



27 April 2020

To: The President  
The Stock Exchange of Thailand

Re: Q1-2020 Operating Results

We, Delta Electronics (Thailand) Public Company Limited (the “Company”) would like to notify the Company’s Q1-2020 (Jan-Mar) operating results based on its reviewed consolidated financial statements ended 31 March 2020 as follows.

### Highlights on Q1-2020 Operating Results

Unit : Million Baht	Q1-20		Q1-19		Q4-19		% Change	
	Amount	%	Amount	%	Amount	%	Q1-20 VS Q1-19	Q1-20 VS Q4-19
Sales revenue	12,680	100.0	12,949	100.0	11,707	100	(2.1)	8.3
Gross profit	2,586	20.4	2,978	23.0	2,155	18.4	(13.2)	20.0
Operating profit	549	4.3	979	7.6	413	3.5	(43.9)	32.9
Net profit	857	6.8	1,083	8.4	383	3.3	(20.9)	123.8
<b>EPS(Baht)</b>	<b>0.69</b>		<b>0.87</b>		<b>0.31</b>			

Sales revenues and service income of this quarter amounting to Baht 12,680 million, drop 2.1% from those of the same period last year due to Power & Systems / Fan & Thermal Management business slow down but went up 6.5% from last quarter due to the recovery of power supplies for the automotive (Electric Vehicle Solutions) and Industrial Tools product.

Gross profit of this quarter amounted to Baht 2,586 million, drop 13.2% from the same quarter of last year due to product mix differentiation and the weaken of demand in electronics component market. From the above reasons, Q1’20 gross margin drop to 20.4%, compare to 23.0% in the same quarter of last year.

Selling and administrative expenses (including research and development – R&D) in Q1’20 keep close to Q4’19 and Q1’19 contribute from the squeezed of Admin and Selling expenses together with the boost up of R&D workforce especially in Europe in order to extent the product range and customer base among the fast growing business group.

Operating profit in Q1-20 totaling Baht 430 million drop down from the same quarter of last year making operating profit margin dropped from 7.6% in the same quarter last year to 4.3% following the increase of Cost of Goods Sold as mentioned earlier. Net profit in this quarter is Baht 857 million, 20.9% drop from the same period last year, with EPS of Baht 0.69, compared to Baht 0.87 in Q1-19.



## Highlight on Financial Position

Unit : Million Baht	31 Mar 2020	31 Dec 2019	% Change
Cash and cash equivalents	11,770	12,394	(5.0)
Current investments	865	2	50,825.8
Trade and other receivables	11,162	9,739	14.6
Inventories	9,719	8,963	8.4
Investments in associated companies	423	464	(9.0)
Consolidation goodwill	431	418	3.2
Property, plant and equipment	12,506	11,601	7.8
Other assets	2,945	2,377	23.9
<b>Tota Assets</b>	<b>49,821</b>	<b>45,958</b>	<b>8.4</b>
Trade and other payables	12,120	10,151	19.4
Liabilities and provision from tax assessments	239	239	0.0
Other current liabilities	2,869	448	540.0
Provision for long-term employee benefit	1,500	1,427	5.1
Other non-current liabilities	823	686	20.0
<b>Total liabilities</b>	<b>17,551</b>	<b>12,952</b>	<b>35.5</b>
<b>Total shareholders' equity</b>	<b>32,270</b>	<b>33,006</b>	<b>(2.2)</b>
<b>Total liabilities and shareholders' equity</b>	<b>49,821</b>	<b>45,958</b>	<b>8.4</b>

## Total Assets

As of 31 March 2020, total assets of the Company and its subsidiaries stood at Baht 49,821 million, slightly increase from those of 31 December 2019. Some changes in key assets are summarized below.

**Net trade and other receivables** as of 31 March 2020 were Baht 11,162 million, increase of 1,423 million baht or 14.6% up from its balance as of 31 December 2019. Most of the outstanding balance of trade and other receivables, about 77% of total net trade and other receivables, were under current due.

**Inventory (net)** as of 31 March 2020 amounted to Baht 9,719 million, an increase of Baht 756 million or 8.4% from those of 31 December 2019. The major increase item is raw material which is result from the customer demand ramp up in Q2'20 in most of business unit under Power & Systems business group.



**Property, plant and equipment** as of 31 March 2020 amounted to Baht 12,506 million, an increase of Baht 905 million or 7.8% from those of 31 December 2019. The Company and its subsidiaries have 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 31 March 2020, total liabilities of the Company and its subsidiaries stood at Baht 17,551 million significantly go up from those of 31 December 2019. The major increase came from dividend payable, which was approved on 31 Mar and paid on 9 April 2020.

### **Shareholders' Equity**

As of 31 March 2020, shareholders' equity of the Company and its subsidiaries were Baht 32,270 million, decrease of Baht 736 million or 2.2% from those of 31 December 2019. This is attributed to the profits for the first quarter of this year net off last year dividend.

Please be informed accordingly.

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Anusorn Muttaraid  
Director