



25 October 2022

To: The President
The Stock Exchange of Thailand

Subject: Q3-2022 Operating Results

Delta Electronics (Thailand) Public Company Limited (the “Company”) would like to notify the Company’s Q3-2022 (July-Sept 2022) operating results based on its reviewed consolidated financial statements ended 30 September 2022 as follows.

Highlights on Q3-2022 Operating Results

Unit : Million Baht	Q3-22		Q3-21		Q2-22		% Change	
	Amount	%	Amount	%	Amount	%	% Y-o-Y	% Q-o-Q
Sales revenue	31,324	100.0	21,320	100.0	28,004	100.0	46.9	11.9
Gross profit	7,298	23.3	4,103	19.2	7,016	25.1	77.9	4.0
Operating profit	3,774	12.0	1,310	6.1	3,864	13.8	188.2	-2.3
Net profit	4,110	13.1	1,196	5.6	4,263	15.2	243.5	-3.6
EPS (Baht)	3.29		0.96		3.42			

Sales revenue and Service income of this quarter totaled Baht 31,324 million, represented an increase of 46.9% Y-o-Y driven by continuing growth in Power Electronics business group, with an uptrend of customer demand in server & cloud storage, and data center-related products especially the Custom Design Power as well as Electric Vehicle Power, Fan & Thermal Management Solutions, along with Industrial Automation and Building Automation Solutions, while infrastructure business group sales performance rose Y-o-Y but trended down Q-o-Q due to softened demand in communication and telecom power solutions in Europe.

Gross profit of this quarter was Baht 7,298 million, equivalent to a 23.3% gross margin with a sharp rise from 19.2% in the same period of last year whereby a flood incident occurred at one of our warehouses. The Company has been able to tackle the situation well, and steering towards a remarkable increase of Sales revenue this year especially in custom design power supply for data center segment and EV-related products with higher profitability from growing sales, whereas infrastructure solutions saw a drop in gross profit based on lower sales and project specifications. Nevertheless the Company continued to pursue smart manufacturing strategy to enhance its production efficiency, while accelerating additional capacity expansion of the new factory with target construction completed by mid-2023 to cater for high growth product segments.

Selling and administrative expenses (including research and development) stood at Baht 3,524 million, a rise of 26.2% Y-o-Y and 11.8% Q-o-Q, mainly driven by higher selling costs to support sales growth alongside increased R&D activities to gain a competitive edge, and recorded employee performance incentives according to solid operating results.



Operating profit this quarter came in at Baht 3,774 million, marking a substantial growth of 188.2% from a low base last year, with corresponding operating margin at 12.0%, higher from 6.1% in the same quarter last year whereby the Company recorded loss due to flooding of Baht 393 million in the Statement of Comprehensive Income for the period. On top of outstanding performance across core business operations, the company realized gain on exchange rate amounting Baht 215 million, altogether leading to net profit of Baht 4,110 million in this quarter, rose by 243.5% Y-o-Y with an EPS growth from Baht 0.96 in Q3'21 to Baht 3.29 in Q3'22.

Highlights on Financial Position

Unit : Million Baht	30 September 2022	31 December 2021	% Change
Cash and cash equivalents	11,312	6,572	72.1
Trade and other receivables	25,779	20,593	25.2
Inventories	23,624	19,581	20.6
Other current assets	1,806	1,663	8.6
Property, plant and equipment	21,716	18,583	16.9
Right-of-use assets	541	529	2.1
Consolidation goodwill	439	443	(0.9)
Other assets	1,346	1,374	(2.0)
Total Assets	86,563	69,338	24.8
Short-term loans from financial institutions	559	1,594	(64.9)
Trade and other payables	29,567	22,049	34.1
Income tax payable & Provision from tax assessments	258	258	-
Other current liabilities	1,245	834	49.2
Provision for long-term employee benefits	1,539	1,596	(3.5)
Other non-current liabilities	1,921	1,603	19.9
Total Liabilities	35,089	27,934	25.6
Total Shareholders' Equity	51,474	41,404	24.3
Total Liabilities and Shareholders' Equity	86,563	69,338	24.8

Total Assets

As at 30 September 2022, the Company and its subsidiaries reported total assets at Baht 86,563 million, an increase of Baht 17,224 million or 24.8% from 31 December 2021. Some changes in key assets are summarized below.



Cash and cash equivalents as at 30 September 2022 were Baht 11,312 million, a rise of Baht 4,741 million or 72.1% from 31 December 2021 due to increased cash flow from operating activities in line with growing sales and profits.

Net trade and other receivables as at 30 September 2022 were Baht 25,779 million, a rise of Baht 5,186 million or 25.2% from 31 December 2021 attributable to higher sales revenue, while the company remains prudent in its sales management and receivables control.

Inventory (net) as at 30 September 2022 were Baht 23,624 million, an increase of Baht 4,043 million or 20.6% from 31 December 2021 to support increasing production and rising trend of sales.

Property, plant and equipment as at 30 September 2022 amounted to Baht 21,716 million, rose by Baht 3,133 million or 16.9% from 31 December 2021, following the continued investment in Research & Development centers as well as new factories in the south of India and Bangpoo Industrial Estate Thailand.

Total Liabilities

As at 30 September 2022, total liabilities of the Company and its subsidiaries amounted Baht 35,089 million, a rise of Baht 7,155 million or 25.6% from 31 December 2021, mainly driven by higher trade and other payables in proportion to sales growth.

Shareholders' Equity

As at 30 September 2022, shareholders' equity of the Company and its subsidiaries were Baht 51,474 million, an increase of Baht 10,069 million or 24.3% from 31 December 2021, contributed by interim net profit over the period.

Please be informed accordingly.

Chang Tsai-hsing
Director