

Delta Electronics (Thailand) Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2022

Independent Auditor's Report

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

Opinion

I have audited the accompanying consolidated financial statements of Delta Electronics (Thailand) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Delta Electronics (Thailand) Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Delta Electronics (Thailand) Public Company Limited and its subsidiaries and of Delta Electronics (Thailand) Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition from sales of goods

Revenue from sales of goods is one of the Company's significant accounts because the amounts of revenue recorded would directly affect the Company's profit or loss for the year. Moreover, the Company has a large number of customers with a variety of different commercial terms. There are therefore risks with respect to the amount and timing of revenue recognition. For this reason, I have paid particular attention to the Company's recognition of revenue from sales of goods in order to ensure that the revenue is recorded correctly and in accordance with the relevant accounting standards.

I have examined the Company's revenue recognition by gaining an understanding and evaluating the effectiveness of the Company's internal controls with respect to revenue cycle. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year and near the end of the accounting period. In addition, I reviewed credit notes issued by the Company to its customers after the period-end and performed analytical review procedures on the sales account to identify possible irregularities in sales transactions throughout the period.

Provision for diminution in value of inventory

Estimating the net realisable value of inventory, as disclosed in the Note 9 to the financial statements, is an area of significant management judgement, and the inventories of the Company are high technology products, which become obsolete faster than some other products. There is a risk with respect to the amount of provision set aside for diminution in the value of inventory.

I assessed and tested the Company's internal controls relevant to the determination of provision for diminution in the value of inventory by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and I also assessed the method and the assumption applied by management in determining such provision by gaining an understanding of the basis applied in determining the provision for diminution in value of inventory, and reviewing the consistency of the application of that basis. In addition, I compared the data on inventory aging and inventory movement to identify product lines with indicators of lower than normal inventory turnover. I also compared details of net amount that an entity expects to realise from the sale of inventory after the date of the financial statements with the cost of inventory for each product line.

Impairment of goodwill

As at 31 December 2022, the Group had goodwill amounting to Baht 437 million. I have focused on the consideration of the impairment of the goodwill because the assessment of impairment of goodwill is a significant accounting estimate requiring the management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate. There is thus a risks with respect to the amounts of goodwill.

In auditing the impairment of goodwill, I assessed the identified cash generating units by gaining an understanding of and testing the key assumptions applied by the management in preparing estimates of the cash flows expected to be realised from the group of assets and the discount rate applied, making enquiry of responsible executives and comparing details with sources of information about the Group and the industry.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Preecha Arunnara

Certified Public Accountant (Thailand) No. 5800

EY Office Limited

Bangkok: 15 February 2023

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	7	10,142,199,773	6,571,565,489	5,835,260,335	1,535,902,864
Trade and other receivables	8	28,132,399,814	20,593,484,448	29,111,707,654	21,200,264,903
Short-term loans to related parties	6	-	-	100,000,000	-
Inventories	9	25,048,620,957	19,580,654,831	16,635,019,726	13,639,515,139
Derivative assets	33.1	581,522,918	32,388,017	578,353,530	32,308,160
Other current assets	10	2,120,365,566	1,631,042,186	341,661,398	286,008,298
Total current assets		66,025,109,028	48,409,134,971	52,602,002,643	36,693,999,364
Non-current assets					
Deposits at bank with restrictions		33,639,918	37,344,378	-	-
Investments in subsidiary companies	11	-	-	14,078,895,987	13,909,472,987
Investment properties	12	213,913,950	230,593,048	-	-
Property, plant and equipment	13	22,699,590,390	18,583,129,233	13,947,640,098	10,836,225,623
Advances to contractors and for acquisitions					
of assets		406,337,480	355,317,821	406,337,480	355,317,821
Right-of-use assets	19	482,204,033	529,524,076	939,035	4,592,131
Goodwill	14	436,618,051	443,050,522	-	-
Other intangible assets	15	192,082,820	249,799,250	57,499,462	58,292,129
Deferred tax assets	25	320,195,967	347,609,776	-	-
Other non-current assets		174,785,686	152,871,180	10,868,994	10,239,416
Total non-current assets		24,959,368,295	20,929,239,284	28,502,181,056	25,174,140,107
Total assets		90,984,477,323	69,338,374,255	81,104,183,699	61,868,139,471

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	945,278,458	1,593,668,577	-	1,497,407,000
Trade and other payables	17	30,201,548,730	22,049,338,415	24,827,540,998	18,626,852,047
Current portion of lease liabilities	19	66,056,681	74,957,587	967,779	3,677,604
Income tax payable		423,452,809	124,668,457	318,383,895	37,072,112
Short-term provisions	21	44,732,954	98,421,661	-	-
Liabilities and provision from tax assessments	31.4.1	258,172,754	258,172,754	258,172,754	258,172,754
Derivative liabilities	33.1	171,180	18,481,011	-	15,533,142
Other current liabilities	18	730,143,415	518,024,714	299,204,384	162,855,766
Total current liabilities		32,669,556,981	24,735,733,176	25,704,269,810	20,601,570,425
Non-current liabilities					
Long-term loans from related party	6	794,571,258	367,570,073	-	-
Lease liabilities, net of current portion	19	135,843,102	144,124,542	-	967,779
Deferred tax liabilities	25	139,024,703	130,696,198	-	-
Provision for long-term employee benefits	20	1,329,353,728	1,595,747,372	512,316,625	528,556,818
Long-term provisions	21	856,042,761	545,004,367	638,262,352	428,743,548
Other non-current liabilities		380,322,495	415,195,830	3,885,398	1,450,093
Total non-current liabilities		3,635,158,047	3,198,338,382	1,154,464,375	959,718,238
Total liabilities		36,304,715,028	27,934,071,558	26,858,734,185	21,561,288,663

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
1,259,000,000 ordinary shares of Baht 1 each		<u>1,259,000,000</u>	<u>1,259,000,000</u>	<u>1,259,000,000</u>	<u>1,259,000,000</u>
Issued and fully paid					
1,247,381,614 ordinary shares of Baht 1 each		1,247,381,614	1,247,381,614	1,247,381,614	1,247,381,614
Share premium		1,491,912,500	1,491,912,500	1,491,912,500	1,491,912,500
Difference from business combination under common control					
		(1,339,694,088)	(1,339,694,088)	-	-
Retained earnings					
Appropriated - Statutory reserve	22	125,900,000	125,900,000	125,900,000	125,900,000
Unappropriated		55,264,964,435	41,776,387,503	51,380,255,400	37,441,656,694
Other components of shareholders' equity		<u>(2,110,702,166)</u>	<u>(1,897,584,832)</u>	-	-
Total shareholders' equity		<u>54,679,762,295</u>	<u>41,404,302,697</u>	<u>54,245,449,514</u>	<u>40,306,850,808</u>
Total liabilities and shareholders' equity		<u>90,984,477,323</u>	<u>69,338,374,255</u>	<u>81,104,183,699</u>	<u>61,868,139,471</u>
		-	-	-	-

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

Directors

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Sales		117,211,365,609	82,994,057,065	103,379,372,088	70,909,543,246
Service income		1,346,601,076	1,324,303,410	171,878,668	72,594,708
Other income					
Gain on exchange		449,870,986	1,017,817,765	889,724,991	1,025,174,653
Insurance compensation income due to flooding	27	330,678,795	-	330,678,795	-
Others		546,677,659	442,123,356	411,256,373	361,476,931
Total revenues		119,885,194,125	85,778,301,596	105,182,910,915	72,368,789,538
Expenses					
Cost of sales		89,640,857,897	66,039,930,968	77,061,232,597	55,155,928,142
Cost of services		976,698,149	919,975,586	115,524,824	43,246,713
Selling and distribution expenses	31.2.1	7,164,092,328	6,280,790,115	5,987,384,529	5,343,945,848
Administrative expenses		2,541,397,159	1,989,107,082	1,723,475,334	1,316,377,257
Research and development expenses	31.2.2	3,741,842,861	3,165,382,766	3,968,352,022	3,185,830,153
Losses due to flooding	27	-	393,386,986	-	393,386,986
Loss from impairment of investments in subsidiary company		-	-	-	179,133,057
Other expenses		55,135,833	238,795,385	31,482,376	21,100,525
Total expenses		104,120,024,227	79,027,368,888	88,887,451,682	65,638,948,681
Operating profit		15,765,169,898	6,750,932,708	16,295,459,233	6,729,840,857
Finance income		65,839,993	54,139,848	24,118,899	13,788,705
Finance cost		(19,516,480)	(4,027,724)	(1,012,980)	(332,869)
Profit before tax income (expenses)		15,811,493,411	6,801,044,832	16,318,565,152	6,743,296,693
Tax income (expenses)	25	(466,946,829)	(97,723,239)	(332,166,827)	12,102,187
Profit for the year		15,344,546,582	6,703,321,593	15,986,398,325	6,755,398,880

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(213,117,334)	1,232,503,466	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(213,117,334)	1,232,503,466	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain (loss) - net of income tax		264,579,094	(22,591,687)	72,749,125	(33,604,307)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		264,579,094	(22,591,687)	72,749,125	(33,604,307)
Other comprehensive income for the year		51,461,760	1,209,911,779	72,749,125	(33,604,307)
Total comprehensive income for the year		15,396,008,342	7,913,233,372	16,059,147,450	6,721,794,573
Profit attributable to:					
Equity holders of the Company		15,344,546,582	6,699,008,329	15,986,398,325	6,755,398,880
Non-controlling interests of the subsidiary		-	4,313,264	-	-
		<u>15,344,546,582</u>	<u>6,703,321,593</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		15,396,008,342	7,908,922,123	16,059,147,450	6,721,794,573
Non-controlling interests of the subsidiary		-	4,311,249	-	-
		<u>15,396,008,342</u>	<u>7,913,233,372</u>		
Earnings per share	28				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>12.30</u>	<u>5.37</u>	<u>12.82</u>	<u>5.42</u>

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements											
Equity attributable to shareholders of the Company											
					Other components of shareholders' equity						
					Other comprehensive income						
		Difference from business combination under			Retained earnings		Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
Issued and fully paid	share capital	Share premium	common control	Appropriated	Unappropriated	in foreign currency	shareholders' equity	the Company	of the subsidiary	equity	
Balance as at 1 January 2021	1,247,381,614	1,491,912,500	(1,339,694,088)	125,900,000	39,216,330,187	(3,130,090,313)	(3,130,090,313)	37,611,739,900	(4,311,249)	37,607,428,651	
Profit for the year	-	-	-	-	6,699,008,329	-	-	6,699,008,329	4,313,264	6,703,321,593	
Other comprehensive income for the year	-	-	-	-	(22,591,687)	1,232,505,481	1,232,505,481	1,209,913,794	(2,015)	1,209,911,779	
Total comprehensive income for the year	-	-	-	-	6,676,416,642	1,232,505,481	1,232,505,481	7,908,922,123	4,311,249	7,913,233,372	
Dividend paid (Note 23)	-	-	-	-	(4,116,359,326)	-	-	(4,116,359,326)	-	(4,116,359,326)	
Balance as at 31 December 2021	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>(1,339,694,088)</u>	<u>125,900,000</u>	<u>41,776,387,503</u>	<u>(1,897,584,832)</u>	<u>(1,897,584,832)</u>	<u>41,404,302,697</u>	<u>-</u>	<u>41,404,302,697</u>	
Balance as at 1 January 2022	1,247,381,614	1,491,912,500	(1,339,694,088)	125,900,000	41,776,387,503	(1,897,584,832)	(1,897,584,832)	41,404,302,697	-	41,404,302,697	
Profit for the year	-	-	-	-	15,344,546,582	-	-	15,344,546,582	-	15,344,546,582	
Other comprehensive income for the year	-	-	-	-	264,579,094	(213,117,334)	(213,117,334)	51,461,760	-	51,461,760	
Total comprehensive income for the year	-	-	-	-	15,609,125,676	(213,117,334)	(213,117,334)	15,396,008,342	-	15,396,008,342	
Dividend paid (Note 23)	-	-	-	-	(2,120,548,744)	-	-	(2,120,548,744)	-	(2,120,548,744)	
Balance as at 31 December 2022	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>(1,339,694,088)</u>	<u>125,900,000</u>	<u>55,264,964,435</u>	<u>(2,110,702,166)</u>	<u>(2,110,702,166)</u>	<u>54,679,762,295</u>	<u>-</u>	<u>54,679,762,295</u>	

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements				Total shareholders' equity
	Issued and fully paid share capital	Share premium	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 1 January 2021	1,247,381,614	1,491,912,500	125,900,000	34,836,221,447	37,701,415,561
Profit for the year	-	-	-	6,755,398,880	6,755,398,880
Other comprehensive income for the year	-	-	-	(33,604,307)	(33,604,307)
Total comprehensive income for the year	-	-	-	6,721,794,573	6,721,794,573
Dividend paid (Note 23)	-	-	-	(4,116,359,326)	(4,116,359,326)
Balance as at 31 December 2021	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>37,441,656,694</u>	<u>40,306,850,808</u>
					-
Balance as at 1 January 2022	1,247,381,614	1,491,912,500	125,900,000	37,441,656,694	40,306,850,808
Profit for the year	-	-	-	15,986,398,325	15,986,398,325
Other comprehensive income for the year	-	-	-	72,749,125	72,749,125
Total comprehensive income for the year	-	-	-	16,059,147,450	16,059,147,450
Dividend paid (Note 23)	-	-	-	(2,120,548,744)	(2,120,548,744)
Balance as at 31 December 2022	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>51,380,255,400</u>	<u>54,245,449,514</u>

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2022

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:				
Profit before tax	15,811,493,411	6,801,044,832	16,318,565,152	6,743,296,693
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	3,086,654,125	2,368,453,335	2,472,552,288	1,828,271,533
Amortisation	102,882,671	139,398,206	8,805,867	6,405,747
Recording of allowance for expected credit losses	37,982,294	20,233,707	46,004,797	6,302,570
Reduction of inventory to net realisable value	1,611,082,627	961,491,370	876,693,384	730,896,286
Reversal of the reduction to net realisable value of the obsolete and damaged inventories	(772,656,775)	(247,036,392)	(642,399,056)	(142,054,149)
Increase in provision for long-term employee benefits	126,065,922	97,548,502	92,966,703	67,284,483
Recording of the increase in provisions	313,202,459	138,443,006	249,581,670	125,407,221
(Gain) loss from disposal/write-off of property, plant and equipment	10,646,177	15,782,638	(1,765,559)	2,787,913
Reversal of the allowance for impairment loss on assets	(18,565,370)	-	(18,565,370)	-
Loss from write-off of other intangible assets	-	184,068,694	-	2
Unrealised (gain) loss on exchange	782,239,464	(141,467,169)	851,946,997	(156,260,032)
(Gain) loss on fair value valuation of derivative instruments	(567,444,732)	134,382,960	(561,578,512)	132,189,909
Insurance compensation income due to flooding	(330,678,795)	-	(330,678,795)	-
Losses due to flooding	-	393,386,986	-	393,386,986
Loss from impairment of investments in subsidiary company	-	-	-	179,133,057
Interest income	(65,839,993)	(54,139,848)	(24,118,899)	(13,788,705)
Interest expenses	19,516,480	4,027,724	1,012,980	332,869
Profit from operating activities before changes in operating assets and liabilities	20,146,579,965	10,815,618,551	19,339,023,648	9,903,592,383
Decrease (increase) in operating assets:				
Trade and other receivables	(9,178,729,824)	(6,145,192,291)	(9,565,720,257)	(6,592,776,980)
Inventories	(6,240,609,976)	(8,027,682,402)	(3,229,798,915)	(6,023,365,072)
Other current assets	(474,514,925)	(447,218,026)	(29,396,040)	(252,679,364)
Other non-current assets	(50,633,862)	11,119,922	(629,578)	(6,959,574)
Increase (decrease) in operating liabilities:				
Trade and other payables	7,696,320,815	4,110,177,615	5,847,143,580	3,150,193,329
Other current liabilities	212,463,264	124,492,673	138,587,999	(5,780,652)
Provision for long-term employee benefits	(87,329,631)	(97,284,688)	(36,457,771)	(37,576,294)
Provisions	(70,375,088)	(44,052,584)	(49,044,533)	(37,900,534)
Other non-current liabilities	(34,873,335)	158,785,028	2,435,305	93,890
Cash flows from operating activities	11,918,297,403	458,763,798	12,416,143,437	96,841,132
Cash received from interest income	64,035,516	71,738,056	23,678,351	13,788,705
Cash received from insurance compensation due to flooding	330,678,795	-	330,678,795	-
Cash received from corporate income tax refund	26,358,556	-	-	-
Cash paid for interest expenses	(14,159,921)	(5,891,911)	(998,384)	(332,869)
Cash paid for corporate income tax	(132,119,828)	(189,460,761)	(49,381,511)	(1,187,143)
Net cash flows from operating activities	12,193,090,521	335,149,182	12,720,120,688	109,109,825

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from investing activities:				
Decrease in deposits at bank with restrictions	3,704,460	13,707,592	-	-
Decrease in fixed deposits with maturity over 3 months	-	205,249,560	-	-
Increase in investments in subsidiary company	-	-	(169,423,000)	(459,822)
Decrease in advances to contractors and for acquisitions of assets	(51,019,659)	-	(51,019,659)	-
Acquisition of property, plant and equipment	(6,478,702,420)	(6,333,363,225)	(4,624,094,689)	(4,380,682,782)
Proceeds from disposal of property, plant and equipment	32,030,661	28,950,205	27,704,312	24,583,544
Increase in right-of-use assets	(5,867,908)	(110,131,963)	(252,240)	-
Increase in investment properties	(22,014)	(451,367)	-	-
Increase in other intangible assets	(49,732,252)	(48,440,554)	(8,013,200)	(2,986,399)
Net cash flows used in investing activities	(6,549,609,132)	(6,244,479,752)	(4,825,098,476)	(4,359,545,459)
Cash flows from financing activities:				
Cash receipt from short-term loans from financial institutions	4,190,306,735	2,109,615,036	700,000,000	2,013,241,000
Repayment of short-term loans from financial institutions	(4,848,799,988)	(500,000,000)	(2,213,241,000)	(500,000,000)
Increase in short-term loans from related parties	-	-	(100,000,000)	-
Cash receipt from long-term loans from related party	439,124,400	362,635,955	-	-
Payment of lease liabilities	(79,105,661)	(88,635,380)	(3,692,200)	(1,482,748)
Dividend paid	(2,120,548,744)	(4,116,359,326)	(2,120,548,744)	(4,116,359,326)
Net cash flows used in financing activities	(2,419,023,258)	(2,232,743,715)	(3,737,481,944)	(2,604,601,074)
Increase in translation adjustments	125,451,186	865,525,756	-	-
Net increase (decrease) in cash and cash equivalents before effect from currency translation	3,349,909,317	(7,276,548,529)	4,157,540,268	(6,855,036,708)
Effect from currency translation of cash and cash equivalents	220,724,967	(33,734,286)	141,817,203	(14,791,305)
Net increase (decrease) in cash and cash equivalents	3,570,634,284	(7,310,282,815)	4,299,357,471	(6,869,828,013)
Cash and cash equivalents at beginning of year	6,571,565,489	13,881,848,304	1,535,902,864	8,405,730,877
Cash and cash equivalents at end of year	10,142,199,773	6,571,565,489	5,835,260,335	1,535,902,864
	-	-	-	-
Supplemental disclosures of cash flows information				
Non-cash transaction				
Right-of-use assets increase under lease agreements	70,597,098	110,631,928	-	6,128,131
Increase in accounts payable from purchase of plant and equipment	1,055,168,432	1,447,060,317	963,340,121	1,432,458,728

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

1. General 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.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

2.2.1 The consolidated financial statements include the financial statements of Delta Electronics (Thailand) Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
			Percent	Percent
DET International Holding Limited*	Holding business	The Netherlands	100	100
Delta Green Industrial (Thailand) Company Limited	Manufacture and trading of electronic products	Thailand	100	100
Delta Energy Systems (Singapore) Pte. Ltd.	Holding business and trading of electronic products	Singapore	100	100
Delta Electronics (Vietnam) Company Limited	Trading of electronic products	Vietnam	100	100
Delta Electronics India Manufacturing Private Limited	Manufacture and trading of electronic products	India	100	100

* Relocated its registration from the Cayman Islands to Malta on 8 August 2022, and subsequently to the Netherlands on 23 December 2022.

The subsidiaries which the Company owns through DET International Holding Limited are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			<u>2022</u>	<u>2021</u>
			Percent	Percent
DET Logistics (USA) Corporation	Trading of electronic products	USA	100	100
Delta Electronics (Slovakia) s.r.o.	Manufacture and trading of electronic products	Slovakia	100	100
Delta Energy Systems (Germany) GmbH	Research, development, marketing and trading of electronic products	Germany	100	100
Delta Energy Systems Property (Germany) GmbH (owned by Delta Energy Systems (Germany) GmbH)	Property rental	Germany	100	100
Delta Energy Systems (India) Pvt. Ltd.	Manufacture and trading of electronic products	India	100	100
Delta Energy Systems (Romania) S.R.L.	Research and development of electronic products	Romania	100	100

The subsidiaries which the Company owns through Delta Energy Systems (Singapore) Pte. Ltd. are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			<u>2022</u>	<u>2021</u>
			Percent	Percent
Delta Electronics (Australia) Pty. Ltd.	Trading of electronic products	Australia	100	100
Delta Greentech (Netherlands) Cooperaties UA	Holding business	The Netherlands	100	100
Delta Greentech (Netherlands) B.V. (owned by Delta Greentech (Netherlands) Cooperaties UA)	Holding business	The Netherlands	100	100
Delta Energy Systems LLC (owned by Delta Greentech (Netherlands) B.V.)	Trading of electronic products	Russia	100	100
Eltek s.r.o. (owned by Delta Greentech (Netherlands) B.V.)	Manufacture and trading of electronic products	Slovakia	100	100
Delta Electronics (Automotive) Americas Inc. (owned by Delta Greentech (Netherlands) B.V.)	Research and development of electronic products	USA	100	100
Delta Electronics India Pvt. Ltd.	Manufacture, research and development and trading of electronic products	India	100	100
Delta Electronics (Myanmar) Co., Ltd.	Manufacture and trading of electronic products	Myanmar	100	100
Delta Energy Systems (UK) Limited	Research and development of electronic products	Scotland	100	100

2.2.2 The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

2.2.3 Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

2.2.4 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

2.2.5 The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rates prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

2.2.6 Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.2.7 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations 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 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.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

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 2023. 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Rendering of services

Revenue from installation, repair and other services are recognised at a point in time upon completion of the service.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed. The cost of inventories is measured using the standard cost method, which approximates actual cost.

4.4 Investments in subsidiaries

Investments in subsidiary companies are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 2-32 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of plant and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings	10 - 50	years
Land improvement	5 - 10	years
Machinery and equipment	3 - 7	years
Molds	2 - 5	years
Installation	5 - 15	years
Furniture, fixtures and office equipment	5 - 7	years
Computer	3 - 5	years
Motor vehicles	5	years

Depreciation is included in determining income.

No depreciation is provided for land and assets under installation and under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follow:

	<u>Useful lives</u>
Patents	10 years
Computer software	3 years
Customer relationship	10 years

4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	99	years
Buildings	1 - 6	years
Machinery and equipment	1 - 5	years
Motor vehicles	1 - 3	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel and directors, and officers with authority in the planning and direction of the Company's operations.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established the provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the contributions of the Company are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments, it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

The liabilities under the defined benefit plan consist of the present value of the defined benefit obligation less fair value of plan assets.

Net interest recognised in profit or loss consists of the interest cost on the defined benefit obligation net with the interest income on plan assets which calculated using the same rate as the discount rate applying for the post-employment benefit obligation.

Actuarial gains and losses from defined benefit plans and return of plan assets net from interest income on plan assets are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Research and development expenses

The Group records research and development costs as expenses when incurred.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.18 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Reduction of inventory cost to net realisable value

In determining the reduction of inventory cost to net realisable value, the management exercises judgement in estimating the net realisable value of inventory based on the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. The management also exercises judgement in estimating the expected losses from stock obsolescence based on the approximate aging profile of each type of inventory.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which these deferred tax assets can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model.

The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Tax assessments

The Group has contingent liabilities as the result of tax assessments. The management was required to exercise judgement to assess the results of the tax assessments and estimate the liabilities that might be incurred as at the end of the reporting period.

6. Related party transactions

During the years, 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 Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
<u>Transactions with the parent company</u>					
Sales of goods and raw materials	199	177	194	153	With reference to market price
Purchase of goods and raw materials	585	428	61	136	With reference to market price
Royalty paid (Note 31.2.1)	3,678	2,888	3,678	2,888	Contract price
Services paid	20	133	20	133	Contract price
Administrative expenses	37	1	-	-	Contract price
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	33,803	25,825	With reference to market price
Purchase of goods and raw materials	-	-	1,396	1,458	With reference to market price
Commission paid	-	-	270	233	Contract price
Design and engineering fee paid (Note 31.2.2)	-	-	2,413	2,112	Contract price
Distribution fee paid	-	-	-	20	Contract price
Administrative expenses	-	-	111	116	Contract price

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
<u>Transactions with related companies</u>					
Sales of goods and raw materials	10,900	9,266	4,091	3,814	With reference to market price
Purchase of goods and raw materials	7,865	6,443	3,025	2,461	With reference to market price
Commission paid	842	586	835	572	Contract price
Commission received	250	107	-	-	Contract price
Services income	96	198	-	-	Contract price
Design and engineering fee paid	310	54	299	39	Contract price
Administrative expenses	65	36	13	18	Contract price

The balances of the accounts as at 31 December 2022 and 2021 between the Group and those related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables, related parties (Note 8)</u>				
Parent company	74	40	62	36
Subsidiary companies	-	-	13,020	10,030
Other related companies (under common control)	2,721	2,196	1,064	951
Total trade receivables, related parties	<u>2,795</u>	<u>2,236</u>	<u>14,146</u>	<u>11,017</u>
<u>Other receivables, related parties (Note 8)</u>				
Parent company	3	-	3	-
Subsidiary companies	-	-	12	7
Other related companies (under common control)	3	16	2	2
Total other receivables, related parties	<u>6</u>	<u>16</u>	<u>17</u>	<u>9</u>
<u>Amounts due from related parties (Note 8)</u>				
Subsidiary companies	-	-	1	4
Total amounts due from related parties	<u>-</u>	<u>-</u>	<u>1</u>	<u>4</u>
<u>Trade payables, related parties (Note 17)</u>				
Parent company	345	48	12	5
Subsidiary companies	-	-	329	296
Other related companies (under common control)	2,122	1,736	617	506
Total trade payables, related parties	<u>2,467</u>	<u>1,784</u>	<u>958</u>	<u>807</u>

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Other payables, related parties (Note 17)</u>				
Parent company	557	588	532	586
Subsidiary companies	-	-	514	159
Other related companies (under common control)	510	619	471	397
Total other payables, related parties	1,067	1,207	1,517	1,142
<u>Accrued expenses, related parties (Note 17)</u>				
Parent company	318	264	318	264
Other related companies (under common control)	174	170	174	170
Total accrued expenses, related parties	492	434	492	434
<u>Advance received, related parties (Note 17)</u>				
Parent company	-	-	155	55
Total advance received, related parties	-	-	155	55

Short-term loans to related party

As at 31 December 2022 and 2021, the balances of short-term loans to related party and the movement in short-term loans are as follows:

(Unit: Million Baht)

Short-term loans	Related by	Separate financial statements		
		Balance as at	Increase	Balance as at
		31 December 2021	during the year	31 December 2022
Delta Green Industrial (Thailand) Company Limited	Subsidiary	-	100	100
Total short-term loans to related party		-	100	100

Long-term loans from related party

As at 31 December 2022 and 2021, the balances of long-term loans from related party and the movement in long-term loans are as follows:

(Unit: Million Baht)

Long-term loans	Related by	Consolidated financial statements			
		Balance as at	Increase	Translation	Balance as at
		31 December 2021	during the year	adjustment	31 December 2022
Other related company (under					
Eltek AS	common control)	368	439	(12)	795
Total long-term loans from related party		368	439	(12)	795

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	126	114	62	58
Post-employment benefits	15	14	14	11
Total	<u>141</u>	<u>128</u>	<u>76</u>	<u>69</u>

7. Cash and cash equivalents

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Bank deposits in current accounts	1,584	2,320	2	2
Bank deposits in saving accounts	8,140	3,588	5,833	1,534
Fixed deposits with maturity not over 3 months	418	664	-	-
Total	<u>10,142</u>	<u>6,572</u>	<u>5,835</u>	<u>1,536</u>

As at 31 December 2022, the above bank deposits in saving accounts and fixed deposits carried interests between 0.00 and 8.00 percent per annum (2021: between 0.00 and 8.00 percent per annum) (The Company only: between 0.00 and 1.75 percent per annum, 2021: between 0.00 and 0.45 percent per annum).

8. Trade and other receivables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables, related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	2,771	2,181	12,964	9,268
Past due				
Up to 3 months	22	54	1,179	1,746
3 - 6 months	-	1	3	3
6 - 12 months	2	-	-	-
Total	<u>2,795</u>	<u>2,236</u>	<u>14,146</u>	<u>11,017</u>
<u>Trade receivables, unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	21,510	15,209	12,222	8,174
Past due				
Up to 3 months	2,887	2,281	1,861	1,277
3 - 6 months	171	132	128	39
6 - 12 months	46	24	11	3
Over 12 months	72	61	24	9
Total	<u>24,686</u>	<u>17,707</u>	<u>14,246</u>	<u>9,502</u>
Total trade receivables	27,481	19,943	28,392	20,519
Less: Allowance for expected credit losses	(189)	(156)	(84)	(38)
Total trade receivables - net	<u>27,292</u>	<u>19,787</u>	<u>28,308</u>	<u>20,481</u>
<u>Other receivables</u>				
Amounts due from related parties (Note 6)	-	-	1	4
Other receivables - related parties (Note 6)	6	16	17	9
Other receivables - unrelated parties	834	790	786	706
Total other receivables	<u>840</u>	<u>806</u>	<u>804</u>	<u>719</u>
Trade and other receivables - net	<u><u>28,132</u></u>	<u><u>20,593</u></u>	<u><u>29,112</u></u>	<u><u>21,200</u></u>

The normal credit term is 30 to 150 days.

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

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	(156)	(129)	(38)	(32)
Provision for expected credit losses	(53)	(30)	(46)	(17)
Amount written off	-	-	-	11
Reversal	15	10	-	-
Translation adjustment	5	(7)	-	-
Ending balance	<u>(189)</u>	<u>(156)</u>	<u>(84)</u>	<u>(38)</u>

9. Inventories

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	9,970	7,409	(960)	(729)	9,010	6,680
Work in process	3,436	2,665	-	-	3,436	2,665
Raw materials	13,584	10,590	(2,163)	(1,621)	11,421	8,969
Goods in transit	1,182	1,267	-	-	1,182	1,267
Total	<u>28,172</u>	<u>21,931</u>	<u>(3,123)</u>	<u>(2,350)</u>	<u>25,049</u>	<u>19,581</u>

(Unit: Million Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	4,314	3,972	(145)	(238)	4,169	3,734
Work in process	2,931	2,167	-	-	2,931	2,167
Raw materials	10,289	8,031	(1,493)	(1,165)	8,796	6,866
Goods in transit	739	873	-	-	739	873
Total	<u>18,273</u>	<u>15,043</u>	<u>(1,638)</u>	<u>(1,403)</u>	<u>16,635</u>	<u>13,640</u>

Details movement of the reduction of inventory cost to net realisable value are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	(2,350)	(1,247)	(1,403)	(483)
Increase during the year	(1,611)	(988)	(877)	(731)
Increase during the year due to flooding (Note 27)	-	(331)	-	(331)
Reversal of the reduction to net realisable value of the obsolete and damaged inventories written off during the year	773	247	642	142
Reversal during the year	-	27	-	-
Translation adjustment	65	(58)	-	-
Balance at end of year	<u>(3,123)</u>	<u>(2,350)</u>	<u>(1,638)</u>	<u>(1,403)</u>

The Group reduced cost of inventories to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories and reduced the amount of inventories recognised as expenses during the year.

10. Other current assets

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Input tax refundable	451	474	292	241
Advance payments	1,335	854	7	5
Prepaid expenses	271	222	34	25
Prepaid tax	34	23	-	-
Others	29	58	9	15
Total other current assets	<u>2,120</u>	<u>1,631</u>	<u>342</u>	<u>286</u>

11. Investments in subsidiary companies

11.1 Details of investments in subsidiaries as presented in separate financial statements

(Unit: Million Baht)

Company's name	Paid-up capital			Cost	
	Foreign currency	2022	2021	2022	2021
		(Million)	(Million)		
DET International Holding Limited	USD	264	264	9,450	9,450
Delta Green Industrial (Thailand) Company Limited	THB	206	206	206	206
Delta Energy Systems (Singapore) Pte. Ltd.	USD	173	173	5,573	5,573
Delta Electronics (Vietnam) Company Limited	USD	0.1	0.1	3	3
Delta Electronics India Manufacturing Private Limited	INR	381	1	171	1
Subtotal				15,403	15,233
Less: Allowance for impairment loss of investments in subsidiary companies				(1,324)	(1,324)
Investments in subsidiary companies - net				14,079	13,909

No dividend was received from the above subsidiary companies during the year ended 31 December 2022 and 2021.

11.2 Significant events during the year

11.2.1 Subsidiaries directly owned by the Company

Additional investment in subsidiary company

On 25 April 2022, a meeting of the executive committee's Board of Directors passed a resolution to increase the Company's investment in Delta Electronics India Manufacturing Private Limited by USD 5 million, or approximately Baht 169 million, in order to purchase machines and line set up for production. The Company already made the additional investment in the second quarter of the current year.

The above additional investment had no impact on the investment structure of the Group.

11.2.2 Subsidiaries indirectly owned by the Company

Dissolution of a subsidiary

On 31 March 2020, a meeting of the Company's Board of Directors passed a resolution to dissolve Delta Greentech (Netherlands) Cooperaties UA, which is a subsidiary of Delta Energy Systems (Singapore) Pte. Ltd. During the first quarter of the current year, this subsidiary already registered its dissolution and liquidated.

Due to the liquidation, in accordance with the relevant laws of the Netherlands, all ordinary shares of the subsidiary of Delta Greentech (Netherlands) Cooperaties UA, Delta Greentech (Netherlands) B.V., were transferred to Delta Energy Systems (Singapore) Pte. Ltd. As a result, Delta Greentech (Netherlands) B.V. became a 100 percent-owned subsidiary of Delta Energy Systems (Singapore) Pte. Ltd.

The dissolution of this subsidiary and above transfer of ordinary shares do not have any significant impact on the operations and the investment structure of the Group.

12. Investment properties

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

(Unit: Million Baht)

	Consolidated financial statements		
	Land for rent	Office building for rent	Total
31 December 2022:			
Cost	44	323	367
Less: Accumulated depreciation	-	(89)	(89)
Translation adjustment	(10)	(54)	(64)
Net book value	<u>34</u>	<u>180</u>	<u>214</u>
31 December 2021:			
Cost	44	323	367
Less: Accumulated depreciation	-	(79)	(79)
Translation adjustment	(10)	(47)	(57)
Net book value	<u>34</u>	<u>197</u>	<u>231</u>

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

(Unit: Million Baht)

	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	231	233
Acquisition of assets	-	1
Depreciation charged	(10)	(10)
Translation adjustment	(7)	7
Net book value at end of year	214	231

The additional information of the investment properties as at 31 December 2022 and 2021 stated below:

(Unit: Million Baht)

	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
The fair value	233	241

The fair value of the land and office building held for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, long-term vacancy rate and long-term growth in real rental rates.

13. Property, plant and equipment

(Unit: Million Baht)

Consolidated financial statements									
	Land	Buildings	Machinery and equipment	Mold	Installation	Assets under installation and under construction	Computer	Others	Total
Cost:									
1 January 2021	1,020	3,992	10,217	1,432	2,331	3,822	585	492	23,891
Purchase/transfer in	670	687	3,434	167	773	4,050	157	29	9,967
Disposal/write-off/transfer out	-	-	(483)	(12)	(34)	(2,196)	(56)	(76)	(2,857)
Translation adjustment	53	96	82	-	11	239	13	22	516
31 December 2021	1,743	4,775	13,250	1,587	3,081	5,915	699	467	31,517
Purchase/transfer in	85	203	4,949	243	295	4,180	112	54	10,121
Disposal/write-off/transfer out	-	(5)	(708)	(25)	(73)	(2,573)	(28)	(53)	(3,465)
Translation adjustment	(39)	72	(31)	10	(14)	(517)	(11)	(12)	(542)
31 December 2022	1,789	5,045	17,460	1,815	3,289	7,005	772	456	37,631
Accumulated depreciation:									
1 January 2021	-	1,056	6,642	1,253	1,369	-	445	383	11,148
Depreciation for the year	-	108	1,558	182	270	-	110	34	2,262
Depreciation - disposal/write-off	-	-	(459)	(14)	(34)	-	(55)	(63)	(625)
Translation adjustment	-	24	50	-	5	-	12	20	111
31 December 2021	-	1,188	7,791	1,421	1,610	-	512	374	12,896
Depreciation for the year	-	122	2,236	169	311	-	110	33	2,981
Depreciation - disposal/write-off	-	(1)	(674)	(20)	(72)	-	(28)	(40)	(835)
Translation adjustment	-	(23)	(63)	-	(10)	-	(17)	(17)	(130)
31 December 2022	-	1,286	9,290	1,570	1,839	-	577	350	14,912

13. Property, plant and equipment (continued)

(Unit: Million Baht)

Consolidated financial statements

	Land	Buildings	Machinery and equipment	Mold	Installation	Assets under installation and under construction	Computer	Others	Total
Allowance for impairment loss:									
1 January 2021	-	17	-	-	2	-	-	-	19
Increase during the year	-	-	5	-	-	14	-	-	19
31 December 2021	-	17	5	-	2	14	-	-	38
Decrease during the year	-	-	(5)	-	-	(14)	-	-	(19)
31 December 2022	-	17	-	-	2	-	-	-	19
Net book value:									
As at 31 December 2021	1,743	3,570	5,454	166	1,469	5,901	187	93	18,583
As at 31 December 2022	1,789	3,742	8,170	245	1,448	7,005	195	106	22,700
Depreciation for the year									
Year 2021 (Baht 1,819 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									2,262
Year 2022 (Baht 2,438 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									2,981

13. Property, plant and equipment (continued)

(Unit: Million Baht)

Separate financial statements

	Land	Buildings	Machinery and equipment	Mold	Installation	Assets under installation and under construction	Computer	Others	Total
Cost:									
1 January 2021	414	1,824	8,033	1,423	1,929	1,389	352	109	15,473
Purchase/transfer in	670	664	3,036	166	769	2,518	134	18	7,975
Disposal/write-off/transfer out	-	-	(330)	(12)	(34)	(2,171)	(36)	(5)	(2,588)
31 December 2021	1,084	2,488	10,739	1,577	2,664	1,736	450	122	20,860
Purchase/transfer in	-	128	4,236	241	287	3,169	84	30	8,175
Disposal/write-off/transfer out	-	-	(615)	(24)	(62)	(2,573)	(18)	(20)	(3,312)
31 December 2022	1,084	2,616	14,360	1,794	2,889	2,332	516	132	25,723
Accumulated depreciation:									
1 January 2021	-	578	5,220	1,245	1,171	-	260	84	8,558
Depreciation for the year	-	48	1,284	181	231	-	75	8	1,827
Depreciation - disposal/write-off	-	-	(310)	(13)	(34)	-	(37)	(5)	(399)
31 December 2021	-	626	6,194	1,413	1,368	-	298	87	9,986
Depreciation for the year	-	60	1,875	166	257	-	83	10	2,469
Depreciation - disposal/write-off	-	-	(593)	(20)	(61)	-	(18)	(7)	(699)
31 December 2022	-	686	7,476	1,559	1,582	-	363	90	11,756

13. Property, plant and equipment (continued)

(Unit: Million Baht)

Separate financial statements

	Land	Buildings	Machinery and equipment	Mold	Installation	Assets under installation and under construction	Computer	Others	Total
Allowance for impairment loss:									
1 January 2021	-	17	-	-	2	-	-	-	19
Increase during the year	-	-	5	-	-	14	-	-	19
31 December 2021	-	17	5	-	2	14	-	-	38
Decrease during the year	-	-	(5)	-	-	(14)	-	-	(19)
31 December 2022	-	17	-	-	2	-	-	-	19
Net book value:									
As at 31 December 2021	1,084	1,845	4,540	164	1,294	1,722	152	35	10,836
As at 31 December 2022	1,084	1,913	6,884	235	1,305	2,332	153	42	13,948
Depreciation for the year									
Year 2021 (Baht 1,596 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									1,827
Year 2022 (Baht 2,162 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									2,469

As at 31 December 2022, certain items of building, machinery and equipment of the Group were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately of Baht 8,155 million (2021: Baht 7,407 million) (The Company only: Baht 6,415 million, 2021: Baht 5,664 million).

14. Goodwill

The net book value of goodwill as at 31 December 2022 and 2021 is presented below.

	(Unit: Million Baht)
	Consolidated financial statements
Net book value as at 1 January 2021	437
Translation adjustment	6
Net book value as at 31 December 2021	443
Translation adjustment	(6)
Net book value as at 31 December 2022	<u>437</u>

As at 31 December 2022, the net book value of the goodwill as above included the goodwill of approximately Baht 215 million from Power electronics segment related to DES products and the goodwill of approximately Baht 222 million from Delta Greentech (Netherland) B.V.'s acquisition of Eltek s.r.o. ("Eltek SK") in 2017.

The Group determined the recoverable amount of the cash generating units based on value in use, with the cash flow projections derived from financial budgets approved by management. The projections cover a five-year period.

Key assumptions used in the value in use calculation of each group of the cash generating units are summarised below:

	(Unit: Percent per annum)	
	Power electronics segment related to DES	
	products	Eltek s.r.o.
Growth rate	2%	2%
Pre-tax discount rates	13.2%	13.4%

The management of the Group determined growth rates based on factors including historical operating results, expected market growth and economic growth. The discount rate is a pre-tax rate that reflects the risks specific to each cash generating units.

The Group performed impairment tested on goodwill by comparing the recoverable amount of the cash generating units (calculated by independent appraiser) with their carrying value and found that the recoverable amount of the cash generating units was higher than the carrying value. The management of the Group thus believes that goodwill is not impaired.

15. Other intangible assets

The net book value of intangible assets as at 31 December 2022 and 2021 is presented below.

(Unit: Million Baht)

	Consolidated financial statements				
	Patent rights	Computer software	Customer relationship	Others	Total
Cost:					
1 January 2021	1,049	499	130	2	1,680
Purchase	-	48	-	-	48
Disposal/write-off	(1,097)	(15)	-	-	(1,112)
Translation adjustment	111	14	4	1	130
31 December 2021	63	546	134	3	746
Purchase	-	50	-	-	50
Translation adjustment	-	(16)	(4)	-	(20)
31 December 2022	63	580	130	3	776
Accumulated amortisation:					
1 January 2021	793	341	48	2	1,184
Amortisation for the year	37	89	13	-	139
Disposal/write-off	(913)	(15)	-	-	(928)
Translation adjustment	90	8	2	1	101
31 December 2021	7	423	63	3	496
Amortisation for the year	7	83	13	-	103
Translation adjustment	-	(13)	(2)	-	(15)
31 December 2022	14	493	74	3	584
Net book value:					
31 December 2021	56	123	71	-	250
31 December 2022	49	87	56	-	192

(Unit: Million Baht)

	Separate financial statements		
	Patent rights	Computer software	Total
Cost:			
1 January 2021	63	84	147
Purchase	-	3	3
Disposal/write-off	-	(1)	(1)
31 December 2021	63	86	149
Purchase	-	8	8
31 December 2022	63	94	157
Accumulated amortisation:			
1 January 2021	1	84	85
Amortisation for the year	7	-	7
Disposal/write-off	-	(1)	(1)
31 December 2021	8	83	91
Amortisation for the year	6	3	9
31 December 2022	14	86	100
Net book value:			
31 December 2021	55	3	58
31 December 2022	49	8	57

In 2021, DET International Holding Limited, a subsidiary of the Company, wrote off patents of approximately USD 5.5 million, or approximately Baht 187 million, and this was presented under the caption of "Other expenses" in the consolidated statements of comprehensive income.

16. Short-term loans from financial institutions

	Interest rate (percent per annum)	(Unit: Million Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
Short-term loans from financial institutions	7.91 - 8.62	945	1,594	-	1,497
Total		945	1,594	-	1,497

17. Trade and other payables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - related parties (Note 6)	2,476	1,784	958	807
Trade payables - unrelated parties	17,675	12,227	15,930	11,042
Other payables - related parties (Note 6)	1,067	1,207	1,517	1,142
Other payables - unrelated parties	2,440	2,062	2,172	1,965
Accrued expenses - related parties (Note 6)	492	434	492	434
Accrued expenses - unrelated parties	3,469	3,386	2,873	2,644
Advance received - related parties (Note 6)	-	-	155	55
Advance received - unrelated parties	2,592	949	731	538
Total trade and other payables	30,202	22,049	24,828	18,627

18. Other current liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Withholding tax payable	288	165	248	131
Value added tax payable	234	140	14	10
Others	208	213	37	22
Total other current liabilities	730	518	299	163

19. Leases**The Group as a lessee**

The Group has lease contracts for assets used in its operations. Leases have lease terms between 1 - 99 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	Consolidated					Separate
	financial statements					financial statements
	Machinery					Buildings
	Land	Buildings	and equipment	Motor Vehicles	Total	
1 January 2021	190	164	9	14	377	-
Additions	110	97	-	14	221	6
Depreciation for the year	(3)	(79)	(3)	(11)	(96)	(1)
Translation adjustment	18	8	1	1	28	-
31 December 2021	315	190	7	18	530	5
Additions	-	65	3	8	76	-
Depreciation for the year	(4)	(78)	(3)	(11)	(96)	(4)
Translation adjustment	(23)	(5)	-	-	(28)	-
31 December 2022	288	172	7	15	482	1

b) Lease liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Lease payments	205	222	1	5
Less: Deferred interest expenses	(3)	(3)	-	-
Total	202	219	1	5
Less: Portion due within one year	(66)	(75)	(1)	(4)
Lease liabilities - net of current portion	136	144	-	1

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	219	181	5	-
Additions	70	111	-	6
Accretion of interest	2	2	-	-
Repayments	(79)	(88)	(4)	(1)
Translation adjustment	(10)	13	-	-
Balance at end of year	<u>202</u>	<u>219</u>	<u>1</u>	<u>5</u>

A maturity analysis of lease payments is disclosed in Note 33.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	96	96	4	1
Interest expense on lease liabilities	2	2	-	-
Expense relating to short-term leases and leases of low-value assets	49	49	9	8

d) Other

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 128 million (2021: Baht 137 million) (the Company only: Baht 13 million, 2021: Baht 9 million), including the cash outflow related to short-term lease and leases of low-value assets.

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Defined benefit obligation	(1,406)	(1,675)	(512)	(529)
Fair value of plan assets	77	79	-	-
Provisions for long-term employee benefits as at 31 December	<u>(1,329)</u>	<u>(1,596)</u>	<u>(512)</u>	<u>(529)</u>

The change in the defined benefit obligation is as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Defined benefit obligation at beginning of year	(1,675)	(1,602)	(529)	(465)
Included in profit or loss:				
Current service cost	(110)	(76)	(86)	(53)
Interest cost	(21)	(26)	(6)	(14)
Included in other comprehensive income:				
Actuarial gain (loss) arising from				
Demographic assumptions changes	31	(24)	30	(25)
Financial assumptions changes	262	11	75	11
Experience adjustments	(28)	(10)	(32)	(20)
Benefits paid during the year	85	85	36	37
Translation adjustments	50	(33)	-	-
Defined benefit obligation at end of year	<u>(1,406)</u>	<u>(1,675)</u>	<u>(512)</u>	<u>(529)</u>

The change in the fair value of plan assets is as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Fair value of plan assets at beginning of year	79	60	-	-
Included in profit or loss:				
Interest income on plan assets	5	4	-	-
Contributions by employer	6	15	-	-
Benefits paid during the year	(4)	(3)	-	-
Translation adjustments	(9)	3	-	-
Fair value of plan assets at end of year	77	79	-	-

The amount of each major category constitutes of the fair value of the total plan assets are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Government bonds	45	47	-	-
Debentures	26	27	-	-
Others	6	5	-	-

The Group expects to pay Baht 76 million of long-term employee benefits during the next year (The Company only: Baht 11 million) (2021: Baht 75 million, the Company only: Baht 10 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit of the Group is 8 - 22 years (The Company only: 13 years) (2021: 9 - 22 years, the Company only: 14 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate	3.2 - 7.4	0.7 - 6.5	3.46	2.2
Future salary increase rates (depending on age)	2.5 - 8.5	2.0 - 8.5	2.5 - 7.0	2.0 - 8.0
Pension increase rate	2.3	1.5	-	-
Turnover rate	0.8 - 16.0	0.8 - 14.0	3.9 - 16.0	3.5 - 14.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	As at 31 December 2022							
	Consolidated				Separate			
	financial statements				financial statements			
	Increase		Decrease		Increase		Decrease	
0.5%-10%		0.5%-10%		1%-10%		1%-10%		
Discount rate	Decrease	92	Increase	101	Decrease	43	Increase	49
Future salary increase rates (depending on age)	Increase	48	Decrease	41	Increase	43	Decrease	38
Pension increase rate	Increase	42	Decrease	39	-	-	-	-
Turnover rate	Decrease	20	Increase	21	Decrease	19	Increase	20

(Unit: Million Baht)

	As at 31 December 2021							
	Consolidated				Separate			
	financial statements				financial statements			
	Increase		Decrease		Increase		Decrease	
0.5%-10%		0.5%-10%		1%-10%		1%-10%		
Discount rate	Decrease	123	Increase	139	Decrease	49	Increase	57
Future salary increase rates (depending on age)	Increase	60	Decrease	54	Increase	54	Decrease	48
Pension increase rate	Increase	64	Decrease	59	-	-	-	-
Turnover rate	Decrease	22	Increase	25	Decrease	19	Increase	20

21. Provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements	
	Warranty	Other	Total	Warranty	Total
		provisions			
Balance as at 1 January 2021	475	22	497	302	302
Recognition during year	259	56	315	155	155
Decrease during year	(39)	(5)	(44)	(38)	(38)
Reversal during year	(137)	(40)	(177)	(30)	(30)
Translation adjustment/unrealised loss on exchange rate	51	1	52	40	40
Balance as at 31 December 2021	609	34	643	429	429
Recognition during year	520	61	581	313	313
Decrease during year	(65)	(5)	(70)	(49)	(49)
Reversal during year	(224)	(44)	(268)	(63)	(63)
Translation adjustment/unrealised loss on exchange rate	16	(1)	15	8	8
Balance as at 31 December 2022	856	45	901	638	638
Short-term provisions	67	31	98	-	-
Long-term provisions	542	3	545	429	429
Balance as at 31 December 2021	609	34	643	429	429
Short-term provisions	-	45	45	-	-
Long-term provisions	856	-	856	638	638
Balance as at 31 December 2022	856	45	901	638	638

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.

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

23. Dividends

Dividends declared in 2022 and 2021 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 2021	Annual General Meeting of the shareholders on 1 April 2022	2,121	1.70
Final dividend for year 2020	Annual General Meeting of the shareholders on 31 March 2021	4,116	3.30

24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries, wages and other employee benefits	13,296	11,168	8,923	7,230
Raw materials used and purchase of finished goods	78,534	56,277	65,527	46,055
Changes in finished goods and work in progress	(3,332)	(2,659)	(1,107)	(1,966)
Depreciation	3,087	2,368	2,473	1,828
Amortisation	103	139	9	6
Commission expenses	887	614	1,157	861
Marketing fee	32	139	121	255
Design and engineering fee	310	131	2,712	2,168
Services paid	20	133	20	133
Royalty paid	3,678	2,888	3,678	2,888

25. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	(461)	(158)	(338)	(17)
Adjustment in respect of income tax of previous year	15	36	6	29
Deferred tax:				
Relating to origination and reversal of				
temporary differences	(36)	42	-	-
Translation adjustment	15	(18)	-	-
Tax income (expenses) reported in profit or loss	(467)	(98)	(332)	12

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Million Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	15,811	6,801	16,319	6,743
Income tax at Thai corporate income tax rate of 20%	(3,162)	(1,360)	(3,264)	(1,349)
Adjust in respect of income tax of previous years	15	36	6	29
Effect of elimination entries on the consolidated financial statements	(231)	(159)	-	-
Tax effect of:				
Difference in tax rates of overseas subsidiaries	(45)	(56)	-	-
Tax savings from the tax privileges granted by the government	2,853	1,488	2,852	1,480
Loss for the current year	(15)	(3)	-	-
Non-deductible expenses	-	(4)	-	-
Unrecognised deferred tax assets on temporary differences	(4)	(113)	(4)	(118)
Utilisation of previously unrecognised deferred tax asset on tax losses	66	36	-	-
Exemption of income	71	-	71	-
Write-down of previous deferred tax asset	(65)	-	-	-
Others	50	37	7	(30)
Total	2,911	1,385	2,926	1,332
Tax income (expenses) reported in profit or loss	(467)	(98)	(332)	12

The tax rates enacted at the end of the reporting period of the subsidiaries in overseas countries are 16.00% to 34.94%.

As at 31 December 2022 and 2021, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets				
Allowance for expected credit losses	28	26	-	-
Allowance for diminution in value of inventories	231	230	-	-
Provision for warranty	8	7	-	-
Tax loss brought forward	-	6	-	-
Others	53	79	-	-
Total	<u>320</u>	<u>348</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities				
Difference depreciation for tax purpose	139	131	-	-
Total	<u>139</u>	<u>131</u>	<u>-</u>	<u>-</u>

As at 31 December 2022 the Group has deductible temporary differences and unused tax losses totaling Baht 6,974 million, INR 69 million or approximately Baht 29 million and EUR 31 million or approximately Baht 1,124 million (2021: 5,183 million, INR 194 million or approximately Baht 87 million and EUR 41 million or approximately Baht 1,544 million). No deferred tax assets have been recognised on these amounts as the Company has been granted tax privileges by the Board of Investment and the subsidiaries have determined that they may not be able to utilise the deductible temporary difference and unused tax losses because they do not yet have any taxable profits and they are unable to estimate the benefit they would generate from utilisation of such deductible temporary difference and unused tax losses.

Detail of expiry date of unused tax losses are summarised as below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
The five-year limitation period				
31 December 2022	-	12	-	-
31 December 2023	12	2	-	-
31 December 2024	2	156	-	-
31 December 2027	1	-	-	-
The eight-year limitation period				
31 March 2022	-	23	-	-
31 March 2023	13	14	-	-
31 March 2024	15	16	-	-
No expiry date	<u>1,124</u>	<u>1,422</u>	<u>-</u>	<u>-</u>
Total	<u><u>1,167</u></u>	<u><u>1,645</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

As at 31 December 2022, the total amount of temporary differences associated with investments in subsidiaries for which deferred tax liability has not been recognised, is Baht 140 million (2021: Baht 370 million).

26. Promotional privileges

The Company was granted promotional privileges by the Board of Investment subject to certain significant conditions. Significant privileges of the Company are as follows:

Details	The Company							
	2061(1)/2553	1732(2)/2557	1158(2)/2558	1688(2)/2558	61-1505-1-00-1-0	63-0114-1-00-1-0	63-0340-1-00-1-0	64-1295-1-20-1-0
1. Certificate No.	2061(1)/2553	1732(2)/2557	1158(2)/2558	1688(2)/2558	61-1505-1-00-1-0	63-0114-1-00-1-0	63-0340-1-00-1-0	64-1295-1-20-1-0
2. Promotional privileges for	Manufacturing of telecommunication equipment and electronics products for vehicle	Manufacturing of electro - magnetic products	Manufacturing of electro - magnetic products	Manufacturing of DC FAN	Manufacturing of electro - magnetic products	Manufacturing of telecommunication equipment	Manufacturing of electric vehicle equipment	Manufacturing of Ventilation Fan.
3. The significant privileges are								
3.1 Exemption from corporate income tax for net income from the promoted operations and exemption from income tax on dividends paid from the income of the operations throughout the period in which the corporate income tax is exempted.	8 years	8 years (Maximum amount Baht 124,000,000)	7 years (Maximum amount Baht 155,000,000)	7 years (Maximum amount Baht 538,898,005)	4 years (Maximum amount Baht 1,572,170,000)	6 years (Maximum amount Baht 632,252,669)	13 years (Maximum amount Baht 1,547,250,000)	3 years (Maximum amount Baht 3,222,000)
3.2 Exemption from import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted	Granted	Granted	-
3.3 Exemption from import duty on raw materials and significant supplies used in export production.	-	Granted	Granted	Granted	Granted	Granted	Granted	Granted
3.4 A fifty percent reduction of the normal rate of corporate income tax on net earnings derived from the promoted activity for a period of five years after the expiration of the above corporate income tax exemption period.	Granted	-	-	-	-	-	-	-
3.5 Two times deduction of transportation, electricity and water supply for corporate income tax purpose for a period of ten years commencing as from the date of earning operating income.	Granted	-	-	-	-	-	-	-
3.6 Permission to deduct cost of public utilities at the rate of twenty-five percent in addition to normal depreciation charges.	Granted	-	-	-	-	-	-	-
4. Date of first earning operating income	10 January 2015	5 January 2018	5 January 2017	1 December 2017	24 February 2022	8 January 2020	Not yet commenced operation	27 July 2019
5. Additional right and benefit	-	Granted the additional tax incentive under the Skill, Technology and Innovation	Granted the additional tax incentive under the Skill, Technology and Innovation	-	-	-	-	-

The Company's operating revenues for the years ended 31 December 2022 and 2021, divided between promoted and non-promoted operations, are summarised below.

(Unit: Million Baht)

	Promoted operations		Non-promoted operations		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Separate financial statements</u>						
Sales and service income						
Domestic sales	1,085	425	506	440	1,591	865
Export sales	96,127	67,973	5,661	2,072	101,788	70,045
Service income	-	-	172	73	172	73
Total Sales and service income	<u>97,212</u>	<u>68,398</u>	<u>6,339</u>	<u>2,585</u>	<u>103,551</u>	<u>70,983</u>

Significant tax privileges which were granted to other subsidiary of the Company are as follows:

- On 20 March 2019, Delta Electronics India Pvt. Ltd. was granted tax privileges by the Government of India for operations in a special economic zone at Krishnagiri. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 15 years from the year in which the promoted operations commenced, ending on 31 March 2034.

27. Losses due to flooding

In August 2021, some of the Company's warehouses located in Bangpoo Industrial Estate in Samutprakarn province were affected by flooding, which resulted in property damage. The Company surveyed the damage and recorded losses due to flooding of Baht 393 million in the statement of comprehensive income for the third quarter of year 2021. This consisted of the damages to inventories amounting to approximately Baht 331 million, damages to fixed assets amounting to approximately Baht 19 million and other damages amounting to approximately Baht 43 million. The amount includes the full book value of the fixed assets that were damaged and need to be replaced.

On 31 March 2022, the Company received a letter from the insurer confirming the amount of the claims that will be paid for losses of assets amounting to USD 9.9 million or approximately THB 331 million. During the first quarter of the current year, the Company therefore recorded this amount as "Insurance claim receivable due to flooding" in the statement of financial position and as "Insurance compensation income due to flooding" in the statement of comprehensive income. However, the Company already received insurance compensation due to flooding in the second quarter of the current year.

28. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit attributable to equity holders of the Company (Million Baht)	15,345	6,699	15,986	6,755
Weighted average number of ordinary shares (Million shares)	1,247	1,247	1,247	1,247
Basic earnings per share (Baht)	12.30	5.37	12.82	5.42

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as president of the Group.

For management purposes, the Group is organised into business units based on its products and services and have 3 reportable segments such as: Power electronics segment, Infrastructure segment and Automation segment.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

	Power electronics segment ¹⁾		Infrastructure segment ²⁾		Automation segment ³⁾		Others		(Unit: Million Baht) Consolidated financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue										
Sales from external customers	91,106	61,350	23,194	19,727	2,872	1,868	39	49	117,211	82,994
Service income from external customers	146	19	991	958	137	230	73	117	1,347	1,324
Total revenue	<u>91,252</u>	<u>61,369</u>	<u>24,185</u>	<u>20,685</u>	<u>3,009</u>	<u>2,098</u>	<u>112</u>	<u>166</u>	<u>118,558</u>	<u>84,318</u>
Segment profit (loss)	14,380	5,339	1,911	1,537	128	(81)	(1,926)	(872)	14,493	5,923
Unallocated income (expenses):										
Gain on exchange rate									450	1,018
Insurance compensation income due to flooding									331	-
Other income									547	442
Losses due to flooding									-	(393)
Other expenses									(55)	(239)
Finance income									66	54
Finance cost									(20)	(4)
Profit before income tax expenses									15,812	6,801
Income tax expenses for the year									(467)	(98)
Profit for the year									<u>15,345</u>	<u>6,703</u>

1) The 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, DES product, Automotive electronic product, Fan and thermal product, Adaptor product for industrial and private consumer, Solenoid and EMI filters etc.

2) 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.

3) 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.

Geographic information:

Revenue from external customers is based on locations of the customers

	(Unit: Million Baht)	
	<u>2022</u>	<u>2021</u>
United States	38,597	29,044
China	15,818	12,869
Germany	9,658	6,873
India	8,741	7,257
Netherlands	6,043	1,938
Singapore	5,094	5,336
Mexico	4,608	339
Taiwan	3,501	2,475
Ireland	3,093	5,391
Others	23,405	12,796
Total	<u>118,558</u>	<u>84,318</u>

Non-current assets (Other than financial instruments, deferred tax assets and net defined benefit assets)

	(Unit: Million Baht)	
	<u>2022</u>	<u>2021</u>
Thailand	14,434	11,258
India	6,485	5,816
Slovakia	2,011	1,735
Germany	927	983
Others	137	156
Total	<u>23,994</u>	<u>19,948</u>

Major customer

For the years 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

30. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly, at rates of 5 - 10 percent of basic salary (2021: 5 - 10 percent of basic salary). The fund, which is managed by TMBThanachart Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 162 million (2021: Baht 132 million) were recognised as expenses.

The provident funds of the subsidiaries and their employees have been established in accordance with each subsidiary's policies and the law of its country of domicile.

31. Commitments and contingent liabilities

31.1 Significant capital commitments

As at 31 December 2022, the Group had significant capital commitments amounting to Baht 3,233 million, EUR 8 million or approximately Baht 309 million and INR 2,484 million or approximately Baht 1,039 million in respect of the building construction, purchase of machinery and equipment (2021: Baht 314 million, EUR 5 million or approximately Baht 190 million and INR 3,890 million or approximately Baht 1,738 million) (The Company only: Baht 3,233 million, 2021: Baht 313 million).

31.2 Significant long-term service commitments

31.2.1 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.

31.2.2 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.

31.3 Guarantee obligations

As at 31 December 2022, the Group had the following significant outstanding letters of guarantee required in the ordinary course of their businesses:

- 31.3.1 Outstanding letters of guarantee totaling approximately Baht 389 million (2021: Baht 380 million) have been issued by banks to meet requirements of the Company (including a letter of guarantee for approximately Baht 335 million (2021: Baht 335 million) issued by banks to meet obligations of the Company to the Revenue Department in relation to the tax assessment mentioned in Note 31.4.1 to the financial statements).
- 31.3.2 Outstanding letters of guarantee for totals of approximately INR 1,341 million or approximately Baht 561 million, EUR 0.5 million or approximately Baht 20 million, AUD 1 million or approximately Baht 31 million have been issued by banks to meet requirements of the subsidiaries (2021: INR 1,410 million or approximately Baht 630 million, EUR 0.3 million or approximately Baht 13 million, AUD 1 million or approximately Baht 24 million).

31.4 Tax assessment

- 31.4.1 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.

- 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.

The Company has recorded provisions totaling approximately Baht 258 million (including penalties and surcharges) for the tax assessments under the caption of “Liabilities and provision from tax assessments” in the statement of financial position.

- 31.4.2 The Indian tax authorities assessed corporate income tax of approximately INR 333 million or approximately Baht 139 million, covering the years 2012 - 2020, and sales tax and excise duties of approximately INR 116 million or approximately Baht 49 million, covering the years 2014 - 2017, 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.

32. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had certain assets and liabilities that were measured at fair value or for which fair value were disclosed using different levels of inputs (as mentioned in Note 4.19 to the financial statements) as follows:

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2022				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Foreign currency forward contracts	-	582	-	582
Assets for which fair value are disclosed				
Investment properties (Note 12)	-	-	233	233

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2021				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Foreign currency forward contracts	-	32	-	32
Liabilities measured at fair value				
Foreign currency forward contracts	-	18	-	18
Assets for which fair value are disclosed				
Investment properties (Note 12)	-	-	241	241

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Foreign currency forward contracts	-	578	-	578

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Foreign currency forward contracts	-	32	-	32
Liabilities measured at fair value				
Foreign currency forward contracts	-	16	-	16

33. Financial instruments

33.1 Derivatives

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Derivative assets				
Derivative assets not designated as hedging instruments				
- Foreign currency forward contracts	582	32	578	32
Total derivative assets	<u>582</u>	<u>32</u>	<u>578</u>	<u>32</u>
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
- Foreign currency forward contracts	-	18	-	16
Total derivative liabilities	<u>-</u>	<u>18</u>	<u>-</u>	<u>16</u>

Derivatives not designated as hedging instruments

The Group uses foreign currency forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 - 4 months.

33.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, other accounts receivable, investments, short-term loans from financial institutions and long-term loans from related party. The financial risks associated with these financial instruments and how they are managed is described below.

Credit Risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, other accounts receivable, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments, customer type and rating, and coverage by letters of credit and other forms of credit insurance.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into derivatives, in the form of foreign currency forward contracts, in order to hedge the foreign currency risk arising on the export or import of goods.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. Mostly the Group seeks to reduce this risk by entering into foreign currency forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2022 and 2021, the balances of the financial assets and financial liabilities denominated in foreign currencies are summarised below:

(Unit: Million foreign currency unit)

Foreign currency	As at 31 December							
	Consolidated financial statements				Separate financial statements			
	Financial assets		Financial liabilities		Financial assets		Financial liabilities	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
US dollar	441	339	506	432	843	628	509	426
Euro	12	9	7	6	12	9	17	8
Japanese yen	162	206	520	448	106	206	530	437

(Unit: Baht per 1 foreign currency unit)

Foreign currency	Average exchange rate as at 31 December	
	<u>2022</u>	<u>2021</u>
US dollar	34.5624	33.4199
Euro	36.8274	37.8948
Japanese yen	0.2609	0.2906

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar, Euro and Japanese yen exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2022		2021	
	Change in	Effect on profit	Change in	Effect on profit
	FX rate	before tax	FX rate	before tax
	(%)	(Million Baht)	(%)	(Million Baht)
US dollar	+6	137	+6	187
	-6	(137)	-6	(187)
Euro	+9	18	+5	6
	-9	(18)	-5	(6)
Japanese yen	+8	7	+2	1
	-8	(7)	-2	(1)

This information is not a forecast or prediction of future market conditions and should be used with care.

As at 31 December 2022 and 2021, the outstanding forward contracts are summarised below.

Consolidated financial statements						
As at 31 December 2022						
	Amount		Forward rate			Maturity date
Forward contracts to "Sell"						
USD/THB	USD	358 million	34.2150 - 38.0600		THB/USD	January - April 2023
Forward contracts to "Buy"						
USD/INR	USD	23 million	81.7100 - 83.3800		INR/USD	January - March 2023
JPY/THB	JPY	290 million	0.2570 - 0.2632		THB/JPY	January - March 2023
Consolidated financial statements						
As at 31 December 2021						
	Amount		Forward rate			Maturity date
Forward contracts to "Sell"						
USD/THB	USD	174 million	32.7230 - 33.9830		THB/USD	January - April 2022
Forward contracts to "Buy"						
USD/INR	USD	10 million	74.5350 - 76.2950		INR/USD	January - February 2022
JPY/THB	JPY	90 million	0.2883 - 0.2975		THB/JPY	January - February 2022
Separate financial statements						
As at 31 December 2022						
	Amount		Forward rate			Maturity date
Forward contracts to "Sell"						
USD/THB	USD	358 million	34.2150 - 38.0600		THB/USD	January - April 2023
Forward contracts to "Buy"						
JPY/THB	JPY	290 million	0.2570 - 0.2632		THB/JPY	January - March 2023
Separate financial statements						
As at 31 December 2021						
	Amount		Forward rate			Maturity date
Forward contracts to "Sell"						
USD/THB	USD	174 million	32.7230 - 33.9830		THB/USD	January - April 2022
Forward contracts to "Buy"						
JPY/THB	JPY	90 million	0.2883 - 0.2975		THB/JPY	January - February 2022

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash deposits with financial institutions, short-term loans from financial institutions and long-term loans from related party. Most of the Group's financial assets and financial liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2022 and 2021, significant financial assets and financial liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2022							
	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	418	-	-	8,082	1,642	10,142	0.00 - 5.75
Trade and other receivables	-	-	-	-	28,132	28,132	-
Derivative assets	-	-	-	-	582	582	-
Deposits at bank with restrictions	32	-	-	-	2	34	0.00 - 6.50
Total	450	-	-	8,082	30,358	38,890	
Financial liabilities							
Short-term loans from financial institutions	945	-	-	-	-	945	7.91 - 8.62
Trade and other payables	-	-	-	-	30,202	30,202	-
Long-term loans from related party	-	795	-	-	-	795	0.20
Total	945	795	-	-	30,202	31,942	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2021

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within	1 - 5 years	Over	interest	Non-interest		
	1 year		5 years	rate	bearing		
Financial assets							
Cash and cash equivalents	664	-	-	3,587	2,321	6,572	0.00 - 8.00
Trade and other receivables	-	-	-	-	20,593	20,593	-
Derivative assets	-	-	-	-	32	32	-
Deposits at bank with restrictions	-	35	-	1	1	37	0.00 - 6.50
Total	664	35	-	3,588	22,947	27,234	
Financial liabilities							
Short-term loans from financial institutions	1,594	-	-	-	-	1,594	0.88 - 5.45
Trade and other payables	-	-	-	-	22,049	22,049	-
Derivative liabilities	-	-	-	-	18	18	-
Long-term loans from related party	-	368	-	-	-	368	0.20
Total	1,594	368	-	-	22,067	24,029	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2022

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within	1 - 5 years	Over	interest	Non-interest		
	1 year		5 years	rate	bearing		
Financial assets							
Cash and cash equivalents	-	-	-	5,833	2	5,835	0.00 - 1.75
Trade and other receivables	-	-	-	-	29,112	29,112	-
Short-term loans to related parties	100	-	-	-	-	100	2.40
Derivative assets	-	-	-	-	578	578	-
Total	100	-	-	5,833	29,692	35,625	
Financial liabilities							
Trade and other payables	-	-	-	-	24,828	24,828	-
Total	-	-	-	-	24,828	24,828	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2021

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within	Over		interest	Non-interest		
	1 year	1 - 5 years	5 years	rate	bearing		
Financial assets							
Cash and cash equivalents	-	-	-	1,534	2	1,536	0.00 - 0.45
Trade and other receivables	-	-	-	-	21,200	21,200	-
Derivative assets	-	-	-	-	32	32	-
Total	-	-	-	1,534	21,234	22,768	
Financial liabilities							
Short-term loans from financial institutions	1,497	-	-	-	-	1,497	0.88 - 0.96
Trade and other payables	-	-	-	-	18,627	18,627	-
Derivative liabilities	-	-	-	-	16	16	-
Total	1,497	-	-	-	18,643	20,140	

Most of the interest rates related to cash deposits with financial institutions and loans are floating interest rates or fixed interest rates that are close to the market rate. In addition, the interest rates on savings accounts are considered low and fluctuate only slightly and most of the loans are short-term loans due for repayment less than 1 year. As a result, the Group believes that the Group's exposure to interest rate risk on cash deposits with financial institutions and loans is not material.

Liquidity risk

Approximately 90% of the Group's debt will mature in less than one year at 31 December 2022 (2021: 89%) (the Company only: 96%, 2021: 96%) The Group has assessed the liquidity risk and concluded it to be low. The Group believes that it has ability to pay its debts and accessibility to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	945	-	-	945
Trade and other payables	-	30,202	-	30,202
Lease liabilities	-	66	136	202
Long-term loans from related party	-	-	795	795
Total non-derivatives	945	30,268	931	32,144

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	1,497	97	-	1,594
Trade and other payables	-	22,049	-	22,049
Lease liabilities	-	75	144	219
Long-term loans from related party	-	-	368	368
Total non-derivatives	1,497	22,221	512	24,230
Derivatives				
Derivative liabilities: net settled	-	18	-	18
Total derivatives	-	18	-	18

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	Total
Non-derivatives				
Trade and other payables	-	24,828	-	24,828
Lease liabilities	-	1	-	1
Total non-derivatives	-	24,829	-	24,829

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2021			
	On demand	Less than 1 year	1 to 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	1,497	-	-	1,497
Trade and other payables	-	18,627	-	18,627
Lease liabilities	-	4	1	5
Total non-derivatives	1,497	18,631	1	20,129
Derivatives				
Derivative liabilities: net settled	-	16	-	16
Total derivatives	-	16	-	16

33.3 Fair values of financial instruments

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 values are not expected to be materially different from the amounts presented in the statements of financial position.

For derivatives, the fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

34. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2022, the Group's debt-to-equity ratio was 0.66:1 (2021: 0.67:1) and the Company's was 0.50:1 (2021: 0.53:1).

35. Events after the reporting period

On 15 February 2023, the Company's Board of Directors' meeting passed a resolution to propose the following matters to the Annual General Meeting of shareholders:

- 1) Approve a dividend payment of Baht 4.00 per share, a total of Baht 4,990 million. The dividend will be paid from the Company's operating results for the year 2022.
- 2) Approve a change in the par value of the Company's shares from Baht 1 per share to Baht 0.10 per share, thus increasing the number of ordinary shares comprising the registered share capital and the issued and paid-up share capital from 1,259,000,000 and 1,247,381,614 ordinary shares, to 12,590,000,000 and 12,473,816,140 ordinary shares, respectively.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 15 February 2023.