



24 July 2020

To: The President
The Stock Exchange of Thailand

Re: Q2-2020 Operating Results

We, Delta Electronics (Thailand) Public Company Limited (the “Company”) would like to notify the Company’s Q2-2020 (Apr-Jun) operating results based on its reviewed consolidated financial statements ended 30 June 2020 as follows.

Highlights on Q2-2020 Operating Results

Unit : Million Baht	Q2-20		Q2-19		Q1-20		% Change	
	Amount	%	Amount	%	Amount	%	Q2-20 VS Q2-19	Q2-20 VS Q1-20
Sales revenue	14,491	100.0	13,915	100.0	12,680	100	4.1	14.3
Gross profit	3,892	26.9	2,772	19.9	2,586	20.4	40.4	50.5
Operating profit	1,799	12.4	658	4.7	549	4.3	173.4	227.7
Net profit	2,020	13.9	868	6.2	857	6.8	132.7	135.7
EPS (Baht)	1.62		0.70		0.69			

Sales revenues and service income of this quarter amounted to Baht 14,491 million, went up 4.1% from those of the same period of last year and 14.3% from last quarter due to the customer demand boost up in cloud storage and data center related product like Critical Infrastructure Solutions (CIS) and Computer & Networking Power.

Gross profit of this quarter amounted to Baht 3,892 million, went up 40.4% from the same quarter of last year and 50.5% from last quarter due to sales revenues significantly increasing in cloud storage and data center related product reflected to product mix different and GP ratio rose up in this quarter.

Selling and administrative expenses (including research and development – R&D) in Q2’20 still keep close to Q2’19 and Q1’20.

Operating profit in Q2’20 totaling Baht 1,799 million making operating profit margin rose up from 4.7% in the same quarter last year to 12.4% contribute from sales revenues increasing as mentioned earlier. Net profit in this quarter reaching Baht 2,020 million, making net profit rose up from 6.2% in the same period last year to 13.9%, with EPS of Baht 1.62, compared to Baht 0.70 in Q2’19.



Highlight on Financial Position

Unit : Million Baht	30 Jun 2020	31 Dec 2019	% Change
Cash and cash equivalents	9,782	12,394	(21.1)
Trade and other receivables	11,952	9,739	22.7
Inventories	10,708	8,963	19.5
Other current financial assets	988	2	58,084.6
Other current assets	1,299	1,281	1.5
Investments in associated companies	491	464	5.6
Consolidation goodwill	424	418	1.4
Property, plant and equipment	12,411	11,601	7.0
Other assets	1,486	1,097	35.5
Tota Assets	49,541	45,958	7.8
Trade and other payables	13,113	10,151	29.2
Liabilities and provision from tax assessments	239	239	(0.0)
Other current liabilities	343	448	(23.5)
Provision for long-term employee benefit	1,470	1,427	3.0
Other non-current liabilities	792	686	15.4
Total liabilities	15,957	12,952	23.2
Total shareholders' equity	33,584	33,006	1.7
Total liabilities and shareholders' equity	49,541	45,958	7.8

Total Assets

As of 30 June 2020, total assets of the Company and its subsidiaries stood at Baht 49,541 million, slightly increase from those of 31 December 2019. Some changes in key assets are summarized below.

Cash and bank deposits as of 30 June 2020, stood at Baht 9,782 million, a decrease of Baht 2,612 million or 21.1% from those of 31 December 2019 due to the additional investment in new factory building and machinery amounted Baht 2,002 million, mainly in India and Thailand.

Net trade and other receivables as of 30 June 2020 were Baht 11,952 million, increase of Baht 2,213 million or 22.7% from those of 31 December 2019. Most of the outstanding balance of trade and other receivables, above 90% of total net trade and other receivables, were under current due.



Inventory (net) as of 30 June 2020 were Baht 10,708 million, increase of Baht 1,745 million or 19.5% from those of 31 December 2019. The major increase from raw material, which is result from strong customer demand in Critical Infrastructure Solutions and Computer & Networking Power business after Q1 2020.

Property, plant and equipment as of 30 June 2020 amounted to Baht 12,411 million, increase of Baht 810 million or 7.0% from those of 31 December 2019. Due to the invested in Research & Development center in India and new factory in India and Thailand. Moreover, we will keep on investing in machinery and equipment for improving the production capacity and efficiency aiming for a production automation in Thailand under the scheme of “Delta Smart Manufacturing”.

Total Liabilities

As of 30 June 2020, total liabilities of the Company and its subsidiaries amounted Baht 15,957 million, increase of Baht 3,005 million or 23.2% from those of 31 December 2019. The major increase came from trade payable, which was resulted from the increase in raw material purchasing.

Shareholders' Equity

As of 30 June 2020, shareholders' equity of the Company and its subsidiaries were Baht 33,584 million, increase of Baht 578 million or 1.7% from those of 31 December 2019. This is contribute from the profits for the first half of this year net off last year dividend.

Please be informed accordingly.

Anusorn Muttaraid
Director