

Delta Electronics (Thailand) Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Delta Electronics (Thailand) Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Delta Electronics (Thailand) Public Company Limited and its subsidiaries as at 30 June 2021, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Delta Electronics (Thailand) Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Preecha Arunnara
Certified Public Accountant (Thailand) No. 5800

EY Office Limited
Bangkok: 23 July 2021

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2021

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2021</u>	<u>31 December 2020</u>	<u>30 June 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		8,573,043	13,881,848	3,158,111	8,405,731
Trade and other receivables	3	18,189,132	13,997,069	18,699,175	14,147,454
Inventories	4	17,146,404	12,655,362	11,721,843	8,536,087
Other current financial assets	5	3,048	354,397	1,207	148,965
Other current assets	6	<u>1,928,010</u>	<u>1,563,053</u>	<u>580,305</u>	<u>403,684</u>
Total current assets		<u>45,839,637</u>	<u>42,451,729</u>	<u>34,160,641</u>	<u>31,641,921</u>
Non-current assets					
Deposits at bank with restrictions		41,393	51,052	-	-
Investments in subsidiary companies	8	-	-	14,088,606	14,088,146
Investment properties	9	235,981	233,116	-	-
Property, plant and equipment	10	15,298,288	12,724,466	8,323,872	6,895,756
Right-of-use assets	14	359,827	376,638	2,300	-
Goodwill		444,535	436,914	-	-
Other intangible assets	11	466,709	495,955	58,627	61,712
Deferred tax assets		292,816	289,013	-	-
Other non-current assets		<u>145,380</u>	<u>160,045</u>	<u>10,705</u>	<u>3,280</u>
Total non-current assets		<u>17,284,929</u>	<u>14,767,199</u>	<u>22,484,110</u>	<u>21,048,894</u>
Total assets		<u>63,124,566</u>	<u>57,218,928</u>	<u>56,644,751</u>	<u>52,690,815</u>

The accompanying notes are an integral part of interim financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2021

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2021</u>	<u>31 December 2020</u>	<u>30 June 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions		1,667	-	-	-
Trade and other payables	12	21,342,994	16,181,007	18,056,899	13,744,597
Current portion of lease liabilities	14	68,626	72,789	949	-
Income tax payable		213,428	188,698	49,174	49,174
Short-term provisions	16	98,216	76,373	-	-
Liabilities and provision from tax assessments	21.4.1	258,173	258,173	258,173	258,173
Derivative liabilities	22.2	99,029	675	98,972	-
Other current liabilities	13	292,070	392,650	79,195	168,819
Total current liabilities		22,374,203	17,170,365	18,543,362	14,220,763
Non-current liabilities					
Long-term loans from related party	2	369,960	-	-	-
Lease liabilities, net of current portion	14	92,221	107,792	1,355	-
Deferred tax liabilities		127,628	114,184	-	-
Provision for long-term employee benefits	15	1,582,643	1,542,246	475,798	465,244
Long-term provisions	16	506,423	420,588	374,454	302,036
Other non-current liabilities		345,222	256,324	1,865	1,357
Total non-current liabilities		3,024,097	2,441,134	853,472	768,637
Total liabilities		25,398,300	19,611,499	19,396,834	14,989,400

The accompanying notes are an integral part of interim financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>30 June 2021</u>	<u>31 December 2020</u>	<u>30 June 2021</u>	<u>31 December 2020</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
1,259,000,000 ordinary shares of Baht 1 each	<u>1,259,000</u>	<u>1,259,000</u>	<u>1,259,000</u>	<u>1,259,000</u>
Issued and fully paid				
1,247,381,614 ordinary shares of Baht 1 each	1,247,382	1,247,382	1,247,382	1,247,382
Share premium	1,491,912	1,491,912	1,491,912	1,491,912
Difference from business combination under common control	(1,339,694)	(1,339,694)	-	-
Retained earnings				
Appropriated - Statutory reserve	125,900	125,900	125,900	125,900
Unappropriated	38,512,127	39,216,330	34,382,723	34,836,221
Other components of shareholders' equity	<u>(2,306,187)</u>	<u>(3,130,090)</u>	-	-
Equity attributable to owners of the Company	37,731,440	37,611,740	37,247,917	37,701,415
Non-controlling interests of the subsidiary	<u>(5,174)</u>	<u>(4,311)</u>	-	-
Total shareholders' equity	<u>37,726,266</u>	<u>37,607,429</u>	<u>37,247,917</u>	<u>37,701,415</u>
Total liabilities and shareholders' equity	<u>63,124,566</u>	<u>57,218,928</u>	<u>56,644,751</u>	<u>52,690,815</u>

The accompanying notes are an integral part of interim financial statements.

.....
Directors
.....

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2021**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2021</u>	<u>2020</u> (Restated)	<u>2021</u>	<u>2020</u>
Profit or loss:					
Revenues					
Sales		20,427,761	14,408,220	17,772,916	13,441,612
Service income		212,009	209,950	21,714	21,468
Other income					
Gain on exchange		223,218	-	199,351	-
Others		142,552	102,296	110,221	77,906
Total revenues		<u>21,005,540</u>	<u>14,720,466</u>	<u>18,104,202</u>	<u>13,540,986</u>
Expenses					
Cost of sales		15,979,071	10,600,463	13,577,826	9,472,335
Cost of services		201,891	110,201	13,031	11,661
Selling and distribution expenses	21.2.1	1,733,212	990,834	1,518,692	795,338
Administrative expenses		479,880	452,156	320,975	302,516
Research and development expenses	21.2.2	917,185	675,876	898,136	695,595
Loss on exchange		-	7,501	-	11,410
Other expenses		4,737	9,839	340	9,227
Total expenses		<u>19,315,976</u>	<u>12,846,870</u>	<u>16,329,000</u>	<u>11,298,082</u>
Profit from operating activities		<u>1,689,564</u>	<u>1,873,596</u>	<u>1,775,202</u>	<u>2,242,904</u>
Share of profit from investments in associated companies	7	-	74,425	-	-
Finance income		10,685	26,738	2,688	6,461
Finance cost		(1,059)	(1,338)	(3)	(2)
Profit before tax income (expenses)		<u>1,699,190</u>	<u>1,973,421</u>	<u>1,777,887</u>	<u>2,249,363</u>
Tax income (expenses)	18	(43,827)	42,028	-	-
Profit for the period		<u>1,655,363</u>	<u>2,015,449</u>	<u>1,777,887</u>	<u>2,249,363</u>

The accompanying notes are an integral part of interim financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the three-month period ended 30 June 2021**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of					
financial statements in foreign currency		383,736	(709,878)	-	-
Share of other comprehensive income from investments					
in associated companies	7	-	4,862	-	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods		383,736	(705,016)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Share of other comprehensive income from					
investments in associated companies	7	-	1,571	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods		-	1,571	-	-
Other comprehensive income for the period		383,736	(703,445)	-	-
Total comprehensive income for the period		2,039,099	1,312,004	1,777,887	2,249,363
Profit attributable to:					
Equity holders of the Company		1,655,385	2,021,509	1,777,887	2,249,363
Non-controlling interests of the subsidiary		(22)	(1,257)		
Shareholders of subsidiary before business combination					
under common control	8.2.2	-	(4,803)		
		<u>1,655,363</u>	<u>2,015,449</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		2,039,121	1,315,324	1,777,887	2,249,363
Non-controlling interests of the subsidiary		(22)	(1,257)		
Shareholders of subsidiary before business combination					
under common control	8.2.2	-	(2,063)		
		<u>2,039,099</u>	<u>1,312,004</u>		
Earnings per share	19				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>1.33</u>	<u>1.62</u>	<u>1.43</u>	<u>1.80</u>

The accompanying notes are an integral part of interim financial statements.

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
Profit or loss:					
Revenues					
Sales		39,229,416	26,994,489	34,002,845	23,730,025
Service income		449,009	378,747	46,363	39,026
Other income					
Gain on exchange		474,349	215,009	447,284	213,313
Others		334,430	171,677	256,165	112,421
Total revenues		40,487,204	27,759,922	34,752,657	24,094,785
Expenses					
Cost of sales		30,710,826	20,622,027	25,993,860	17,312,695
Cost of services		405,523	257,483	31,504	24,570
Selling and distribution expenses	21.2.1	3,198,681	1,937,986	2,747,965	1,493,511
Administrative expenses		961,730	872,284	617,196	572,869
Research and development expenses	21.2.2	1,700,713	1,375,389	1,702,202	1,428,546
Other expenses		22,845	17,352	7,145	36,155
Total expenses		37,000,318	25,082,521	31,099,872	20,868,346
Profit from operating activities		3,486,886	2,677,401	3,652,785	3,226,439
Share of profit from investments in associated companies	7	-	20,487	-	-
Finance income		29,797	68,969	10,083	23,452
Finance cost		(1,513)	(1,588)	(7)	(13)
Profit before tax income (expenses)		3,515,170	2,765,269	3,662,861	3,249,878
Tax income (expenses)	18	(103,877)	78,051	-	-
Profit for the period		3,411,293	2,843,320	3,662,861	3,249,878

The accompanying notes are an integral part of interim financial statements.

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		823,903	(54,689)	-	-
Share of other comprehensive income from investments in associated companies	7	-	(5,598)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		823,903	(60,287)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Share of other comprehensive income from investments in associated companies	7	-	1,571	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	1,571	-	-
Other comprehensive income for the period		823,903	(58,716)	-	-
Total comprehensive income for the period		4,235,196	2,784,604	3,662,861	3,249,878
Profit attributable to:					
Equity holders of the Company		3,412,156	2,877,998	3,662,861	3,249,878
Non-controlling interests of the subsidiary		(863)	(620)		
Shareholders of subsidiary before business combination under common control	8.2.2	-	(34,058)		
		<u>3,411,293</u>	<u>2,843,320</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		4,236,059	2,823,209	3,662,861	3,249,878
Non-controlling interests of the subsidiary		(863)	(620)		
Shareholders of subsidiary before business combination under common control	8.2.2	-	(37,985)		
		<u>4,235,196</u>	<u>2,784,604</u>		
Earnings per share	19				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>2.74</u>	<u>2.31</u>	<u>2.94</u>	<u>2.61</u>

The accompanying notes are an integral part of interim financial statements.

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

Consolidated financial statements																	
Equity attributable to shareholders of the Company																	
	Issued and fully paid		Difference from business combination under common control			Retained earnings			Other components of shareholders' equity				Equity attributable to shareholders of subsidiary before business combination under common control	Total shareholders' equity			
									Other comprehensive income		Exchange differences on translation of financial statements in foreign currency	Share of other comprehensive income from investments in associated companies			Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary
									Appropriated	Unappropriated							
	share capital	Share premium	common control	Appropriated	Unappropriated	in foreign currency	associated companies	shareholders' equity	the Company	of the subsidiary	common control	equity					
Balance as at 1 January 2020	1,247,382	1,491,912	(1,004,027)	125,900	34,359,240	(3,240,868)	30,685	(3,210,183)	33,010,224	(3,882)	-	33,006,342					
Cumulative effect of business combination under common control	-	-	-	-	-	-	-	-	-	-	175,819	175,819					
Balance as at 1 January 2020 - as restated	1,247,382	1,491,912	(1,004,027)	125,900	34,359,240	(3,240,868)	30,685	(3,210,183)	33,010,224	(3,882)	175,819	33,182,161					
Profit for the period - as restated	-	-	-	-	2,877,998	-	-	-	2,877,998	(620)	(34,058)	2,843,320					
Other comprehensive income for the period - as restated	-	-	-	-	-	(50,762)	(4,027)	(54,789)	(54,789)	-	(3,927)	(58,716)					
Total comprehensive income for the period - as restated	-	-	-	-	2,877,998	(50,762)	(4,027)	(54,789)	2,823,209	(620)	(37,985)	2,784,604					
Dividend paid (Note 17)	-	-	-	-	(2,245,287)	-	-	-	(2,245,287)	-	-	(2,245,287)					
Balance as at 30 June 2020 - as restated	1,247,382	1,491,912	(1,004,027)	125,900	34,991,951	(3,291,630)	26,658	(3,264,972)	33,588,146	(4,502)	137,834	33,721,478					
Balance as at 1 January 2021	1,247,382	1,491,912	(1,339,694)	125,900	39,216,330	(3,130,090)	-	(3,130,090)	37,611,740	(4,311)	-	37,607,429					
Profit for the period	-	-	-	-	3,412,156	-	-	-	3,412,156	(863)	-	3,411,293					
Other comprehensive income for the period	-	-	-	-	-	823,903	-	823,903	823,903	-	-	823,903					
Total comprehensive income for the period	-	-	-	-	3,412,156	823,903	-	823,903	4,236,059	(863)	-	4,235,196					
Dividend paid (Note 17)	-	-	-	-	(4,116,359)	-	-	-	(4,116,359)	-	-	(4,116,359)					
Balance as at 30 June 2021	1,247,382	1,491,912	(1,339,694)	125,900	38,512,127	(2,306,187)	-	(2,306,187)	37,731,440	(5,174)	-	37,726,266					

The accompanying notes are an integral part of interim financial statements.

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and fully paid share capital	Share premium	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 1 January 2020	1,247,382	1,491,912	125,900	30,067,468	32,932,662
Profit for the period	-	-	-	3,249,878	3,249,878
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,249,878	3,249,878
Dividend paid (Note 17)	-	-	-	(2,245,287)	(2,245,287)
Balance as at 30 June 2020	1,247,382	1,491,912	125,900	31,072,059	33,937,253
Balance as at 1 January 2021	1,247,382	1,491,912	125,900	34,836,221	37,701,415
Profit for the period	-	-	-	3,662,861	3,662,861
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,662,861	3,662,861
Dividend paid (Note 17)	-	-	-	(4,116,359)	(4,116,359)
Balance as at 30 June 2021	1,247,382	1,491,912	125,900	34,382,723	37,247,917

The accompanying notes are an integral part of interim financial statements.

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2021</u>	<u>2020</u> (Restated)	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:				
Profit before tax	3,515,170	2,765,269	3,662,861	3,249,878
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	1,086,624	1,022,534	829,053	795,936
Amortisation	78,375	60,091	3,085	360
Recording of allowance for expected credit losses	11,241	42,952	5,742	3,588
Reduction of inventory to net realisable value (reversal)	184,855	72,099	111,156	(34,198)
Reversal of the reduction to net realisable value of the obsolete and damaged inventories	(145,572)	(82,621)	(102,496)	(67,913)
Increase in provision for long-term employee benefits	40,236	40,645	25,823	26,770
Recording of the increase in provisions	89,816	53,178	63,532	10,451
Share of profit from investments in associated companies	-	(20,487)	-	-
(Gain) loss from disposal/written-off of property, plant and equipment	(808)	1,695	(971)	1,208
Loss from write-off other intangible assets	14	279	-	-
Unrealised (gain) loss on exchange	(169,317)	55,888	(193,859)	(16,105)
Interest income	(29,797)	(68,969)	(10,083)	(23,452)
Interest expenses	1,513	1,588	7	13
Profit from operating activities before changes in operating assets and liabilities	4,662,350	3,944,141	4,393,850	3,946,536
Decrease (increase) in operating assets:				
Trade and other receivables	(3,289,134)	(2,535,360)	(3,658,670)	(3,367,132)
Inventories	(4,530,325)	(1,791,486)	(3,194,416)	(1,115,434)
Other current assets	(379,889)	(39,355)	(193,380)	(21,588)
Other non-current assets	26,010	21,244	(7,425)	3
Increase (decrease) in operating liabilities:				
Trade and other payables	4,688,586	3,162,680	3,862,817	2,747,624
Other current liabilities	(102,158)	(137,547)	(90,658)	(42,697)
Provision for long-term employee benefits	(37,229)	(25,075)	(15,269)	(6,704)
Provisions	(13,931)	(14,018)	(13,862)	(11,641)
Other non-current liabilities	88,898	40,710	508	(15)
Cash flows from operating activities	1,113,178	2,625,934	1,083,495	2,128,952
Cash received from interest income	45,377	70,135	10,083	23,452
Cash paid for interest expenses	(2,443)	(758)	(7)	(13)
Cash paid for corporate income tax	(82,729)	(47,552)	(344)	(569)
Net cash flows from operating activities	1,073,383	2,647,759	1,093,227	2,151,822

The accompanying notes are an integral part of interim financial statements.

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2021</u>	<u>2020</u> (Restated)	<u>2021</u>	<u>2020</u>
Cash flows from investing activities:				
Decrease in deposits at bank with restrictions	9,659	1,639	-	-
Decrease (increase) in fixed deposits with maturity over 3 months	205,432	(816,291)	-	-
Increase in investments in subsidiary company	-	-	(460)	-
Acquisition of property, plant and equipment	(3,351,387)	(2,003,407)	(2,260,045)	(1,179,858)
Proceeds from disposal of property, plant and equipment	6,133	1,367	4,323	-
Increase in investment properties	(176)	(3,856)	-	-
Increase in other intangible assets	(29,038)	(50,613)	-	-
Net cash flows used in investing activities	(3,159,377)	(2,871,161)	(2,256,182)	(1,179,858)
Cash flow from financing activities:				
Increase in bank overdrafts and short-term loans				
from financial institutions	1,667	-	-	-
Increase in long-term loans from related party	362,636	-	-	-
Payment of lease liabilities	(44,468)	(46,591)	(472)	(5,376)
Dividend paid	(4,116,359)	(2,245,287)	(4,116,359)	(2,245,287)
Net cash flow used in financing activities	(3,796,524)	(2,291,878)	(4,116,831)	(2,250,663)
Increase (decrease) in translation adjustments	555,014	(32,379)	-	-
Net decrease in cash and cash equivalents before effect from currency translation	(5,327,504)	(2,547,659)	(5,279,786)	(1,278,699)
Effect from currency translation of cash and cash equivalents	18,699	(38,718)	32,166	38,163
Net decrease in cash and cash equivalents	(5,308,805)	(2,586,377)	(5,247,620)	(1,240,536)
Cash and cash equivalents at beginning of period	13,881,848	12,503,551	8,405,731	6,233,097
Cash and cash equivalents at end of period	8,573,043	9,917,174	3,158,111	4,992,561
Supplemental disclosures of cash flows information				
Non-cash transaction				
Right-of-use assets increase under lease agreements	14,557	56,672	2,776	5,371

The accompanying notes are an integral part of interim financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and six-month periods ended 30 June 2021

1. General information

1.1 Corporate information

Delta Electronics (Thailand) Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Delta Electronics Inc., which is incorporated in Taiwan. The registered office of the Company is at 714 Moo 4, Tambon Prakasa, Amphur Muangsamutprakarn, Samutprakarn.

The Group is principally engaged in the manufacture and distribution of electronic products, together with related research and development.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.4 Basis of consolidation

These consolidated financial statements include the financial statements of Delta Electronics (Thailand) Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. There were no changes in the composition of the group during the current period.

1.5 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group’s financial statements.

1.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

2. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
		(Restated)			
<u>Transactions with the parent company</u>					
Sales of goods and raw materials	56	27	53	25	With reference to market prices
Purchase of goods and raw materials	119	75	20	2	With reference to market prices
Royalty paid (Note 21.2.1)	729	400	729	400	Contract prices
Services paid	31	26	31	26	Contract prices
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	6,587	5,129	With reference to market prices
Purchase of goods and raw materials	-	-	387	287	With reference to market prices
Commission paid	-	-	55	54	Contract prices
Design and engineering fee paid (Note 21.2.2)	-	-	640	489	Contract prices
Distribution fee paid	-	-	-	3	Contract prices
Administrative expenses	-	-	30	18	Contract prices
<u>Transactions with associated companies*</u>					
Sales of goods and raw materials	-	10	-	10	With reference to market prices
Commission paid	-	13	-	10	Contract prices
<u>Transactions with related companies</u>					
Sales of goods and raw materials	2,363	2,339	1,056	1,374	With reference to market prices
Purchase of goods and raw materials	1,549	1,022	490	313	With reference to market prices
Commission paid	168	144	164	142	Contract prices
Commission received	26	27	-	-	Contract prices
Service income	26	24	-	-	Contract prices
Design and engineering fee paid	13	2	9	-	Contract prices

* The Group sold investments in associated companies on 1 October 2020.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
		(Restated)			
<u>Transactions with the parent company</u>					
Sales of goods and raw materials	100	49	78	47	With reference to market prices
Purchase of goods and raw materials	179	161	35	6	With reference to market prices
Royalty paid (Note 21.2.1)	1,393	721	1,393	721	Contract prices
Services paid	67	71	67	71	Contract prices
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	12,573	9,648	With reference to market prices
Purchase of goods and raw materials	-	-	751	582	With reference to market prices
Commission paid	-	-	111	108	Contract prices
Design and engineering fee paid (Note 21.2.2)	-	-	1,217	1,013	Contract prices
Distribution fee paid	-	-	20	24	Contract prices
Administrative expenses	-	-	59	40	Contract prices
<u>Transactions with associated companies*</u>					
Sales of goods and raw materials	-	20	-	17	With reference to market prices
Commission paid	-	28	-	22	Contract prices
<u>Transactions with related companies</u>					
Sales of goods and raw materials	4,335	4,131	1,884	2,059	With reference to market prices
Purchase of goods and raw materials	2,807	2,017	929	555	With reference to market prices
Commission paid	260	288	252	286	Contract prices
Commission received	54	53	-	-	Contract prices
Service income	46	54	-	-	Contract prices
Design and engineering fee paid	24	5	18	-	Contract prices

* The Group sold investments in associated companies on 1 October 2020.

(Unaudited but reviewed)

The balances of the accounts as at 30 June 2021 and 31 December 2020 between the Company and those related companies are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
<u>Trade receivables, related parties (Note 3)</u>				
Parent company	57	26	54	21
Subsidiary companies	-	-	8,579	6,407
Other related companies (under common control)	2,244	1,660	1,064	777
Total trade receivables, related parties	<u>2,301</u>	<u>1,686</u>	<u>9,697</u>	<u>7,205</u>
<u>Other receivables, related parties (Note 3)</u>				
Parent company	2	-	2	-
Subsidiary companies	-	-	19	49
Other related companies (under common control)	20	3	20	3
Total other receivables, related parties	<u>22</u>	<u>3</u>	<u>41</u>	<u>52</u>
<u>Amounts due from related parties (Note 3)</u>				
Subsidiary companies	-	-	2	1
Total amounts due from related parties	<u>-</u>	<u>-</u>	<u>2</u>	<u>1</u>
<u>Trade payables, related parties (Note 12)</u>				
Parent company	113	74	4	41
Subsidiary companies	-	-	386	370
Other related companies (under common control)	1,774	1,298	438	328
Total trade payables, related parties	<u>1,887</u>	<u>1,372</u>	<u>828</u>	<u>739</u>
<u>Other payables, related parties (Note 12)</u>				
Parent company	321	210	321	208
Subsidiary companies	-	-	313	195
Other related companies (under common control)	185	367	141	366
Total other payables, related parties	<u>506</u>	<u>577</u>	<u>775</u>	<u>769</u>
<u>Accrued expenses, related parties (Note 12)</u>				
Parent company	252	166	252	166
Subsidiary companies	-	-	-	1
Other related companies (under common control)	145	118	145	118
Total accrued expenses, related parties	<u>397</u>	<u>284</u>	<u>397</u>	<u>285</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
	(Audited)		(Audited)	
<u>Advance received, related parties (Note 12)</u>				
Subsidiary companies	-	-	94	19
Total advance received, related parties	-	-	94	19

Long-term loans from related party

As at 30 June 2021 and 31 December 2020, the balances of long-term loans from related party and the movement in long-term loans are as follows:

(Unit: Million Baht)

		Consolidated financial statements			
		Balance as at	Increase	Translation	Balance as at
Long-term loans from	31 December	during the period			adjustment
related party	Related by	2020			2021
	Other related company				
Eltek AS	(under common control)	-	363	7	370
Total long-term loans from related party		-	363	7	370

Directors and management's benefits

For the three-month and six-month periods ended 30 June 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	34	22	20	10
Post-employment benefits	2	3	2	2
Total	36	25	22	12

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	62	43	34	20
Post-employment benefits	5	5	4	4
Total	<u>67</u>	<u>48</u>	<u>38</u>	<u>24</u>

3. Trade and other receivables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Audited)		(Audited)
<u>Trade receivables, related parties</u> (Note 2)				
Aged on the basis of due dates				
Not yet due	2,281	1,669	9,573	6,964
Past due				
Up to 3 months	18	17	109	230
3 - 6 months	-	-	3	-
6 - 12 months	2	-	2	-
Over 12 months	-	-	10	11
Total	<u>2,301</u>	<u>1,686</u>	<u>9,697</u>	<u>7,205</u>
<u>Trade receivables, unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	13,467	10,546	7,433	5,593
Past due				
Up to 3 months	1,668	872	875	475
3 - 6 months	66	57	27	39
6 - 12 months	30	29	12	-
Over 12 months	68	70	8	8
Total	<u>15,299</u>	<u>11,574</u>	<u>8,355</u>	<u>6,115</u>
Total trade receivables	<u>17,600</u>	<u>13,260</u>	<u>18,052</u>	<u>13,320</u>
Less: Allowance for expected credit losses	<u>(140)</u>	<u>(129)</u>	<u>(38)</u>	<u>(32)</u>
Total trade receivables - net	<u>17,460</u>	<u>13,131</u>	<u>18,014</u>	<u>13,288</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
<u>Other receivables</u>				
Amounts due from related parties (Note 2)	-	-	2	1
Other receivables - related parties (Note 2)	22	3	41	52
Other receivables - unrelated parties	707	863	642	806
Total other receivables	729	866	685	859
Trade and other receivables - net	18,189	13,997	18,699	14,147

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

(Unit: Million Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	(129)	(32)
Provision for expected credit losses	(21)	(6)
Reversal during the period	10	-
Balance as at 30 June 2021	(140)	(38)

4. Reduce cost to net realisable value of inventories

Movements in the reduce cost to net realisable value of inventory account during the six-month period ended 30 June 2021 are summarised below.

(Unit: Million Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	(1,247)	(483)
Increase during the period	(212)	(111)
Reversal of the reduction to net realisable value of the obsolete and damaged inventories written off during the period	146	102
Reversal during the period	27	-
Balance as at 30 June 2021	(1,286)	(492)

(Unaudited but reviewed)

5. Other current financial assets

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
<u>Debt instruments at amortised cost</u>				
Fixed deposits with maturity over 3 months	-	205	-	-
Total debt instruments at amortised cost	-	205	-	-
<u>Financial assets at FVTPL</u>				
Derivative assets (Note 22.2)	3	149	1	149
Total financial assets at FVTPL	3	149	1	149
Total other current financial assets	3	354	1	149

6. Other current assets

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Input tax refundable	495	358	228	205
Advance payments	1,136	846	321	163
Prepaid expenses	209	271	23	28
Prepaid tax	40	26	-	-
Others	48	62	8	8
Total other current assets	1,928	1,563	580	404

7. Investments in associated companies

7.1 Details of associates

On 24 July 2021, a meeting of the Company's Board of Directors passed a resolution approving a subsidiary of the Company, Delta Greentech (Netherlands) B.V., entering into an agreement to sell 49 percent interests in Delta Electronics (Switzerland) AG and Delta Greentech Electronics Industry LLC to related companies. The subsidiary received payment for the sale of these investments in associated companies during the fourth quarter of year 2020.

(Unaudited but reviewed)

7.2 Share of comprehensive income and dividend received

During the period, the Company has recognised its share of profit (loss) and share of other comprehensive income from investments in associated companies in the consolidated financial statements as follows:

(Unit: Million Baht)

Associates	Consolidated financial statements							
	For the three-month periods ended 30 June				For the six-month periods ended 30 June			
	Share of profit (loss) from investments in associated companies		Share of other comprehensive income from investments in associated companies		Share of profit (loss) from investments in associated companies		Share of other comprehensive income from investments in associated companies	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Delta Energy Systems (Switzerland) AG	-	88	-	6	-	39	-	(4)
Delta Greentech Electronics Industry LLC	-	(14)	-	-	-	(19)	-	-
Total	-	74	-	6	-	20	-	(4)

No dividend was received from the above associated companies during the three-month and six-month periods ended 30 June 2021 and 2020.

8. Investments in subsidiary companies

8.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Million Baht)

Company's name	Cost	
	<u>30 June 2021</u>	<u>31 December 2020</u>
		(Audited)
DET International Holding Limited	9,450	9,450
Delta Green Industrial (Thailand) Company Limited	206	206
Delta Energy Systems (Singapore) Pte. Ltd.	5,573	5,573
Delta Electronics (Vietnam) Company Limited	3	3
Delta Electronics India Manufacturing Private Limited	1	-
Subtotal	15,233	15,232
Less: Allowance for impairment loss of investments in subsidiary companies	<u>(1,144)</u>	<u>(1,144)</u>
Investments in subsidiary companies - net	14,089	14,088

No dividend was received from the above subsidiary companies during the three-month and six-month periods ended 30 June 2021 and 2020.

8.2 Significant events during the current period

8.2.1 Subsidiaries directly owned by the Company

Establishment of new subsidiary

On 31 March 2020, a meeting of the Board of Directors of the Company passed a resolution to proceed with the incorporation of a subsidiary, Delta Electronics India Manufacturing Private Limited, to engage in the manufacturing and trading of electronics products. The subsidiary was incorporated in India with a registered capital of INR 1.1 million and the Company having a 100% shareholding.

In January 2021, Delta Electronics India Manufacturing Private Limited called up 100 percent of the par value of the shares and received payment of share capital of INR 1.1 million, or approximately Baht 0.5 million, on 15 January 2021.

8.2.2 Subsidiaries indirectly owned by the Company

a) Purchase of investment in the subsidiary

On 24 July 2020, a meeting of the Company's Board of Directors passed a resolution approving the acquisition by a subsidiary of the Company, Delta Energy Systems (Singapore) Pte. Ltd., of all ordinary shares of Eltek Australia Pty Ltd. at a price of approximately USD 14.62 million, or approximately Baht 463 million, from Eltek AS, which is a subsidiary of the parent company. On 30 September 2020, the subsidiary made payment for these ordinary shares and it received the shares on 1 October 2020 as agreed.

Because this acquisition was a business combination under common control, the Company has treated Eltek Australia Pty Ltd. as if it had been a subsidiary of the Company since it was established. The Company has accordingly restated the consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2020, the consolidated statement of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2020, as presented herein for comparative purposes.

(Unaudited but reviewed)

The amounts of adjustments affecting the consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2020 were summarised below.

	(Unit: Million Baht)	
	For the three- month period	For the six-month period
<u>Increase (decrease) in consolidated statements of comprehensive income</u>		
Profit or loss		
Sales	112	174
Service income	15	29
Gain on exchange	-	4
Cost of sales	104	172
Cost of services	8	15
Selling and distribution expenses	11	28
Administrative expenses	7	13
Research and development expenses	8	15
Income tax expenses	-	4
Profit for the period	(5)	(34)
Profit attributable to shareholders of subsidiary before business combination under common control	(5)	(34)
Other comprehensive income		
Exchange differences on translation of financial statements in foreign currency	3	(4)
Other comprehensive income for the period	3	(4)
Total comprehensive income attributable to shareholders of subsidiary before business combination under common control	(2)	(38)

The amounts of adjustments affecting the consolidated statement of cash flows for the six-month period ended 30 June 2020 were summarised below.

	(Unit: Million Baht)
<u>Increase (decrease) in consolidated statements of cash flows</u>	
Net cash flows from operating activities	30
Net cash flow used in financing activities	(3)
Translation adjustments	(2)

b) The merger of subsidiaries in Australia

On 24 July 2020, a meeting of the Company's Board of Directors passed a resolution to merge two subsidiaries in Australia, Delta Electronics (Australia) Pty. Ltd. and Eltek Australia Pty. Ltd., with the merged business to belong to Eltek Australia Pty. Ltd. The subsidiaries' merger was completed on 1 April 2021.

On 22 April 2021, Delta Electronics (Australia) Pty. Ltd., which is now in the process of dissolution, changed its name to "Delta Electronics (Holdings) Australia Pty. Ltd." and Eltek Australia Pty Ltd. changed its name to "Delta Electronics (Australia) Pty. Ltd.".

The merger had no impact on the consolidated financial statements because it was a merger of subsidiaries within a group of companies under common control.

9. Investment properties

Movements of the investment property account during the six-month period ended 30 June 2021 are summarised below.

	(Unit: Million Baht)		
	Consolidated financial statements		
	Land for rent	Office building for rent	Total
Net book value as at 1 January 2021	33	200	233
Depreciation for the period	-	(5)	(5)
Translation adjustment	1	7	8
Net book value as at 30 June 2021	34	202	236

10. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2021 are summarised below.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	12,724	6,896
Acquisitions during period - cost	3,351	2,260
Disposals/write-off during period - net book value at disposal/write-off date	(5)	(4)
Depreciation for the period	(1,033)	(828)
Translation adjustment	261	-
Net book value as at 30 June 2021	15,298	8,324

11. Other intangible assets

Movements of the other intangible asset account during the six-month period ended 30 June 2021 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	496	62
Increase from purchase during period	29	-
Amortisation for the period	(78)	(3)
Translation adjustment	20	-
Net book value as at 30 June 2021	467	59

12. Trade and other payables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Trade payables - related parties (Note 2)	1,887	1,372	828	739
Trade payables - unrelated parties	12,858	9,940	11,632	8,981
Other payables - related parties (Note 2)	506	577	775	769
Other payables - unrelated parties	2,051	1,084	1,954	1,003
Accrued expenses - related parties (Note 2)	397	284	397	285
Accrued expenses - unrelated parties	2,792	2,352	1,952	1,592
Advance received - related parties (Note 2)	-	-	94	19
Advance received - unrelated parties	852	572	425	357
Total trade and other payables	21,343	16,181	18,057	13,745

(Unaudited but reviewed)

13. Other current liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Withholding tax payable	73	189	38	133
Value added tax payable	94	103	14	8
Others	125	101	27	28
Total other current liabilities	292	393	79	169

14. Leases**14.1 Right-of-use assets**

Movements of the right-of-use asset account during the six-month period ended 30 June 2021 are summarised below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Net book value as at 1 January 2021		377		-
Increase during period		15		3
Depreciation for the period		(49)		(1)
Translation adjustment		17		-
Net book value as at 30 June 2021		360		2

14.2 Lease liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Lease payments	164	184	2	-
Less: Deferred interest expenses	(3)	(3)	-	-
Total	161	181	2	-
Less: Portion due within one year	(69)	(73)	(1)	-
Lease liabilities - net of current portion	92	108	1	-

(Unaudited but reviewed)

15. Provision for long-term employee benefits

Movements of the provision for long-term employee benefit account during the six-month period ended 30 June 2021 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	1,542	465
Recognition during period	60	26
Decrease during period	(37)	(15)
Reversal during period	(20)	-
Translation adjustment	38	-
Balance as at 30 June 2021	1,583	476

16. Provisions

	(Unit: Million Baht)				
	Consolidated financial statements			Separate financial statements	
	Other				
	Warranty	provisions	Total	Warranty	Total
Balance as at 1 January 2021	475	22	497	302	302
Recognition during period	108	29	137	87	87
Decrease during period	(14)	-	(14)	(14)	(14)
Reversal during period	(32)	(15)	(47)	(23)	(23)
Translation adjustment/unrealised loss on exchange rate	30	1	31	22	22
Balance as at 30 June 2021	567	37	604	374	374
Short-term provisions	57	19	76	-	-
Long-term provisions	418	3	421	302	302
Balance as at 31 December 2020 (Audited)	475	22	497	302	302
Short-term provisions	64	34	98	-	-
Long-term provisions	503	3	506	374	374
Balance as at 30 June 2021	567	37	604	374	374

Warranty

The Group recognised a provision for the expected warranty claims on products based on past experience of the level of repairs and returns with current sales for each type of products under current warranty.

17. Dividends

Dividends declared in 2021 and 2020 consisted of the followings:

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividend for year 2020	Annual General Meeting of the shareholders on 31 March 2021	4,116	3.30
Final dividend for year 2019	Annual General Meeting of the shareholders on 31 March 2020	2,245	1.80

18. Income tax

Tax income (expenses) for the three-month and six-month periods ended 30 June 2021 and 2020 are made up as follows:

	(Unit: Million Baht)			
	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
				(Restated)
Current income tax:				
Current income tax charge	(53)	(12)	-	-
Adjustment in respect of income tax of previous year	1	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	6	44	-	-
Translation adjustment	2	10	-	-
Tax income (expenses) reported in profit or loss	<u>(44)</u>	<u>42</u>	<u>-</u>	<u>-</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)		
Current income tax:				
Current income tax charge	(86)	(19)	-	-
Adjustment in respect of income tax of previous year	1	35	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(10)	52	-	-
Translation adjustment	(9)	10	-	-
Tax income (expenses) reported in profit or loss	(104)	78	-	-

19. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

(Unaudited but reviewed)

20. Segment information

The following tables present revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2021 and 2020 which is provided to the president of the Group, who is the chief operating decision maker of the Group.

(Unit: Million Baht)

	For the three-month periods ended 30 June									
	Power electronics segment		Infrastructure segment		Automation segment		Others		Consolidated financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Restated)		(Restated)		(Restated)		(Restated)		(Restated)
Revenue										
Sales from external customers	15,052	8,758	4,933	5,523	426	121	17	6	20,428	14,408
Service income from external customers	24	62	87	46	83	96	18	6	212	210
Total revenue	<u>15,076</u>	<u>8,820</u>	<u>5,020</u>	<u>5,569</u>	<u>509</u>	<u>217</u>	<u>35</u>	<u>12</u>	<u>20,640</u>	<u>14,618</u>
Segment profit (loss)	1,181	1,099	388	1,005	6	(61)	(247)	(254)	1,328	1,789
Unallocated income (expenses):										
Gain (loss) on exchange rate									223	(8)
Other income									143	102
Other expenses									(5)	(10)
Share of profit from investments in associated companies									-	74
Finance income									11	27
Finance cost									(1)	(1)
Profit before tax income (expenses)									1,699	1,973
Tax income (expenses)									(44)	42
Profit for the period									<u>1,655</u>	<u>2,015</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June										
	Power electronics		Infrastructure		Automation		Others		Consolidated	
	segment		segment		segment		segment		financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Restated)		(Restated)		(Restated)		(Restated)		(Restated)	
Revenue										
Sales from external customers	28,641	16,686	9,654	9,732	906	534	28	42	39,229	26,994
Service income from external customers	55	77	198	101	146	161	50	40	449	379
Total revenue	<u>28,696</u>	<u>16,763</u>	<u>9,852</u>	<u>9,833</u>	<u>1,052</u>	<u>695</u>	<u>78</u>	<u>82</u>	<u>39,678</u>	<u>27,373</u>
Segment profit (loss)	2,345	1,620	767	1,173	6	(53)	(416)	(432)	2,702	2,308
Unallocated income (expenses):										
Gain on exchange rate									474	215
Other income									334	172
Other expenses									(23)	(17)
Share of profit from investments in associated companies									-	20
Finance income									30	69
Finance cost									(2)	(2)
Profit before tax income (expenses)									3,515	2,765
Tax income (expenses)									(104)	78
Profit for the period									<u>3,411</u>	<u>2,843</u>

21. Commitments and contingent liabilities

21.1 Capital commitments

As at 30 June 2021, the Group had significant capital commitments amounting to Baht 606 million, EUR 1 million or approximately Baht 36 million, USD 0.3 million or approximately Baht 11 million and INR 4,521 million or approximately Baht 1,940 million in respect of the building construction, purchase of machinery and equipment (31 December 2020: Baht 113 million, EUR 2 million or approximately Baht 78 million, USD 0.3 million or approximately Baht 10 million and INR 5,679 million or approximately Baht 2,314 million) (The Company only: Baht 606 million, 31 December 2020: Baht 113 million).

21.2 Long-term service commitments

21.2.1 Intellectual Property & Technology License commitments

The Company entered into the Intellectual Property & Technology License Agreement with Delta Electronics Inc. (“Licensor”), whereby the Licensor granted the Company the right to manufacture and sell products that apply the Licensor’s patents and technology, including improvements thereof. In consideration for the rights, the Company agrees to pay a royalty to the Licensor at a percentage of revenue from sales of products manufactured under the licenses, with that percentage determined on an arm’s length basis. The percentage is to be amicably reviewed by the parties annually before each anniversary of the effective date, which was 1 January 2018. The agreement matures annually and renews continuously for further periods of one year until terminated by either party. The Company has recorded the related expense as “Royalty expenses”, which are presented under the caption of “Selling and distribution expenses” in the statements of comprehensive income, as described in Note 2 to the financial statements.

21.2.2 Research and development service commitments

The Company entered into a research and development service agreement with the subsidiary companies. Under this agreement, the subsidiary companies provide research and development services (design and engineering) to the Company and charges fees equal to the local operational costs incurred on product research and development plus a margin, on an arm’s length basis. This agreement matures annually.

The Company has recorded the design and engineering fees as “Research and development expenses” in the statements of comprehensive income, as described in Note 2 to the financial statements.

21.3 Guarantee obligations

As at 30 June 2021, the Group had the following significant outstanding letters of guarantee required in the ordinary course of their businesses:

21.3.1 Outstanding letters of guarantee totaling approximately Baht 374 million (31 December 2020: Baht 373 million) have been issued by banks to meet requirements of the Company (including a letter of guarantee for approximately Baht 335 million (31 December 2020: Baht 335 million) issued by banks to meet obligations of the Company to the Revenue Department in relation to the tax assessment as mentioned in Note 21.4.1 to the financial statements).

21.3.2 Outstanding letters of guarantee for totals of approximately Baht 5 million, INR 1,378 million or approximately Baht 591 million, EUR 0.3 million or approximately Baht 13 million and AUD 1 million or approximately Baht 20 million have been issued by banks to meet requirements of the subsidiaries (31 December 2020: INR 1,249 million or approximately Baht 509 million, EUR 0.4 million or approximately Baht 13 million, AUD 2 million or approximately Baht 38 million).

21.4 Tax assessment

- 21.4.1 a. In 2015, the Company received tax assessment notices for the year 2005 from the Revenue Department, assessing corporate income tax amounting to approximately Baht 1.96 million (including penalties and surcharges) and specific business tax amounting to approximately Baht 0.06 million (including penalties and surcharges). 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. In addition, the Company received tax assessment notices for the year 2006 from the Revenue Department in 2016, assessing corporate income tax amounting to approximately Baht 168 million (including penalties and surcharges) and specific business tax amounting to approximately Baht 2 million (including penalties and surcharges). 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.
- b. On 23 August 2017, the Company received tax assessment notices for the year 2007 from the Revenue Department, assessing corporate income tax amounting to approximately Baht 79 million (including penalties and surcharges) and specific business tax amounting to approximately Baht 3 million (including penalties and surcharges). 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.
- c. On 21 August 2018, the Company received tax assessment notices for the year 2008 from the Revenue Department, assessing corporate income tax amounting to approximately Baht 49 million (including penalties and surcharges) and specific business tax amounting to approximately Baht 4 million (including penalties and surcharges). 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.

(Unaudited but reviewed)

- d. On 20 August 2019, the Company received tax assessment notices for the year 2009 from the Revenue Department, assessing corporate income tax amounting to approximately Baht 23 million (including penalties and surcharges) and specific business tax amounting to approximately Baht 5 million (including penalties and surcharges). 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 has recorded provisions for the tax assessments as mentioned in a., b., c., and d., with approximately Baht 258 million (including penalties and surcharges) under the captions of “Liabilities and provision from tax assessments” in the statement of financial position.

21.4.2 The Indian tax authorities assessed corporate income tax of approximately INR 232 million or approximately Baht 99 million, covering the years 2003 - 2016, and sales tax and excise duties of approximately INR 228 million or approximately Baht 98 million, covering the years 2005 - 2018, against the subsidiaries in India. The subsidiaries have appealed the assessments. The management of the subsidiaries believe that the outcome of the cases will be favorable to the companies and therefore no provision for these contingent liabilities have been made in the accounts.

22. Financial Instrument

22.1 Fair value of financial instrument

Since the majority of the Group’s financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

22.2 Fair value hierarchy

As at 30 June 2021 and 31 December 2020, the Group had certain assets and liabilities that were measured using different levels inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 30 June 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Foreign currency forward contracts (Note 5)	-	3	-	3
Liabilities measured at fair value				
Foreign currency forward contracts	-	99	-	99

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2020

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Foreign currency forward contracts (Note 5)	-	149	-	149
Liabilities measured at fair value				
Foreign currency forward contracts	-	1	-	1

(Unit: Million Baht)

Separate financial statements

As at 30 June 2021

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Foreign currency forward contracts (Note 5)	-	1	-	1
Liabilities measured at fair value				
Foreign currency forward contracts	-	99	-	99

(Unit: Million Baht)

Separate financial statements

As at 31 December 2020

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Foreign currency forward contracts (Note 5)	-	149	-	149

During the current period, there were no changes in the methods and assumptions used in determining the fair value of financial assets and no transfers within the fair value hierarchy.

(Unaudited but reviewed)

23. Financial derivatives

As at 30 June 2021 and 31 December 2020, the significant outstanding balances of the Group's financial assets and liabilities denominated in foreign currencies are as follows:

(Unit: Million foreign currency unit)

Foreign currency	Consolidated financial statements				Separate financial statements			
	Financial assets		Financial liabilities		Financial assets		Financial liabilities	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2021	2020	2021	2020	2021	2020	2021	2020
US dollar	324	263	404	324	576	466	395	326
Euro	8	6	7	2	7	6	19	11
Japanese yen	214	177	908	379	158	177	902	367

(Unit: Baht per 1 foreign currency unit)

Foreign currency	Average exchange rate as at	
	30 June 2021	31 December 2020
	US dollar	32.0533
Euro	38.1413	36.8764
Japanese yen	0.2903	0.2907

The Group manages its exposure to foreign currency risk by using derivatives when considered appropriate. As at 30 June 2021 and 31 December 2020, the outstanding derivatives for managing the exposure to foreign currency risk are as follows:

Consolidated financial statements							
As at 30 June 2021							
		Amount		Forward rate		Maturity date	
Forward contracts to "Sell"							
USD/THB	USD	180	million	31.0100 - 32.0360	THB/USD	July - October 2021	
Forward contracts to "Buy"							
USD/INR	USD	12	million	73.0450 - 74.7800	INR/USD	July - August 2021	
JPY/THB	JPY	100	million	0.2846 - 0.2870	THB/JPY	July 2021	

(Unaudited but reviewed)

Consolidated financial statements						
As at 31 December 2020						
	Amount			Forward rate		Maturity date
Forward contracts to “Sell”						
USD/THB	USD	170	million	29.9800 - 31.6900	THB/USD	January - April 2021
Forward contracts to “Buy”						
USD/INR	USD	6	million	73.7350 - 73.8625	INR/USD	January 2021
JPY/THB	JPY	90	million	0.2892 - 0.2916	THB/JPY	January - March 2021
Separate financial statements						
As at 30 June 2021						
	Amount			Forward rate		Maturity date
Forward contracts to “Sell”						
USD/THB	USD	180	million	31.0100 - 32.0360	THB/USD	July - October 2021
Forward contracts to “Buy”						
JPY/THB	JPY	100	million	0.2846 - 0.2870	THB/JPY	July 2021
Separate financial statements						
As at 31 December 2020						
	Amount			Forward rate		Maturity date
Forward contracts to “Sell”						
USD/THB	USD	170	million	29.9800 - 31.6900	THB/USD	January - April 2021
Forward contracts to “Buy”						
JPY/THB	JPY	90	million	0.2892 - 0.2916	THB/JPY	January - March 2021

24. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company’s Board of Directors on 23 July 2021.