

The Company had total assets worth THB 46,319.27 million, an increase of THB 2,556.39 million or 5.84% from 2015 and THB 8,077.45 million or 21.1% up from 2014. Following the lower net profit and higher investments in land, building and machines, return on assets was down to 12.25%, from 16.37% and 15.83% in 2015 and 2014 respectively.

Major assets and the changes in the assets are as follows;

Cash and Bank Deposits (Including current investment) as at December 31, 2016 amounted to THB 20,116.73 million, a slight decrease from 2015 but increase of THB 2,185.40 million or 12.19% from 2014, in relation to the significant investment amount in land, building and machinery totaling THB 2,693.00 million, mainly in the subsidiary in India and also the purchase of machines of the Company.

Net Trade Receivables as at December 31, 2016 of THB 10,696.50 million rose 9.00% from 2015 and 27.80% from 2014. Most of the receivables, 88.30% of total receivables, are the accounts under due. Average collection period in 2016 is 77 days, compared to 69 days in 2015 and 67 days in 2014. The longer period of collection is due to higher proportion in sales of the products under the branding business which its collection period in general is longer than ODM's. However, it remains in an acceptable range for normal business operation. Nevertheless, the Company and its subsidiaries closely monitored and actively managed receivables by consistently assess customers' financial position. To counter with risk from collection of receivables, the Company insures receivables with a world leading insurance company as well as conservatively set aside allowance for doubtful accounts. Based on the Company's policy, receivables passed due by more than 15 days will be allowed at a rate of 0.50% and at a higher rate for the longer aging. As at December 31, 2016, the Company and its subsidiaries recorded allowance for doubtful accounts totaled THB 182.10 million,

increased from 2015 and 2014 of THB 157.20 million and THB 131.40 million, respectively. At end of 2016, net trade receivables and other receivables represented 23.10% of total assets.

Inventories as at December 31, 2016 amounted to THB 7,296.78 million, increased THB 1,155.46 million or 18.81% from 2015, and THB 1,976.53 million or 37.15% from 2014. Following the higher inventory in 2016, the inventory turnover days increased to 70 days, from 60 and 63 days in 2015 and 2014, respectively. With prudent control, the Company set aside provisions for obsolete inventory aging more than three months and higher for the older. The allowance for obsolete inventory in 2016 amounted to THB 968.00 million, compared to THB 887.00 million in 2015 and THB 931.80 million in 2014.

As of December 31, 2017

The Company had total assets worth THB 46,017.63 million, a decrease of 0.65% from 2016 but increased 5.15% from 2015. Following the lower net profit due to the full provisions set for the tax assessments as mentioned above and with the higher investments in land, building and machines, return on assets was down to 10.68%, from 12.25% and 16.37% in 2016 and 2015, respectively.

Cash and bank deposits (including current investment) as at December 31, 2017 amounted to THB 17,535.34 million, a decrease of 12.83% and 14.41% from 2016 and 2015 respectively, in relation to the significant investment amount in land, building and machinery totaling THB 1,807.82 million, mainly in the subsidiary in India and also the purchase of machines of the Company, corporate income tax expenses mainly incurred by the tax assessment of THB 712.88 million and a decrease in net cash of the disposed subsidiaries. However, the Company has generated cash from its operations in 2017 of THB 4,475.36 million.

Net trade receivables as at December 31, 2017 of THB 10,468.27 million dropped 2.13% from 2016 but increased 6.70% from 2015. Most of the receivables, 89.30% of total receivables, are the accounts under due. Average collection period in 2017 is 76 days, compared to 77 days in 2016 and 69 days in 2015. The longer period of collection is primarily due to higher proportion of sales contributions from the branding business which its collection period in general is longer than others. As at December 31, 2017, the Company and its subsidiaries recorded allowance for doubtful accounts totaling THB 99.00 million, increased from 2016 and 2015 of THB 182.10 million and THB 157.20 million, respectively, largely caused by the exclusion of the allowance for doubtful receivable of the disposed subsidiaries. At end of 2017, net trade receivables and other receivables represented 23.00% of the total assets which is close to that of the past 2 years.

Inventories as at December 31, 2017 amounted to THB 7,684 million, increased 5.3% and 25.1% from 2016 and 2015, respectively. The inventories are mainly composed of goods in transit and finished goods which have been prepared to promptly deliver to customers. Following the higher inventories in 2017, the inventory turnover days increased to 73 days, from 70 and 60 days in 2016 and 2015, respectively. With prudent control, the company set aside provisions for obsolete inventory aging more than three months and higher for the older. The allowance for obsolete inventories in 2017 amounted to THB 859 million, down from THB 968 million in 2016 and THB 887 million in 2015.

Investments in associated companies as of December 31, 2017 were booked at THB 592.67 million for the remaining 49.00% investment in Delta Energy Systems (Switzerland) AG and Delta Electronics Industry LLC. The amount is based on the fair market value assessed in the second quarter this year.

Advance payment for land as at December 31, 2017, an India's subsidiary had paid advance payment for a purchase of a plot of land amounting Rupee 396.00 million or equivalent to THB 201.68 million. This plot of land is planned for a manufacturing site to support business expansion in India.

Consolidation goodwill as of December 31, 2017 were THB 449.88 million, an increase of THB 143.12 million or 46.65% as compared to that of 31 December 2016. This is caused by the acquisition of the new subsidiary in Slovakia, Eltek s.r.o, in Q2-17.

Property, plant and equipment (including Land-use right) amounted to THB 7,302.02 million, increased 22.40% from 2016 and 47.76% from 2015. During the year 2017, the company and its subsidiaries gradually invested THB 1,807.82 million in plant and equipment. In Thailand, the company has invested in plant and equipment steadily from THB 1,014.00 million, THB 1,366.00 million, and THB 1,528.00 million, during 2015-2017 respectively. Investments in equipment are mostly for replacements and improvement of production capacity and efficiency aiming for a production automation under the scheme of "Delta Smart Manufacturing".

As of December 31, 2018

The Company had total assets worth THB 48,200.69 million, increase of 4.74% from 2017 and 4.06% from 2016. Return on asset was 10.87% in 2018 compared to 10.68% and 12.25% from 2017 and 2016 respectively. Resulting from the above mentioned higher inventories and investments in land, building and machines.

Major assets and the changes in the assets are summarized as follows;

Cash and bank deposits (Including current investment) as at December 31, 2018 amounted to THB 15,830.50 million, a decrease of 9.72% and 21.31% from 2017 and 2016 respectively, in relation to the significant investment amount in land, building and machinery totaling THB 2,252.73 million, mainly in Thailand, German and India.

Net trade receivables as at December 31, 2018 of THB 11,558.02 million increased 10.41% and 8.05% from 2017 and 2016 respectively. Resulting from the increased in sales revenue, at the same time, the Company and its subsidiaries recorded allowance for doubtful accounts totaling THB 126.00 million, compare to 2017 of THB 99.00 million, respectively due to higher proportion of sales contributions from the branding business which its collection period in general is longer than others.

Inventories as at December 31, 2018 amounted to THB 9,460.87 million, increased 23.12% and 29.66% from 2017 and 2016, respectively. Reflected to the implementing of dynamic inventory strategy resulting from the demand over supply in electronic commodity market in 2018. The allowance for obsolete inventories in 2018 amounted to THB 1,080.00 million, go up from THB 968.00 million in 2017.

Investments in associated companies as of December 31, 2018 were booked at THB 536.33 million for the remaining 49.00% investment in Delta Electronics (Switzerland) AG and Delta Electronics Industry LLC.

Consolidation goodwill as of December 31, 2018 were THB 438.41 million, about the same with 2017 but increase of THB 131.66 million as compared to that of 31 December 2016. This is caused by the acquisition of the new subsidiary in Slovakia, Eltek s.r.o, in Q2-2017.

Property, plant and equipment amounted to THB 8,176.90 million, increased 11.98% from 2017 and 37.06% from 2016. The Company have invested in Research & Development center in India and invested in machinery and equipment for replacements and improvement of production capacity and efficiency aiming for a production automation under the scheme of "Delta Smart Manufacturing".

▪ Liabilities

As of December 31, 2016

The Company's total liabilities amounted THB 14,428.18 million, increased THB 1,223.06 million or 9.26% from 2015 and THB 3,352.56 million or 30.27% from 2014. Debt to Equity ratio of 0.45 times in 2016 is close to 2015 of 0.43 times and 0.41 times in 2014, the level at which signified reasonable capital structure and low financial risk.

Major liabilities and the changes in the liabilities are as follows;

Bank Overdrafts and Short-Term Loans from Financial Institutions were incurred by subsidiaries. The outstanding balance as at December 31, 2016 amounted to THB 321.10 million, rose by 69.06% and 28.65% from 2015 and 2014, respectively. Following the business expansion in India, some short term loans from financial institutions have been used to support the additional requirements in working capital.

Trade and Other Payables as at December 31, 2016 increased THB 1,131.60 million or 11.02% from 2015 and THB 2,749.26 million or 31.77% from 2014. On average, period of payment to trade payable in 2016 was 72 days, compared to 63 days in 2015 and 2014.

As of December 31, 2017

The Company's total liabilities amounted THB 13,543.90 million, decreased 6.13% from 2016 but increased 2.57% from 2015. Debt to Equity ratio of 0.42 times in 2017, dropped from 2016 and 2015 of 0.45 times and 0.43 times, respectively, the level at which signified reasonable capital structure and low financial risk. Major change of liabilities is provision on tax assessments amounting THB 617.31 million with details provided above. Bank over drafts and short-term loans from financial institutions and trade and other payables decreased THB 92.43 million and THB 769.00 million respectively, mainly caused by the exclusion of those items of the above mentioned disposed subsidiaries. Average payable period in 2017 is 69 days, down from 72 days in 2016 but up from 63 days in 2015.

As of December 31, 2018

The Company's total liabilities amounted THB 14,259.77 million, increased 5.29% from 2017 and close to 2016. Debt to Equity ratio of 0.42 times in 2018 and 2017, dropped from 0.45 in 2016, the level at which signified reasonable capital structure and low financial risk.

- **Shareholders' Equity**

As of December 31, 2016

Shareholders' equity amounted to THB 31,891.10 million, rose THB 1,333.33 million or 4.36% from 2015 and THB 4,724.89 million or 17.39% from 2014, in relation to the profit generated during the year. However, with lower profit generated in 2016, return on equity in 2016 reduced to 17.67%, from to 23.26% in 2015 and 21.88% 2014.

As of December 31, 2017

Shareholders' equity amounted to THB 32,473.72 million, rose 1.83% from 2016 and 6.27% from 2015, in relation to the profit generated during the year. However, with lower profit generated in 2017, return on equity in 2017 is down to 15.32%, from to 17.67% and 23.26% in 2016 and 2015 respectively.

As of December 31, 2018

Shareholders' equity amounted to THB 33,940.92 million, rose up 4.52% from 2017 and 6.43% from 2016, in relation to the profit generated during the year. However, return on equity in 2018 maintain at 15.44%, close to 15.32% in 2017 but dropped from 17.67% in 2016, impacted from the appreciation of THB over THB 2 per USD in 2018 compare to 2016.

- **Dividend Policy**

The Company has a policy to pay dividend at least 30% of its net profits. However, the dividend payout ratio would be subject to change depending on the investment plan and/or other capital requirements the Company may have in the future.

Liquidity analysis

- **Cash flow from operating activities**

The Company's net cash flow from operating activities at the end of 2016, 2017, and 2018 were THB 5,328.85 million, THB 4,475.36 million and THB 4,278.53, respectively

- **Cash flow from investing activities**

The Company's net cash flow used in investing activities at the end of 2016, 2017, and 2018 were THB 2,378.83 million, THB 2,680.95 million and THB 2,370.70 million, respectively.

- **Cash flow from financing activities**

The Company's net cash flow used in financing activities at the end of 2016, 2017 and 2018 were THB 3,735.71 million, THB 3,634.33 million and THB 2,972.91 million, respectively.

Competitive conditions, the trend of business and the predictions of future performance

- **Worldwide**

In its January 2019 update of the "World Economic Outlook" (WEO), the International Monetary Fund (IMF) estimated 3.7% in global growth during 2018 while projecting 3.5% growth for 2019 and 3.6% growth in 2020, a downgrade of 0.2% and 0.1% respectively from its October 2018 forecast. This latest downward revision

is due to weakness in the second half of 2018 which is expected to carry over to coming quarters in a pattern reflecting persistent decline in growth among advanced economies and temporary decline in growth for emerging market and developing economies.

In 2018, the US economy continued to enjoy strong momentum from fiscal stimulus but its 2019 growth forecast is revised down due to recent trade measures including tariffs on imports from China. China's economy will slow due to financial regulatory tightening and trade tensions with the US. Economic activity in advanced economies lost some momentum in the first half of 2018 after peaking in 2017. The Euro Zone and the UK have lowered growth projections due to suppressed activity in 2018. Growth in emerging Asia will decline and emerging Europe will see weaker growth than previously expected. The growth projection for Latin America, the Middle East and sub-Saharan Africa remains weak or subdued. Mexico, Venezuela, Iran and Turkey all had downward revisions which reflected country-specific factors, tighter financial conditions and geopolitical tensions higher. The updated report warns of risks to global growth including escalating trade tensions, a broader turn in financial market sentiment, uncertainty about policies and geopolitical tensions.

Source: International Monetary Fund. 2019. World Economic Outlook Update, January 2019. Washington, DC, October.

In its 2019 Global Economic Prospects, the World Bank reports international trade and investment has softened, trade tensions remain high while several emerging market and developing economies (EMDE) experienced financial market pressures. It gives a downward revision of 3% in 2018 which it expects to moderate to 2.9% in 2019 and 2.8% in 2020-2021, as economic slack dissipates, advanced economies remove monetary policy accommodation and global trade slows.

Growth has moderated in most advanced economies except the US, where fiscal stimulus is boosting activity. A continued slow down is expected in advanced economy growth after decelerating from 2.3% in 2017 to 2.2% in 2018. Economic growth in China is projected to decelerate to 6.2% in 2019 and moderate to 6% in line with its potential pace. Softening global trade and tighter financial conditions is expected to stall EMDEs growth at 4.2% in 2019 and growth is expected to plateau at 4.6% for the next two years (2020-2021).

Source: World Bank. 2019. Global Economic Prospects, January 2019: Darkening Skies. Washington, DC: World Bank. doi: 10.1596/978-1-4648-1343-6. License: Creative Commons Attribution CC BY 3.0 IGO.

Southeast Asia, China and India

The Organization for Economic Cooperation and Development (OECD) reports that Growth Domestic Product (GDP) in Emerging Asia (Southeast Asia, China and India) has continued to hold up in 2018 despite external and domestic headwinds. In its Economic Outlook for Southeast Asia, China and India 2019 report, the OECD's estimates average GDP growth of 6.1% in Emerging Asia during 2019-2023 (Table 1). During this period, domestic demand and household spending are expected to sustain positive momentum as job markets remain vibrant. However, trade prospects are more uncertain as tariff measures broaden. China's average annual growth is expected to gradually slow to 5.9% compared with 7.3% in its 2012-2016 projection. In contrast, India is projected to enjoy robust medium-term growth of 7.3%, up from 6.9% in 2012-2016. Southeast Asia (ASEAN-10) is forecast to continue having solid annual growth of 5.2%.

Table 1. Real GDP Growth in Southeast Asia, China and India

	Annual percentage change				
	2017	2018	2019	2019-23 (average)	2012-16 (average)
ASEAN-5 countries					
Indonesia	5.1	5.2	5.2	5.3	5.3
Malaysia	5.9	4.9	4.8	4.6	5.1
Philippines	6.7	6.4	6.5	6.6	6.6
Thailand	3.9	4.5	4.1	3.7	3.4
Viet Nam	6.8	6.9	6.7	6.5	5.9
Brunei Darussalam and Singapore					
Brunei Darussalam	1.3	2.0	2.3	2.0	-1.3
Singapore	3.6	3.5	2.9	2.7	3.5
CLM countries					
Cambodia	7.0	7.0	6.9	6.9	7.1
Lao PDR	6.9	6.6	6.8	7.0	7.6
Myanmar	6.8	6.6	6.9	7.0	7.3
China and India					
China	6.9	6.6	6.3	5.9	7.3
India	6.7	7.5	7.3	7.3	6.9
Average of ASEAN-10	5.3	5.3	5.2	5.2	5.1
Average of Emerging Asia	6.5	6.6	6.3	6.1	6.8

Note: The cut-off date for data used is 21 November 2018. ASEAN and Emerging Asia growth rates are the weighted averages of the individual economies in these groupings. Data for India and Myanmar relate to fiscal years. Myanmar's 2018 data refers to the interim 6-month period, from April 2018 to September 2018 while the 2019 data refers to the period from October 2018 to September 2019. The 2018 and 2019 projections for China, India and Indonesia are based on the OECD Economic Outlook 104 database.

Source: OECD Development Centre, *Medium-term Projection Framework (MPF-2019)*.

Table 1. OECD Development Centre's Medium Term Projection Framework 2019 (MPF-2019)

Source: OECD Development Centre

Overall, the Emerging Asia's resilient private consumption story continues, underpinned by stability in labor markets and overseas transfers in some cases. Yet challenges to growth remain and to foster inclusive and sustainable growth, efforts are needed to maximize opportunities and mitigate the risks of financial technology. Population growth, rising incomes and limited transportation choices have increased automobile use. Addressing transportation challenges in the region's cities is critical to realizing potential benefits of urbanization for economic growth and development across the region.

Source: OECD (2018), *Economic Outlook for Southeast Asia, China and India 2019: Towards Smart Urban Transportation*, OECD Publishing, Paris. <https://doi.org/10.1787/saeo-2019-en>

Overall, the above reports give a relatively positive economic outlook for some regions with cautions of risks ahead for 2019 and beyond. After a decade of recovery from financial crisis, the global economy once again faces challenges to continued growth. In advanced economies, growth remains despite signs of moderation. Emerging Asia and Europe and some developing economies are expected to have subdued growth. Meanwhile, risks to global growth include, disorderly financial market movements, escalation of trade protectionism, heightened policy uncertainty and rising geopolitical tensions.

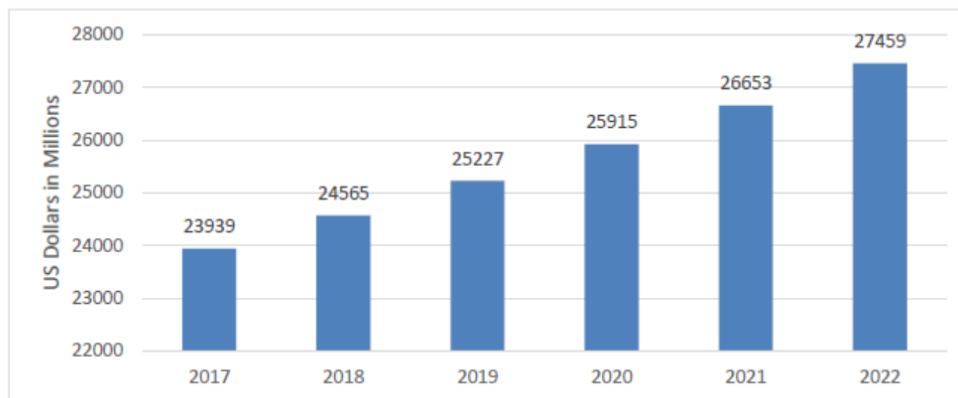
Power Supply Market

Global Merchant AC-DC and DC-DC Power Supply Market

In its Global Switching Power Supply Industry 2018 report on the power supply industry, Micro-Tech Consultants (MTC) provides updated data on low-voltage embedded AC-DC and DC-DC power supplies. The report focuses on merchant power supply manufacturers in the power supply business who sell products to OEM customers or consumers. According to MTC, the power supply industry continued its strong performance from the previous year and industry growth rate was expected to be 2.6% by the end of the third quarter in 2018. This growth is credited to marginal stability in old traditional markets and high growth in emerging markets in a strong global economy. Additionally, the industrial and medical equipment markets are showing signs of above average growth rates. Overall, MTC expects the power supply industry to grow very modestly over the next few years.

According to MTC's 2018 report, global consumption of merchant switching power supplies was worth approximately US\$24.5B in 2018 up from around US\$23.9B in 2017 and 2.8% CAGR is expected from 2017 to 2022 (Figure 1).

Global Consumption of Merchant Switching Power Supplies



Global Consumption of Merchant AC-DC Switchers & DC-DC Converters

WW Merchant	2017	2018	2019	2020	2021	2022	17-22 CAGR
Total	23939	24565	25227	25915	26653	27459	2.8%

US dollars in millions

Figure 1. Global consumption of Merchant Switching Power Supplies 2017-2022

Source: MTC report, "Global Switching Power Supply Industry 2018"

Global consumption of merchant power supplies by region is shown below (Figure 2) with the APAC region forecasted to have the highest CAGR at 4.1% during 2017-2022.

**Global Consumption of Merchant Switching Power Supplies in Different Geographic Regions
Merchant AC-DC Switchers & DC-DC Converters**

WW Merchant	2017	2018	2019	2020	2021	2022	17-22 CAGR
AMER	7750	7788	7865	7967	8109	8293	1.4%
EMEA	4745	4797	4880	4975	5091	5240	2.0%
APAC	11244	11784	12289	12783	13265	13742	4.1%
ROW	200	196	193	190	187	185	-1.5%
Total	23939	24565	25227	25915	26653	27459	2.8%

US dollars in millions; totals may not add up due to rounding error

Figure 2. Global Consumption of Merchant Switching Power Supplies by Region

Source: MTC Report, "Global Switching Power Supply Industry 2018"

MTC reports that the top 10 OEM power supply companies in the world accounted for 44.5% of the total global sales in 2017 compared with 44.7% in 2016. Delta Electronics Group remains the largest power supply company in the world with leading sales in OEM, telecom, UPS and Renewable Energy market segments.

Merchant Switching Power Supply Market Segments

In its report, MTC segments the global power supply market into eight categories (Figure 3): LED lighting (LED), consumer/retail equipment (CON), computer/office equipment (COE), networking/telecom equipment (NTE), medical equipment (MED), industrial/instrumentation equipment (IND), transportation (TRN) and military/aerospace equipment (MIL).

**Global Consumption of Merchant Switching Power Supplies
LED, CON, COE, NTE, IND, MED, TRN & MIL**

WW Merchant	2017	2018	2019	2020	2021	2022	17-22 CAGR
LED	1547	1863	2202	2579	3004	3491	17.7%
CON	10611	10765	10903	10992	11055	11083	0.9%
COE	3939	3919	3909	3906	3909	3917	-0.1%
NTE	2751	2744	2742	2750	2765	2783	0.2%
IND	2409	2477	2541	2601	2652	2697	2.3%
MED	597	615	633	651	669	687	2.8%
TRN	1188	1259	1345	1450	1581	1748	8.0%
MIL	897	924	952	985	1017	1051	3.2%
Total	23939	24565	25227	25915	26653	27459	2.8%

US dollars in millions; totals may not add up due to rounding error

Figure 3. Global Consumption of Merchant Switching Power Supplies 2017-2022

Source: MTC report, "Global Switching Power Supply Industry 2018"

As shown in the table above, the LED lighting segment is the fastest growing segment with global merchant consumption predicted to reach around US\$3.4B by 2022 with 17.7% CAGR from 2017 to 2022. The emergence of the LED lighting power supplies market is largely due to more competitive prices, a trend towards green technologies and supportive government regulations. Transportation is the second fastest growing market segment with consumption predicted to reach around US\$1.7B by 2022 with 8.0% CAGR from 2017 to 2022. This sector has been boosted by the advent of electric vehicles (EV) which has spurred growth in onboard chargers, private chargers for home use and commercial chargers for stations.

Source: MTC (2018) Global Switching Power Supply Industry 2018. Micro-Tech Consultants, Santa Rosa, CA.

Emerging Markets

Renewable Energy Market

In its 2019 Renewable Energy Industry Outlook, Deloitte reports the renewable energy sector in the USA remained remarkably resilient in 2018. The industry is gaining ground despite uncertainty about the effects of federal tax reform legislation and import tariffs. Output from utility-scale wind and solar capacity was 8% of total generation in the US by the third quarter of 2018 compared with 7% for the same period in 2017. Core drivers of growth in 2018 were declining costs of wind and solar generation, advances in battery storage technology and grid operator's growing expertise. Most importantly, demand was robust and utilities demonstrated strong "voluntary demand" as opposed to past demand driven by policy mandate. Deloitte points to emerging policies, expanding investment interest and advancing technologies as the three trends that will strengthen renewable energy growth prospects in 2019.

Source: Deloitte, 2019 Renewable Energy Outlook, <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/energy-resources/us-renewable-energy-outlook-2019.pdf>, accessed January 2019.

In the Global Energy Transformation: A Roadmap to 2050, The International Renewable Energy Agency (IRENA) reports the global transition to renewable power generation is underpinned by the rapid decline of costs. According to IRENA, 167GW of renewable energy capacity was added globally in 2017. This was a robust 8.3% growth over the previous year and a continuation of the 8% average growth rate since 2010. Despite the progress, IRENA warns that current emission trends are not on track to meet the 2015 UNFCCC Paris Agreement goal to limit average global temperature rise to "well below 2 degrees Celsius" above pre-industrial levels. Immediate action is crucial to meet targets and renewable energy and energy efficiency must expand in all sectors. Source: IRENA (2018), Global Energy Transformation: A roadmap to 2050, International Renewable Energy Agency, Abu Dhabi.

Delta's commitment to sustainable development and the environment has driven our innovation in industry-leading renewable energy solutions. The Delta PV inverter product range covers residential or commercial rooftop applications, industrial rooftop and even megawatt power station applications. Delta offers both reliable and efficient string and central inverters which interact optimally with all solar modules.

Electric Vehicles (EV) Market

According to the International Energy Agency (IEA) Global EV Outlook 2018, a record of over one million electric vehicles (EV) were sold in 2017 representing growth of 54% compared with the previous year. China accounted for more than half of the global sales and Norway had the largest sales share at 39%. The global EV stock surpassed three million in 2017 with 40% in China. Policy is a key driver of global EV deployment with both China and Norway having the strongest policy pushes. Currently, the strongest policies are EV mandates in China and California and the EU's proposal on CO2 emissions standards for 2030. In addition, electrification targets by countries including India indicate further growth in EV uptake lies ahead.

Meanwhile, growth in EV charging infrastructure is mirroring EV uptake. By 2017, there were an estimated three million private chargers at residences and workplaces worldwide. Among public charging outlets, 320,000

were slow chargers and 110,000 were fast chargers. While policies are supporting the development of both private and public charging outlets, alliances are also forming between energy companies, automakers, utilities and grid service providers which could signal a shift from public funding towards more self-sustaining and business-driven solutions. However, it is possible that targeted support will be necessary to maintain public charging infrastructure across entire road networks.

Source: OECD/IEA (2018), Global EV Outlook 2018: Towards cross-modal electrification, International Energy Agency, Paris.

As part of our alignment to industries of the future, Delta has invested heavily in developing our EV related manufacturing and R&D capabilities. The company is already a supplier to top-tier global car manufacturers with an expansive automotive electronic product portfolio including onboard charger modules, battery junction box, DC-DC converters and thermal management solutions. In addition, Delta is working to support electrification and EV uptake in the Southeast Asia region with EV charging solutions including AC chargers, DC quick chargers and site management systems.

Energy Storage Market

In November 2018, Bloomberg New Energy Finance (BNEF) significantly increased its forecast for global deployment of behind-the-meter and grid-scale batteries due to tumbling costs. The BNEF forecasts the global energy storage market will grow to a cumulative 942GW/2,857GWh by 2040. Energy storage will grow to be equal to 7% of the total installed power capacity, attracting US\$620 billion in investment over the next 22 years. According to the BNEF Long-Term Energy Storage Outlook, the capital cost of a utility-scale lithium-ion battery storage system will slide another 52% between 2018 and 2030. This drop, on top of the steep declines seen earlier this decade, will transform the economic case for batteries in both the vehicle and the electricity sector.

BNEF expects the majority of storage capacity to be utility-scale until the mid-2030s, when it will be overtaken by behind-the-meter applications. Growth will be led by China, the US, India, Japan, Germany, France, Australia, South Korea and the UK. These nine markets will represent two thirds of the installed capacity by 2040. In the near-term, South Korea will dominate the market, the US will take over in the early 2020s, but China will overtake by 2020 and will maintain its lead to 2040 (Figure 4).

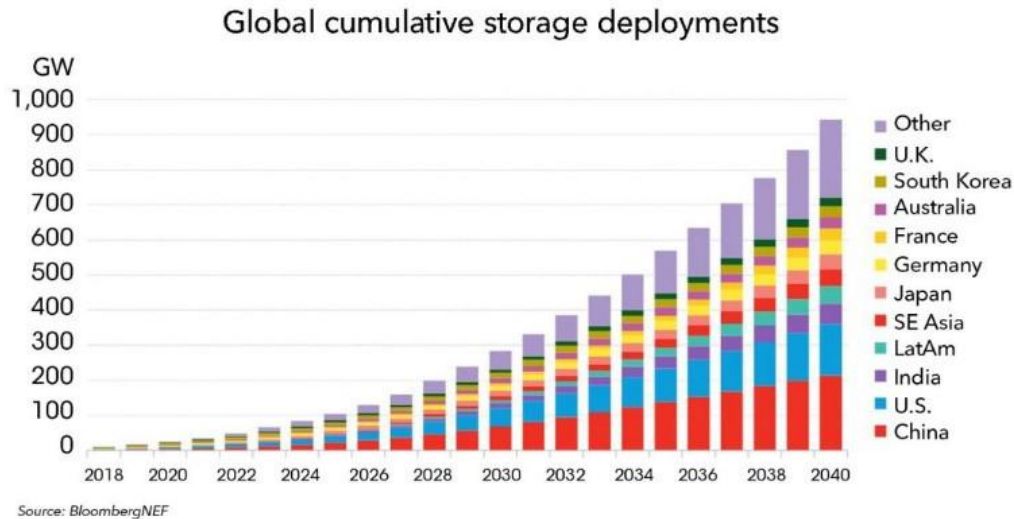


Figure 4. Global cumulative storage deployments 2018-2040

Source: Bloomberg New Energy Finance

At the same time, developing countries in Africa will see rapid growth in energy storage. Utilities are likely to increasingly recognize that isolated assets combining solar, diesel and batteries are cheaper in remote sites than either an extension of the main grid or a fossil-only generator. Energy storage will become a practical alternative to new-build generation or network reinforcement. Behind-the-meter storage will also increasingly be used to provide system services on top of customer applications. Source: Bloomberg. “Energy Storage is a \$620 Billion Investment Opportunity to 2040”, Bloomberg New Energy Finance. November 6, 2018. Accessed January 2019.

Delta is positioning itself to benefit from this boom in energy storage by leveraging on our state-of-the-art power conversion and energy storage technologies. Our Li-ion battery portfolio includes cells, modules, cabinets and containers for excellent scalability and adaptability to a wide variety of requirements. The Delta Energy Storage System (ESS) solutions offers comprehensive energy storage for residential, commercial and utility applications.

2019 Business Directions

Delta Thailand Operation Review

The Delta Smart Manufacturing project now enters its third year, marking a significant technological upgrade for the company’s production lines. As a result of the Delta Smart Manufacturing deployment, overall productivity increased by 15% while quality-related failure cost improved by 16%, compared to performance in 2017. We expect to carry the project further into 2019 to maximize outcomes. As part of the project, the company plans to set up the Delta Distribution Center to facilitate smart logistics management and carry out lean manufacturing operations. The center, in Bangpoo Industrial Estate, has 10,700 square meters in space to support the operations of Delta’s Bangpoo plants.

Delta expects production is to increase 30% in 2019 compared with 2018 due to a ramp-up in both automotive and new product production. New products produced by Delta Thailand include medical products, home

appliance products and networking products. To cope with our production expansion, Delta kicked off the Plant 3 facility renovation project and Plant 7 new facility construction project in 2018. The company estimates to complete both projects in the first quarter and the fourth quarter of 2019 respectively. Plant 3 is in the Bangpoo Industrial Estate and, when renovation is complete, there make 17,800 square meters in additional production space available. Plant 7 is in the Wellgrow Industrial Estate and will be a LEED-certified green building with a solar roof deck. This new green building will provide an additional 44,800 square meters in production space.

Delta Standard Industrial Power Supply (IPS)

2018 was a challenging, yet exciting year for the Industrial Power Supply (IPS) team. With the continued expansion of the medical certified power supplies portfolio and release of the highly anticipated MEG-2K1A configurable power supply, we are experiencing breakthroughs in several medical applications in key global markets. We expect to see higher growth in 2019, leading into 2020 as a result of these projects.

To fuel business growth, Delta Industrial Automation Business Group also included Delta standard industrial power supplies into their worldwide distribution sales network of more than 200 channel partners. Delta IPS R&D will continue to work with global component suppliers to utilize the latest technology in our new designs and meet long product life-cycle targets for all our customers.

Our website DeltaPSU.com lists all the Delta IPS products and includes technical datasheets and safety certificates. In addition, Delta IPS will continue to join exhibitions and industry events worldwide to raise brand awareness.

Industrial & Medical Business (IM)

Delta industrial and medical businesses had annual revenue of US\$121M (+13%) in 2018. Highlights of the year included our new products entering into mass production for ultrasound projects, DIN Rail projects and a modular charging station platform. Launching such high-end products is challenging enough but being further burdened by well-known market component shortages, component price increases, labor rate increases and the negative influences of exchange rates for sustaining business, has required significant resources from both the engineering and qualification teams.

The current 2019 forecast shows that we will be able to achieve our revenue target of US\$131 (+8%). This expected growth is driven strongly by our DIN Rail products. Although there are indicators that the market will slow in 2019, the Industrial Medical Business Unit's (IMBU) diversification should be able to help us deliver positive results. We have invested in two automated production lines for our high-running models, one each in Thailand and Slovakia, which we scheduled to be online by mid-year.

In addition, we have high expectations for the success of our charging products in the industrial electric vehicle market, driven by a significant increase of automation in the logistics sector. IMBU is well positioned in the logistics sector with several Automated Guided Vehicle (AGV) manufacturers.

Server, Networking and Telecom Business (SNT)

Delta's SNT business experienced growth in 2018. While our telecommunication business had been struggling throughout most of the year, due to maturing 4G deployment, our data center business ramped up when

major data center customers continued to build out. On one hand, traditional high-end server business sales continued to be flat in 2018 as markets shift more to cloud services. However, we started to see the migration to cloud services as a positive development. Networking product sales continued at a healthy level and we expect the market to move along the same trend for the next few years due to 5G deployment.

Delta SNT has been able to develop multiple new customers with our highly technical and competitive data center, network and high-performance computing solutions. In addition, we have launched new products and expect more to come-to-market in 2019 as we expand 5G business opportunities. The company's highly competent business and engineering teams will continue to leverage new technology and new market segments to create more business success.

Automotive Business

The automotive business revenue in 2018 has met expected targets despite the newly implemented Worldwide Harmonised Light Vehicle Test Procedure (WLTP) test for all European vehicles slowing down growth in the second half of the year. Mass production demand for existing products has grown throughout the year while new product launches have increased overall demand and enlarged the product portfolio. Demand has been deriving from Plug-in Hybrid Electric Vehicles (PHEV) as well as fully electric Battery Electric Vehicles (BEV) with more and more platforms using Delta's electrical power products.

Onboard Chargers (OBC) was our foundational business in 2018, with power ranges from 3.7kW to 7.4kW. Ongoing designs are heading to even higher power levels like up to 22kW as well as combination models that are integrating AC charging and high-voltage to 12V conversion in a single package.

New contract awards with existing customers as well as new major European customers are not only stabilizing the growth trend for the upcoming year but also support Delta's aim to set the pace and take a major market share in automotive power electronics.

Southeast Asia (SEA), Australia and New Zealand (ANZ) Market

Industrial Automation (IA)

Delta's Industrial Automation (IA) team had another exciting year in 2018. Delta IA enhanced its competencies by successfully transforming existing businesses into system integration (SI) and solution business. This year, Delta's 5th Industrial Automation Camp had 164 teams participating from 111 colleges and universities in China, Taiwan, Thailand, Vietnam and India.

Delta has released new products like the Compact Modular Mid-range PLC AS Series, Standard Compact Drive MS300 Series (up to 22KW), Articulated Industrial Robot DRV Series and New Generation HMI DOP100 Series. The Delta DRV Series Articulated Industrial Robot won the iF Design Award. Its maximum working radius is 710mm/900mm with a maximum load of 7 kilograms to meet the flexible processing needs of light industry. Delta also announced a partnership with CODESYS at SPS Nuremberg, which will offer customers across EMEA and Asia the opportunity to simplify the implementation of Delta's industrial automation hardware in their operations.

In Thailand, 2018 was the first year for the Delta Industrial Automation Thailand team to implement a channel strategy to provide the best exposure to the company's products and solutions to potential partners. Delta IA built a channel strategy around both direct and indirect sales channels that take care to avoid channel conflict by assigning one product line to each new distributor. Delta IA successfully signed agreements with three new distributors and six SIs to provide an overarching solution for customers. Delta IA's major plan in 2019, is to continue our channel strategy and develop key account customers in potential market segments aligned with the Thailand Industry 4.0.

In Malaysia, Delta has won many projects in HVAC, WWW, Electronics and the Rubber & Glove segments. We expect to achieve progressive results and more collaboration and support from the SEA team is a welcome boost to our confidence level going into 2019.

In Australia, Delta's IA business is witnessing a growth rate of approximately 17% from 2017-2018. We are experiencing this growth from different market verticals such as WWW, Materials Handling, BA and F&B. In addition, we are strengthening cooperation with the SI community and assign authorized distributor for power quality products. We should be note that automation manufacturers in Australia face several issues regarding configuration and consistency when trying to deploy or upgrade automation systems. As such, our strategy for Australia and New Zealand is to provide a complete total engineered solution to key OEMs and end users. Looking forward at 2019, we are very excited as we believe we have the right strategies to achieve or exceed our targets.

Mission Critical Infrastructure Solution (MCIS)

In alignment with the Delta MCIS strategic vision to become one of the top three global players in IT Power Infrastructure, we continued to outperform in the SEA and Oceania regions during 2018. By delivering the latest in design, technology and operational excellence, we are providing our customers with a more adaptive, scalable and flexible solution to address their needs.

Enterprise business growth and IT Infrastructure equipment have become so closely linked that planning and building a high-performance data center is one of the most critical and complex issues faced by businesses today. The expert teams at Delta MCIS have developed a new generation of data center infrastructure solutions that provide industry-leading Total Cost of Ownership (TCO) and enable flexibility in businesses resources deployment.

2018 was another remarkable year for us as we grew by 170% in year-over-year revenue. We expanded our customer portfolio and footprint to include both the Cambodia and Myanmar markets. In addition, we successfully deployed innovative Modular and Containerized Data Centers for a variety of customers. All this activity was part of our consistent push to deliver a smarter and greener infrastructure solution to major manufacturing and telecom operators in the region.

In 2019, we expect the growth trend in Edge Computing to continue and drive our push towards both modular and containerized data centers as part of our sustainable market focus. DCIM, Power container solutions, and Prefabricated Datacenter Solutions will serve as our significant market differentiating tools.

India Market

Telecom Power Business

Despite the multiple challenges and adverse conditions in the India market, Delta India's Telecom Power Solutions (TPS) business had strong growth in 2018. India is the 2nd largest telecom market in the world in terms of subscribers. There are 1.18B subscribers and 493M internet users, with over 270M internet users using 4G wireless services to consume approximately 11GB per month. India's data payload stands at 165PB (Peta Bytes), of which 75% of consumption is from 3G/4G subscribers. The newest telecom operator is Reliance Jio, which launched a 4G LTE network in 2016 and continues to disrupt the market with extremely low tariffs. Their disruption has put all incumbent players into a tight and difficult environment of hyper-competitiveness.

Reliance Jio's competition has forced multiple telecom operators to shut their operations and has reduced the market to a battleground where a fierce struggle for survival is playing out. Major operator Tata Teleservices sold their network on a free-of-cost basis to Airtel which acquired another operator, Telenor, at a nominal valuation. Maxis Malaysia-owned Aircel ceased operations and is looking for a buyer. Reliance Communications is currently under acquisition by Reliance Jio. Meanwhile, Vodafone and Idea have already merged and launched the largest telecom in India, Vodafone Idea Ltd., in September 2018.

Similar M&A activity is also on the cards in the telecom infrastructure sector. ATC has acquired Viom's 38,000 towers while GTL, a major player with almost 40,000 towers, is struggling to survive. Bharti Infratel with 37,000 towers is merging with Indus Towers who already have around 124,000 towers.

While the M&A activity has caused fewer customers and overall market shrinkage, Delta India TPS is building its strength to create more products and solutions for existing customers. In addition, there we are focusing on targets in newer markets including Railways, Smart Cities, Surveillance and Traffic Management & Utilities. This will help our business grow despite adverse conditions on multiple fronts.

Solar Inverter Business

2018 has been a year of changing fortunes for the Indian solar industry. While there were big announcements and project allocations done in the first quarter, activity dropped sharply in the second quarter and picked up only slightly in the third quarter. While the first quarter's added capacity was a record high of 3.8GW, it fell to 0.7GW in the second quarter, followed by 1.1GW in the third quarter. The expected added capacity in the fourth quarter is 1.3GW which would bring the annual total to almost 7GW in 2018. This is approximately 22% lower than in 2017.

The major roadblocks this year were a new 25% safeguard duty on modules and cells and an almost 15% appreciation of US Dollar against the Indian Rupee. Both factors contributed heavily to project costs and resulted in slow and selective execution. Currently, the market is gradually recovering and we expect to see 9-10GW added capacity in 2019.

Suppliers from China have taken strong positions in India market in the last year, especially in modules and inverter supplies. Delta India PVI lost some market share to low-cost China suppliers. Over the long term,

the market looks more matured, robust and consolidated. While there will be competition and price challenges ahead, suppliers with good products and price strategy will have serious business opportunities.

Currently, Delta holds the top position in India for rooftop inverters with a 26% market share. As of date, Delta has supplied over 1,100 MW Inverters, over 23,500 String Inverters and over 3,000 PV plants across India.

Future operational plan and performance

According to the Company's existing operational plan (before the Completion of the Tender Offer), the Company will continue its main operations which are products in Power Management Solutions including some electronic parts such as DC Fan, EMI filter and Solenoid whose manufacturing bases located variously around the world, including Asia and Europe. Between 2020 – 2021, the Company has predicted an increase of 7.00% sale growth per year and the Company has planned to maintain its net profit margin as similar as 2017 and 2018, at around 9.00% - 10.00% which were 11.50% -14.00% in 2015 – 2016 in relation to a decrease of gross profit margin from material shortage which raised prices of materials.

As for future plan, the Company will focus on increasing sales of those products in power supplies and electronics for automotive product categories in order to respond to increasing world demand toward electric power cars. At present, the Company's sales for Electrics Vehicle Solutions (EVSBG) are around THB 5,000.00 – 6,000.00 million per year which the Company is expecting a rise to be THB 8,000.00 million in 2022. The Company also has plan to further invest in manufacturing base to produce export products, selling office and research and development base in India in a budget of THB 3,835.00 million by focusing on products in Energy Infrastructure Solutions (EISBG). The Company sees that there is a vast opportunity for renewable energy power plant to grow in India. Moreover, the Company's current market share for renewable energy power plant in India is around THB 1,300.00 – 1,400.00 million can be increased in the future with expectation to be THB 2,000.00 million in 2022.

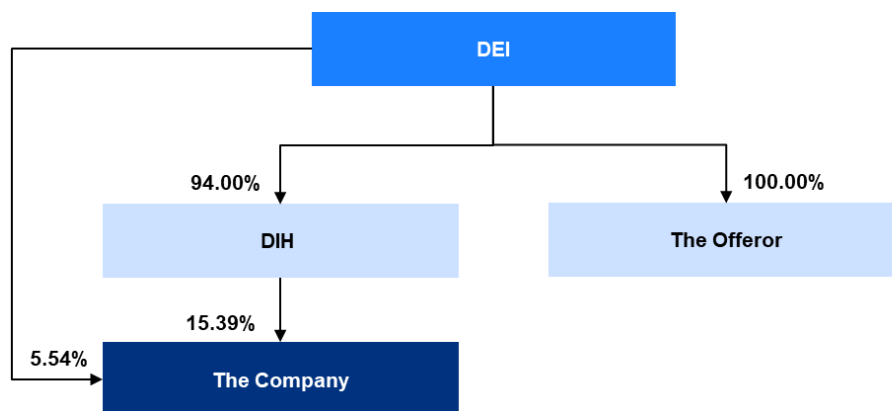
Nonetheless, the operation performance and plan above are subject to change from the reason that DEI, an expert in research and development, design, manufacture and distribution of products related to electronic control systems, digital display, consumer electronic devices or systems, energy-efficient lighting, equipment for the use of renewable energy, hardware compression charge for electric vehicles and technology provider of energy in Mainland China, the United States, Taiwan and other countries around the world, might change the investment plan and operational strategy of the Company to be appropriate and in accordance with the operational policy of DEI who is a major shareholder of the Tender Offeror.

2. Opinion on the accuracy of the Business's information contained in the Tender Offer statement.

The Company's Board of Directors views that all information relevant to the Company as shown in the Tender Offer (Form 247-4) as the Company received on February 22, 2019 is accurate.

3. Relationship between the Tender Offeror and the Business, Major Shareholders or Directors of the Business

3.1. Direct or Indirect Securities holding of the Offeror or its Authorized representative (if the Offeror is a Juristic Person) in the Company or the Company's major shareholders (if the major shareholder of the Company is a juristic person):



the shareholding structure of the Company

- 1) As at the date of submission of this VTO document, the Offeror does not hold any shares in the Company.
- 2) As at the date of submission of this VTO document, DEI (the ultimate shareholder of the Offeror) holds 69,128,140 shares of the Company representing 5.54% of total issued shares and voting rights of the Company.
- 3) As at the date of submission of this VTO document, Delta International Holding Ltd. (a company under common control of DEI) holds 191,984,450 shares of the Company representing 15.39% of total issued shares and voting rights of the Company.
- 4) As at the date of submission of this VTO document, the director of the Offeror, Mrs. Su-Lin Wang, is currently the shareholder of the Company holding 190,580 shares representing 0.015% of the total issued shares and total voting rights of the Company.
- 5) As at the date of submission of this VTO document, the director of DEI (the ultimate shareholder of the Offeror), Mr. Simon Chang, is currently the shareholder of the Company holding 190,580 shares representing 0.015% of the total issued shares and total voting rights of the Company.

3.2. Shareholding, whether direct or indirect, by the Company, major shareholders or directors of the Company in the Offeror:

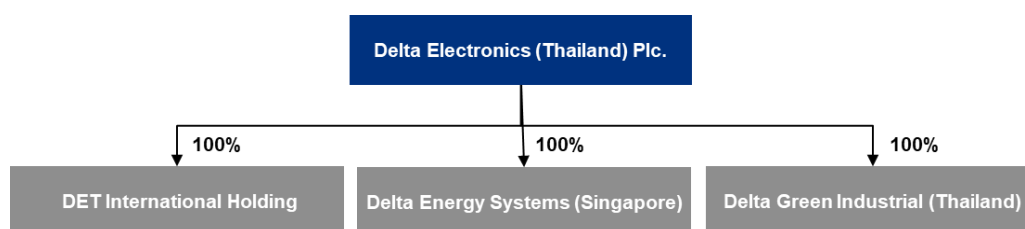
- 1) As at the date of submission of this VTO document, the Company currently does not hold any shares of the Offeror and DEI.
- 2) As at the date of submission of this VTO document, Mr. Ng Kong Meng, the director of the Company, is currently the shareholder of DEI holding 100,000 shares representing 0.004% of the total issued shares and total voting rights of DEI.
- 3) As at the date of submission of this VTO document, Mr. Ming-Cheng Wang, the director of the Company, and Mr. Ming-Cheng Wang's spouse are currently the shareholder of DEI holding 205,821 shares representing 0.008% of the total issued shares and total voting rights of DEI.
- 4) As at the date of submission of this VTO document, Mr. Hsieh Shen-yen, the director of the Company, and Mr. Hsieh Shen-yen's spouse are currently the shareholder of DEI holding 515,000 shares representing 0.020% of the total issued shares and total voting rights of DEI.
- 5) As at the date of submission of this VTO document, Mr. Chu Chih-yuan, the director of the Company, and Mr. Chu Chih-yuan's spouse are currently the shareholder of DEI holding 132,037 shares representing 0.005% of the total issued shares and total voting rights of DEI.

3.3. Other forms of relationships that may exist between the Offeror and the Company, its major shareholders or management

3.3.1. Shared Directors

Shared directors between the offeror and the Company's subsidiary which is Delta Energy Systems (Singapore) Pte. Ltd.

Name	Position
Ling Yik Chang	Director



the shareholding structure of the Company

3.3.2. Connected Transactions

The Company or DET had connected transactions with the Offeror and persons under Section 258 during 2016, 2017 and 2018 (based on the Company's consolidated financial statements) can be summarized as follows;

Transactions with related companies	Consolidated Financial Statements (Unit: THB million)			Pricing policy
	2016	2017	2018	
Sales of goods and raw materials	1,636	4,710	7,131	With reference to market price
Purchase of goods and raw materials	4,378	4,273	4,283	With reference to market price
Commission paid	494	516	447	Contract price
Royalty paid	-	-	1,257	Contract prices
Design and engineering fee paid	616	861	53	Contract price
Commission received	127	215	67	Contract price
Services income	448	289	198	Contract price
Services paid	168	174	98	Contract price
Sale of investments in subsidiary companies	-	874	-	Contract price
Purchase of investments in subsidiary companies	-	758	-	Contract price
Other income	-	38	48	Contract price

Source: DET's financial statements which adopt Thai Financial Reporting Standards ("TFRS")

At present, the Company has specified policies and procedures regarding related party transactions to comply with the rules and regulations of the SEC and the SET to prevent any conflict of interests between the Company, its subsidiaries, associated companies and/or potential conflict persons. Presently, the Company and its subsidiaries have transactions with the Offeror and its persons pursuant to Section 258 of the Securities and Exchange Act B.E. 2535, which deemed to be connected transactions since being listed on the SET. Such transactions have taken place and will be expected to take place consistently with normal business course of the Company and those transactions have been disclosed in the notes to the financial statements, annual report and Form 56-1 of the Company.

After the completion of this CVTO, the Company and its subsidiaries still expect to have the connected transactions and may explore opportunities for collaboration resulting in additional transactions with these related parties as the Offeror considers that supports from the Group's network will help strengthen the Company's business and improve its competitiveness in the world market. This will utmost benefit the Company. Any current and future related party transactions will be carefully considered and ensured that the terms and conditions of such transactions will be similar to those of arm's length transactions and in compliance with the SEC Act, the rules and regulations of the Capital Market Supervisory Board and the SET concerning the connected transactions as well as any other applicable rules and regulations.

The major transactions and reasons for having such related party transactions can be summarized as follows :

1. Sales of Goods/Raw Materials

In order to manage trade constraints in certain countries for either the company or its customers e.g. local content requirements, The Company has established its trade network in local area for better service to customers as well as to enhance its business opportunities in those countries. The transactions are made based on certain trade agreement or with reference to market price. Sales of raw material are normally due to the urgent need of some raw materials from the Offeror's Group and the selling prices are based on the market price or cost of the materials sold.

2. Purchase of Goods/Raw Materials

Currently the Company has also expanded its trade network through its subsidiaries which are located in major regions. To offer a full range of products, those subsidiaries may have to purchase some products from related companies to serve their clients. However, the transactions are made based on certain trade agreement which may also include their operating costs, or with reference to market price. The Company together with the Offeror's Group has set up material network in order to create bargaining power for better price and availability for the group members. Purchase price of raw material is generally charged based on cost plus other actual out of pocket expenses such as insurance, freight and others. Handling fee is charged based on value of purchase/sale transaction and considered general business condition.

3. Commissions

Since various services are generally required to serve the global clients, the company needs to offer such services to customers in the area where they are located in. This makes the Company together with the Offeror's Group to establish business network which enables the company to have customer relations offices worldwide to provide effective marketing and after sales services to its clients at the competitive costs. Commissions are normally charged based on transaction size (e.g. sales or purchase amount) and considered general business condition.

4. Service Fee

Currently the operations of the company's subsidiaries, have covered in several regions, especially Europe. The Offeror's Group, therefore, occasionally request for supports from their subsidiaries to provide some services such as reworking, tooling service and others. Service fees are generally based on the estimated man hour used for each service.

3.4. Summary of contracts, agreements, memorandums of understanding made by the Offeror prior to making of the Tender Offer for the purpose of buying and selling the Company's securities in material respects, including contracts, agreements, memorandums of understanding, whether the purpose is for the Tender Offer or not:

- 1) Notification of Intention of Decline to Sell the Company's Shares prepared by Delta Electronics Inc. (DEI)

1. Contract/agreement/memorandum of understanding entered into between
Prepared by Delta Electronics Inc.

2. Date of the contract/agreement/memorandum of understanding
December 4, 2018

3. Relevant Securities

Class of securities	Issue	Number of securities shares/units	% held	% voting rights
Ordinary	-	69,128,140	5.54	5.54
Total			5.54	5.54

4. Name of advisor in entering into the contract/agreement/memorandum of understanding (if any)

-None-

5. Conditions and effective terms of the contract/agreement/memorandum of understanding and the responsibilities of the contractual parties

Delta Electronics Inc. will not sell 69,128,140 ordinary shares held in the Company during the conditional voluntary tender offer period.

2) Notification of Intention of Decline to Sell the Company's Shares prepared by Delta International Holding Ltd. (DIH)

1. Contract/agreement/memorandum of understanding entered into between
Prepared by Delta International Holding Ltd.

2. Date of the contract/agreement/memorandum of understanding
December 4, 2018

3. Relevant Securities

Class of securities	Issue	Number of securities shares/units	% held	% voting rights
Ordinary	-	191,984,450	15.39	15.39
Total			15.39	15.39

4. Name of advisor in entering into the contract/agreement/memorandum of understanding (if any)

-None-

5. Conditions and effective terms of the contract/agreement/memorandum of understanding and the responsibilities of the contractual parties

Delta International Holding Ltd. will not sell 191,984,450 ordinary shares held in the Company by CITI (Nominees) Limited-CBHK-PBGSG- Restricted Shares

(The former name is Citibank Nominees Singapore Pte Ltd – CBHK - PBGSG – Restricted Shares) during the conditional voluntary tender offer period.

4. Opinion of the Company's Board of Directors to the securities holders

4.1. Reasons to accept and/or reject the Tender Offer

The Board of Directors Meeting No.2/2019 held on March 5, 2019 considered the Tender Offer proposed by the Tender Offeror. There were 8 directors attending this agenda out of the total 9 directors, thereby forming a quorum meeting as follows:

Name	Position
1. Mr. Ng Kong Meng	Chairman of the Board
2. Mr. Ming-Cheng Wang	Vice Chairman
3. Mr. Hsieh Shen-yen	Director and President
4. Mr. Hsieh Heng-hsien ¹	Director
5. Mr. Anusorn Muttaraid	Director
6. Mr. Chu Chih-yuan	Independent Director
7. Mr.Boonsak Chiempricha	Independent Director
8. Dr. Witoon Simachokedee	Independent Director
9. Mrs. Tippawan Chayutimand	Independent Director

Remark: /1 Mr. Hsieh Heng-hsien, Director, did not attend to the meeting No.2/2019.

According to 4 of directors which are Mr. Ng Kong Meng Mr. Ming-Cheng Wang, Mr. Hsieh Shen-yen and Mr. Chu Chih-yuan holding the DEI's shares have conflict of interest for this transaction and will not participate in this resolution. The Board of Directors who have no conflict of interest has considered the reasonableness of the Tender Offer Price and information concurrence with the opinion of IFA (who has no conflict of interest and has expertise and experience necessary for rendering its opinion on this issue). Therefore, the Board of Directors unanimously decided that the shareholders **may consider to accept the Tender Offer** with reasons as follows:

- 1) **The Tender Offer Price of THB 71.00 per shares is appropriate and is higher than the evaluated range.** IFA has an opinion that the appropriate methods for evaluating the Company's shares are Market Value Approach and Discounted Cash Flow Approach. The evaluated price range of ordinary shares is between THB 62.33 – 67.80 per share and the Tender Offer Price at THB 71.00 per share is higher than the range by THB (8.67) - (3.20) per share or by (12.21%) – (4.51%) per share.

The opinion of the Board of Directors is intended to constitute part of the information that the shareholders should consider. It is highly advisable that all individual shareholders consider all relevant information including but not limited to the opinion of IFA. The final decision whether to accept or reject the Tender Offer shall rest solely with the shareholders' discretion.

4.2. Opinion and reasons of the individual directors and the number of shares held by them (Only in case where the opinion in 4.1 is not unanimous)

- None - Due to the opinion in 4.1 is unanimous

4.3. Benefits or impacts from the plans and policies indicated in the Tender Offer and viability of such plans and policies

4.3.1. Plans to Sell Shares of the Company

According to Form 247-4, the Offeror has no intention to sell or transfer shares of the Company received from the Tender Offer to other persons during the period of 12 months from the last day of the Tender Offer Period, except where: the Offeror (i) sells or transfers shares of the Company to any related party of the Offeror under the definition of related party specified in the relevant laws, and if the sale or transfer of shares of the Company resulting that the Offeror and/or the related party are obliged to perform under the relevant notifications of Capital Market Supervisory Board, the Offeror and/or the related party will perform according to such relevant notifications; or (ii) sell or transfer securities of the Company in order to comply with applicable laws and regulations effective at the time or (iii) sell or transfer securities of the Company in order to comply with the free-float requirement to maintain the status as a listed company.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that the Offeror has no intention to sell or transfer shares of the Company received from the Tender Offer to other persons during the period of 12 months from the last day of the Tender Offer Period except for 3 major reasons as stated in Form 247-4. Although the Offeror have the right to sell or transfer its shares after 12 months after the final day of the CVTO, the IFA has not yet found the factors that the Offeror will sell some or all of its shares to other persons which is consistent with the statement of the Offeror in Form 247-4 (Objective of Business) that this Tender Offer is "to strengthen its global manufacturing reach to deal with international trade uncertainty" (currently, the Offeror and the Group is the world's leader in power supply business (Source: IHS Technology)). Nonetheless, the Offeror might need to sell some of the Company's share to maintain its listing status on the SET (free-float requirement as a listed company stated that the Company must have not less than 150 minority shareholders, which collectively hold not less than 15% of the company's paid-up capital).

4.3.2. Status of the Business

According to Form 247-4, after the completion of the CVTO, the Offeror has no plan to liquidate the Company's core assets, or change the nature of the Company's business, or capital structure within 12 months after the final day of the CVTO.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that the Offeror will maintain the Company's status of the business by not liquidating the Company's core assets, or changing the nature of the Company's business, or capital structure within 12 months after the final day of the CVTO as stated in Form 247-4 due to the fact that the Offeror and the Group have been the major shareholders of the Company (from Form 247-4, the Offeror and the Group hold 20.93% of the Company's total issued and paid-up shares). Therefore, if the Tender Offeror and the Group want to change the status of the business, the Tender Offeror and the Group can more or less influence the changes before this Tender Offer. However, there is a possibility that the Tender Offeror and the Group may change the nature of business after 12 months period since the end of the Tender Offer date. As the Tender Offeror and the Group have full understanding of the Company's business therefore any future changes are likely to have positive affect to overall Company's business and its shareholders.

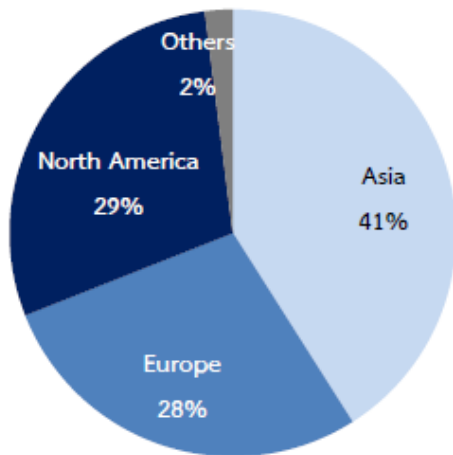
4.3.3. Objective of Business

According to Form 247-4, after the completion of the CVTO, the Offeror together with its persons in section 258 do not have any plan to make material changes in the business objectives within 12 months after the final day of the CVTO and has an intention for the Company to carry on its operations under the existing business structure in order to continue to serve its customers with the existing products and the same level of services. The key intentions of the Offeror in initiating this CVTO are as follows; (1) Global manufacturing reach The Offeror intends to strengthen its global manufacturing reach to deal with international trade uncertainties. The Company possesses excellent manufacturing competencies in Thailand, India and Slovakia, which will complement the group of main manufacturing facilities based in China and Taiwan which can be shown in the following figure.

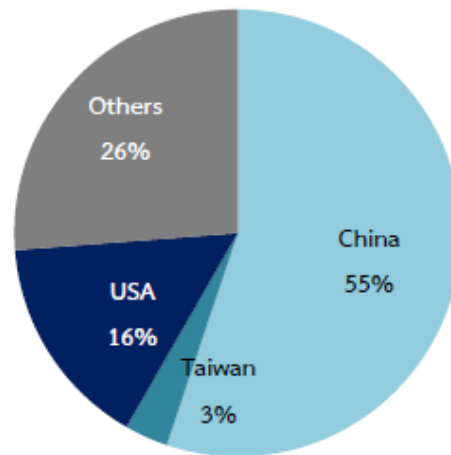


(2) Customer supports in the related regions South East Asia and India have fast economic growth. The Company's proximity to key customers in South East Asia and other regions is expected to be beneficial as well as in regard to better customer support which the Group's key customers are located in China, Taiwan and United State of America as shown in the following pie charts of revenue structure of the Company and DEI by geography.

GEOGRAPHICAL REVENUE OF THE COMPANY IN 2017



GEOGRAPHICAL REVENUE OF DEI IN 2017



(3) Positive impacts on revenues and profits. From 2010 to present, the Company's revenues have surpassed USD 1 billion and its earnings will also add up to the Offeror's profitability structure with the Company's earnings for 2018 of USD 159 million.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that during the period of 12 months after the end of the Offer Period, the Offeror is unlikely to make material changes in the policies, business plans and business objectives of the Business as stated in Form 247-4 due to the fact that the Offeror and the Group have been the major shareholders of the Company (from Form 247-4, the Offeror and the Group hold 20.93% of the Company's total issued and paid-up shares) therefore, the Offeror and the Group have full understanding of the Company

business and its operation. However, after 12 months from the Tender Offer date, the Offeror may make some changes in the Company's plans and its operation to ensure the synergy between the Company and the Group's businesses as well as the current and future market condition which would overall benefits the Company and its shareholders. Moreover, in case the Offeror implements any significant changes to the Company, the Company shall seek approval from the meeting of Board of Directors and/or the meeting of shareholders of the Company as well as other necessary approvals to comply with relevant laws, policies and regulations of listed company.

4.3.4. Possibility of being delisted from the SET

According to Form 247-4, the Offeror intends to maintain the listing status of the Company on the SET unless the Offeror has legal obligation to follow with applicable laws, rules and/or regulations in effect at that time and fulfill the free-float requirement, in which the number of minority ordinary shareholders of the Company shall be not less than 150 and such shareholders shall hold shares in aggregate of not less than 15% of the paid-up capital of the Company upon the completion of the CVTO.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that the Offeror will maintain the listing status of the Company on the SET during the period of 12 months after the end of the Offer Period. However, there is possibility that the Offeror may delist the Company from the SET after 12 months after the end of the Offer Period as DEI, the shareholder of the Offeror (DEI holds 100.00% of total issued and paid-up shares), is a listed company on Taiwan Stock Exchange. The Offeror or the Group therefore can access source of funds and other privileges as a listed company on Taiwan Stock Exchange. However, in order to receive approval on delisting, the Company must receive three-fourth of the total issued shares and there must not be more than 10% of total issued shares opposing to the agenda.

4.3.5. Investment of Expand Capacity

According to Form 247-4, the Offeror has no plan to invest or expand capacity significantly that is inconsistent with the ordinary investment plan of the Company for the current business line during the 12 months period after the end of the Tender Offer Period.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that during the period of 12 months after the end of the Offer Period, the Offeror is unlikely to make material changes in investment and capacity of the Business that is inconsistent with the ordinary investment plan of the Company for the current business due to no material changes in the Company's business plan. Moreover, investment related to expand capacity requires certain time for planning, construction and acquiring of machineries. However, there is possibility that after 12 months from the Tender Offer date, the Offeror may implement significantly change in the Company's investment as the Offeror has stated in the objective of the business. In the objective of the business, the Offeror intends to use

the Company, which has fully established in Thailand, India and Slovakia, as the manufacturing base for the Offeror and the Group in China, Taiwan and United State of America.

4.3.6. Organizational Structure

According to Form 247-4, the Offeror believes in the Company's current management team (pursuant to the SEC's definition) and their management performance. Thus, the Offeror does not intend to change the Company's management and function autonomy within 12 months after the end of the Tender Offer Period.

Following the completion of the Tender Offer, the Offeror expected to proceed with changing the number of directors of the Board of Directors as appropriate or the Offeror may nominate its representatives to hold director positions in the Board of Directors in accordance with its pro-rata shareholding, by taking into consideration of various factors for the benefits of the Company. Moreover, any changes in the number of directors of the Board of Directors or appointment of director in place of existing director, shall be done in consideration with the appropriateness and in compliance with relevant regulations including the Company's policy, the Company's article of association, the Company's Board of Directors meeting and/or the Company's shareholders meeting and shall inform shareholder through the SET Electronic Listed Company Information Disclosure (ELCID).

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that the Offeror does not intend to change the Company's management and function autonomy within 12 months after the end of the Tender Offer Period.

In addition, following the completion of the Tender Offer, the Offeror expected to proceed with changing the number of directors of the Board of Directors as appropriate or the Offeror may nominate its representatives to hold director positions in the Board of Directors in accordance with its pro-rata shareholding as stated in Form 247-4. The change of directors and management is considered normal for such Tender Offer. However, after the Tender Offer, if the Offeror and the Group successfully hold more than 50% of the total issued and paid-up shares of the Company, the Offeror will have total control of the Company's board of directors as well as its management. The changes in directors and management as appropriate to future current condition are considered as effective management method to benefits the Company and its shareholders.

4.3.7. Plan to acquire or dispose The Company's or its subsidiaries' assets

According to Form 247-4, the Offeror has no plan to allow the Company to significantly acquire and/or dispose of its assets during the 12 months period after the end of the Tender Offer Period.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that during the period of 12 months after the end of the Offer Period, the Offeror is unlikely to allow the Company to significantly acquire and/or dispose of its assets due to the reason that material changes would affect the Company's business plan. In addition, after 12 months from the Tender Offer date, the Offeror might significantly acquire and/or dispose of the Company's assets.

4.3.8. Financial Structure

According to Form 247-4, the Offeror has no plan to make significant changes to the financial structure of the Company during the 12 months period after the end of the Tender Offer Period.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that during the period of 12 months after the end of the Offer Period, the Offeror is unlikely to make significant changes to the financial structure of the Company as the stated in Form 247-4 (investment and expand capacity). Moreover, the Company is currently having cash or cash equivalent and interest-bearing debts to total assets at 26.43% and 0.00%, respectively and also have cash and cash equivalent to the Company's expected capital expenditure in 2019 at 2.04 times (as stated in the Company's financial statement as of December 31, 2018 and adjusted with dividend payment according to Resolution of the Board of Directors' Meeting No.1/2019). According to this ratio, IFA has opinion that the Offeror might need more than 12 months in making significant change to the Company's financial structure. In addition, after 12 months from the Tender Offer date, the Offeror may change the financial structure of the Company, especially, after the Tender Offer. If the Offeror and the Group successfully hold more than 50% of the total issued and paid-up shares of the Company, the Company will be subsidiary of the Offeror. Therefore, the Company's financial structure may be significantly changed to fit to the Group financial structure. The future changes of the Company's financial structure is considered a part of effective management method to benefits the Company and its shareholders.

4.3.9. Dividend Payment Policy

According to Form 247-4, currently, the Company has a policy to pay dividend at least 30% of its net profit. The Board of Directors of the Company will consider the dividend payment and propose for shareholder approval year by year. The Offeror has no plan or policy to change the dividend payment policies of the Company during the 12 months period after the end of the Tender Offer Period.

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that during the period of 12 months after the end of the Offer Period, the Offeror is unlikely to change the dividend payment policies of the Company. However, after 12 months from the Tender Offer date, the Offeror may change the dividend payment policies of the Company. Moreover, after the Tender Offer, if the Offeror and the Group successfully hold more than 50% of the total issued and paid-up shares of the Company, the Company will be subsidiary of the Offeror. The dividend policy is the major part of the Company's financial structure therefore, when the Company's financial structure is significantly changed, the dividend policy will be the important part of the changes to fit to the Group financial structure.

4.3.10. Connected Transactions

According to Form 247-4, at present, the Company has specified policies and procedures regarding related party transactions to comply with the rules and regulations of the SEC and the SET to prevent any conflict of interests between the Company, its subsidiaries, associated companies and/or potential conflict persons. Presently, the Company and its subsidiaries have transactions with the Offeror and its persons pursuant to Section 258 of the Securities and Exchange Act B.E. 2535, which deemed to be connected transactions since being listed on the SET. Such transactions have taken place and will be expected to take place consistently with normal business course of the Company and those transactions have been disclosed in the notes to the financial statements, annual report and Form 56-1 of the Company.

After the completion of this CVTO, the Company and its subsidiaries still expect to have the connected transactions and may explore opportunities for collaboration resulting in additional transactions with these related parties as the Offeror considers that supports from the Group's network will help strengthen the Company's business and improve its competitiveness in the world market. This will utmost benefit the Company. Any current and future related party transactions will be carefully considered and ensured that the terms and conditions of such transactions will be similar to those of arm's length transactions and in compliance with the SEC Act, the rules and regulations of the Capital Market Supervisory Board and the SET concerning the connected transactions as well as any other applicable rules and regulations.

The major transactions and reasons for having such related party transactions can be summarized as follows :

1. Sales of Goods/Raw Materials

In order to manage trade constraints in certain countries for either the company or its customers e.g. local content requirements, The Company has established its trade network in local area for better service to customers as well as to enhance its business opportunities in those countries. The transactions are made based on certain trade agreement or with reference to market price. Sales of raw material are normally due to the urgent need of some raw materials from the Offeror's Group and the selling prices are based on the market price or cost of the materials sold.

2. Purchase of Goods/Raw Materials

Currently the Company has also expanded its trade network through its subsidiaries which are located in major regions. To offer a full range of products, those subsidiaries may have to purchase some products from related companies to serve their clients. However, the transactions are made based on certain trade agreement which may also include their operating costs, or with reference to market price. The Company together with the Offeror's Group has set up material network in order to create bargaining power for better price and availability for the group members. Purchase price of raw material is generally charged based on cost plus other actual out of pocket expenses such as insurance, freight and others. Handling fee is charged based on value of purchase/sale transaction and considered general business condition.

3. Commissions

Since various services are generally required to serve the global clients, the company needs to offer such services to customers in the area where they are located in. This makes the Company together with the Offeror's Group to establish business network which enables the company to have customer relations offices worldwide to provide effective marketing and after sales services to its clients at the competitive costs. Commissions are normally charged based on transaction size (e.g. sales or purchase amount) and considered general business condition.

4. Service Fee

Currently the operations of the company's subsidiaries, have covered in several regions, especially Europe. The Offeror's Group, therefore, occasionally request for supports from their subsidiaries to provide some services such as reworking, tooling service and others. Service fees are generally based on the estimated man hour used for each service.

The connected transactions with the Offeror and its persons under Section 258 during year 2016 and 2018 (based on consolidated financial statements) can be summarized as follows;

Transactions with related companies	Consolidated Financial Statements (Unit: THB million)			Pricing policy
	2016	2017	2018	
Sales of goods and raw materials	1,636	4,710	7,131	With reference to market price
Purchase of goods and raw materials	4,378	4,273	4,283	With reference to market price
Commission paid	494	516	447	Contract price
Royalty paid	-	-	1,257	Contract prices
Design and engineering fee paid	616	861	53	Contract price
Commission received	127	215	67	Contract price
Services income	448	289	198	Contract price
Services paid	168	174	98	Contract price
Sale of investments in subsidiary companies	-	874	-	Contract price
Purchase of investments in subsidiary companies	-	758	-	Contract price
Other income	-	38	48	Contract price

Source: Financial statement of DET in accordance with Thai Financial Reporting Standards (TFRS)

Opinion of the Board of Directors of the Company

The Board of Directors agrees with IFA's opinion that the Offeror and the Group are operating in the same core business with the Company so that it is likely for related party transactions to occur as specified in Form 247-4 and to occur in the future. However, after the Tender Offer, if the Offeror and the Group successfully hold more than 50% of the total issued and paid-up shares of the Company, the Company will be subsidiary of the Offeror.

Nonetheless, as DEI, the shareholder of the Offeror (DEI holds 100.00% of total issued and paid-up shares), is listed on Taiwan Stock Exchange resulting in having knowledge and well understandings of rules and regulations imposed by the Stock Exchange. Therefore, if there are any related party transactions, these transactions are expected to be ordinary business transactions and under approval from the Board of Directors, especially the Audit Committee appointed by shareholders who has knowledge and skill to conduct his duty. These transactions are also required to be conducted in compliance with laws and regulations imposed by the SET and the SEC to prevent conflicts of interest.

4.4. Additional opinion of the Company's Board of Directors (for delisting tender offer only)

4.4.1. Benefit to and impact on the shareholders who reject the Tender Offer

- None – because this Tender Offer is not the Tender Offer for delisting

The Company certifies that all information contained in this Opinion of the Company on the Tender Offer is correct, accurate, and complete and there is no information that may lead other persons to any misunderstanding in all material aspects and no concealment is made.

Delta Electronics (Thailand) Public Company Limited

Mr. Anusorn Muttaraid

Director