

DELTA ELECTRONICS

THAILAND / ELECTRONIC COMPONENT

DELTA TB

HOLD

UNCHANGED

TARGET PRICE	THB172.00
CLOSE	THB162.00
UP/DOWNSIDE	+6.2%
PRIOR TP	THB197.00
CHANGE IN TP	-12.7%
TP vs CONSENSUS	-10.0%

Growth with softer momentum

- 4Q25 revenue growth may be below prior expectations due to raw material constraints and slower new product orders.
- AI remains strong, but EV weakness and a stronger baht weigh more than expected.
- Maintain HOLD with a lower target price of THB172.

4Q25 revenue growth may come in below prior expectations

We expect 4Q25 revenue of USD1.85b (+12.0% q-q, +54.3% y-y), representing solid growth but below our prior forecast. Key factors include; 1) tight supply conditions in semiconductor active components, which may limit the company's ability to fulfill large-batch orders; 2) stronger-than-expected orders from Delta Taiwan, largely concentrated in the non-automotive segment, where DELTA's production capacity remains insufficient; and 3) new AI products being postponed to 1Q26 as customer audit processes took longer than anticipated. In addition, EV revenue continues to weaken across both the US and EU markets, while a stronger baht further weighs on reported figures. As a result, we expect 4Q25 revenue in baht terms to grow 11.9% q-q and 42.6% y-y. Overall growth remains solid, albeit below our previous expectations.

Core profit is expected to grow q-q and y-y

Given baht appreciation and the potential for inventory provisions in the EV segment, we forecast a 4Q25 gross margin of 27.0%, down from 28.3% in 3Q25 but still above 24.9% in 4Q24. We expect SG&A to sales to remain flat q-q. Consequently, we project 4Q25 core profit at THB6.63b (+3.7% q-q, +56.6% y-y). However, its net profit is likely to decline 10.9% q-q following a record high of THB7.44b in 3Q25. We therefore estimate 2025E core profit at THB22.5b (+11.7% y-y). That said, 4Q typically includes special accounting items and elevated one-off expenses, which could pose downside risk to our forecast.

AI remains strong, while EV and FX are revised down

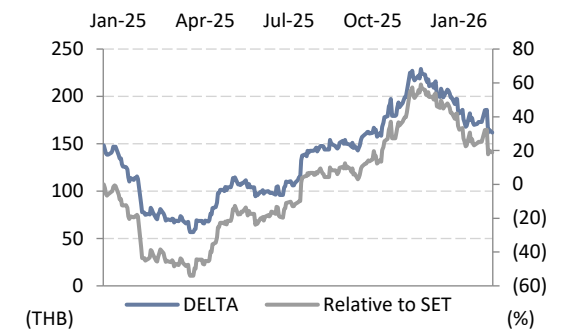
DELTA maintains 2026 revenue growth of 15–20% y-y, led by data center growth of 40–50% y-y, while the EV outlook appears weaker than previously expected. We expect 1Q26 earnings momentum remains solid, with initial revenue from the Liquid Cooling System starting in 1Q26. Raw material conditions are expected to remain stable q-q. However, we lower our FX to THB32/USD (from 33) and EV revenue forecasts, leading us to cut 2026-27E net profit by 11–12%.

Maintain HOLD with lower TP to THB172

We lower our TP to THB172, based on PE of 71x (+1.0 SD). The share price has declined 16% over the past month following a large block sale by Delta Taiwan to institutional investors. We maintain our HOLD rating due to still-demanding valuation, and recommend cautious trading for risk-tolerant investors. Nonetheless, we remain positive on the medium- to long-term AI growth outlook and believe the DELTA group remains well positioned to adapt to emerging technologies.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	164,733	199,962	235,107	273,704
Net profit	18,939	24,170	30,375	36,333
EPS (THB)	1.52	1.94	2.44	2.91
vs Consensus (%)	-	5.2	(7.2)	(14.3)
EBITDA	27,723	33,809	42,515	49,822
Recurring net profit	20,164	22,514	30,375	36,333
Core EPS (THB)	1.62	1.80	2.44	2.91
Chg. In EPS est. (%)	-	(3.1)	(12.1)	(11.0)
EPS growth (%)	17.2	11.7	34.9	19.6
Core P/E (x)	100.2	89.8	66.5	55.6
Dividend yield (%)	0.3	0.4	0.5	0.5
EV/EBITDA (x)	72.4	59.6	47.2	40.1
Price/book (x)	25.3	20.7	17.1	14.1
Net debt/Equity (%)	(17.8)	(6.8)	(13.6)	(16.4)
ROE (%)	27.3	25.4	28.2	27.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(11.0)	(9.7)	3.5
Relative to country (%)	(10.1)	(6.5)	14.0
Mkt cap (USD m)	64,679		
3m avg. daily turnover (USD m)	75.5		
Free float (%)	0		
Major shareholder Delta Electronics International (Singapore) Pte Ltd (43%)			
12m high/low (THB)	232.00/51.25		
Issued shares (m)	12,473.82		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

DELTA targets 2026 revenue growth of 15–20%, with medium- to long-term guidance of 10–15% average annual growth. Growth will be driven mainly by the Data Center segment, both AI and non-AI. For AI, we expect revenue over the next five years to grow in line with the industry average of around 37% CAGR. The non-AI Data Center outlook also looks increasingly positive, supported by investment themes in Thailand, Vietnam, and the Philippines, where DELTA has already started to secure a customer pipeline, in addition to current tailwinds from Data Center expansion projects in Malaysia.

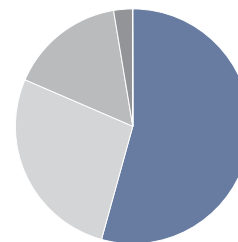
Company profile

DELTA is an electronics manufacturer and exporter of power supplies and electronic components comprising cooling fans, EMI filters, and solenoids. Key power management products consist of switching power supplies, EV chargers, DC-DC converters, and solar inverters. Its operations cover regions such as Asia, Europe, and South America. In 2024, its revenue contribution came mainly from power electronics at 54.3%, with mobility/infrastructure/automation at 27.2%/15.9%/2.6%, respectively.

www.deltathailand.com

Principal activities (revenue, 2024)

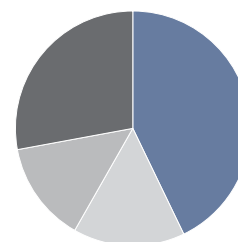
- Power electronics - 54.3 %
- Mobility - 27.2 %
- Infrastructure - 15.9 %
- Automation - 2.6 %
- Others - 0.0 %



Source: Delta Electronics

Major shareholders

- Delta Electronics International (Singapore) Pte Ltd - 42.9 %
- Delta International Holding Limited - 15.4 %
- Delta Electronics Inc. - 13.9 %
- Others - 27.9 %



Source: Delta Electronics

Catalysts

Potential catalysts for DELTA's earnings growth in 2026 are 1) purchase order growth from EV power supporting a capacity expansion; 2) a recovery in data centers and fans; 3) lower raw material costs and an absence of inventory provisions; and 4) successful market expansion.

Risks to our call

Downside and upside risks to our P/E-based TP include 1) a lower or higher-than-expected global EV and AI-related sales growth; 2) a lower or higher-than-expected in raw material costs; and 3) a stronger or weaker-than-expected THB.

Event calendar

Date	Event
13 February 2026	4Q25 results announcement
16 February 2026	4Q25 analyst meeting

Key assumptions

	2026E	2027E	2028E
Power electronics (USD m)	4,928	5,914	7,392
Mobility (USD m)	1,037	1,120	1,232
Infrastructure (USD m)	1,208	1,328	1,461
Automation (USD m)	162	178	196
Total revenue (USD m)	7,347	8,553	10,295
Gross margin (%)	27.8	28.2	28.7

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in USD revenue, we estimate 2026 net profit to rise by 0.9%, and vice versa, all else being equal.
- For every THB1/USD increase, we estimate 2026 net profit to fall by 6.5%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2026 net profit to rise by 3.4%, and vice versa, all else being equal.
- For every 0.2% increase in SG&A, we estimate 2026 net profit to fall by 1.8%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: DELTA – 4Q25 earnings preview

	4Q24	1Q25	2Q25	3Q25	4Q25E	----- Change -----		2024	2025E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales	41,747	42,736	44,490	53,214	59,522	11.9	42.6	164,733	199,962	21.4
Cost of sales	31,368	31,809	33,381	38,129	43,451	14.0	38.5	123,233	146,770	19.1
Gross profit	10,379	10,927	11,109	15,085	16,071	6.5	54.8	41,500	53,192	28.2
SG&A	6,160	5,227	6,011	7,580	8,452	11.5	37.2	21,753	27,271	25.4
Operating profit	4,219	5,700	5,098	7,504	7,619	1.5	80.6	19,747	25,921	31.3
Interest expense	81	18	12	7	7	5.2	(91.4)	167	45	(73.3)
Tax expense	249	784	768	1,289	1,152	(10.7)	362.9	654	4,012	513.6
Other gain (Loss)	(2078)	503	103	1,164	0	nm	nm	(1225)	1,770	nm
Reported net profit	2,155	5,488	4,629	7,441	6,630	(10.9)	207.6	18,939	24,170	27.6
Core profit	4,233	4,985	4,613	6,392	6,630	3.7	56.6	20,164	22,514	11.7

Key Ratios (%)						(ppt)	(ppt)			(ppt)
Gross margin	24.9	25.6	25.0	28.3	27.0	(1.3)	2.1	25.2	26.6	1.4
SG&A to sales	14.8	12.2	13.5	14.2	14.2	(0.0)	(0.6)	13.2	13.6	0.4
Operating margin	10.1	13.3	11.5	14.1	12.8	(1.3)	2.7	12.0	13.0	1.0
Net margin	5.2	12.8	10.4	14.0	11.1	(2.8)	6.0	11.5	12.1	0.6
Core margin	10.1	11.7	10.4	12.0	11.1	(0.9)	1.0	12.2	11.3	(1.0)

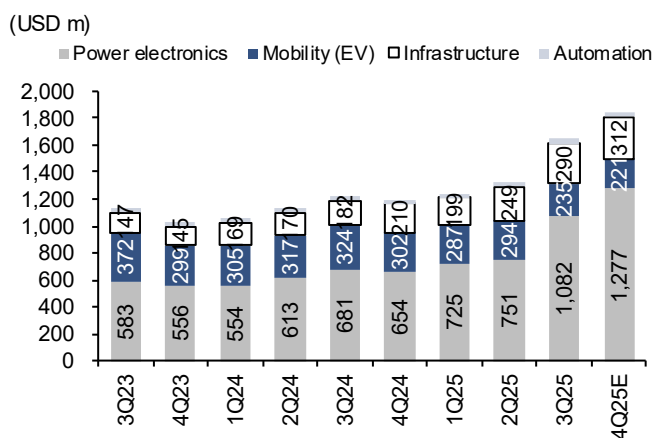
Operating Statistics										
THB total revenue (THB m)	41,747	42,736	44,490	53,214	59,522	11.9	42.6	164,733	199,962	21.4
FX rate (THB/USD)	34.0	34.0	33.3	32.3	32.2	(0.3)	(5.3)	35.3	32.9	0.9
USD total revenue (USD m)	1,199	1,245	1,334	1,652	1,850	12.0	54.3	4,604	6,081	32.1

Revenue by segment (USD m)										
Power Electronics	654	725	751	1,082	1,277	18.0	95.3	2,503	3,835	14.7
Mobility	302	287	294	235	221	(6.0)	(26.8)	1,248	1,037	5.9
Infrastructure	210	199	249	290	312	7.6	48.6	731	1,050	15.5
Automation	32	33	37	40	37	(7.5)	15.6	119	147	8.2

Revenue contribution (%)										
Power Electronics	54.5	58.2	56.3	65.5	69.0	3.5	14.5	54.4	63.1	8.7
Mobility	25.2	23.1	22.0	14.2	11.9	(2.3)	(13.2)	27.1	17.1	(10.1)
Infrastructure	17.5	16.0	18.7	17.6	16.9	(0.7)	(0.7)	15.9	17.3	1.4
Automation	2.7	2.7	2.8	2.4	2.0	(0.4)	(0.7)	2.6	2.4	(0.2)

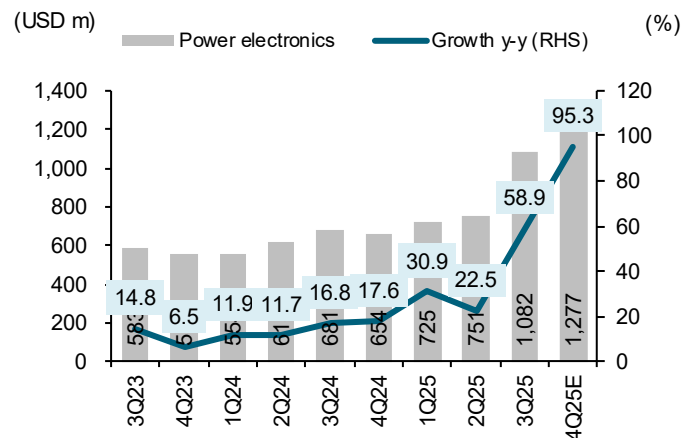
Sources: DELTA, FSSIA estimates

Exhibit 2: Quarterly revenue breakdown by segment



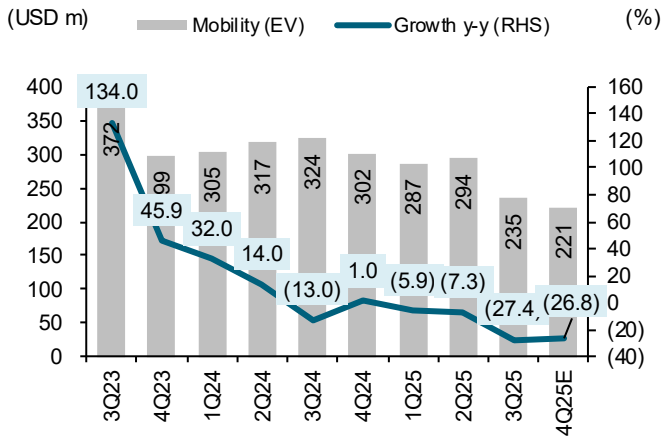
Sources: DELTA, FSSIA estimates

Exhibit 3: Quarterly revenue from power electronics (incl. AI)



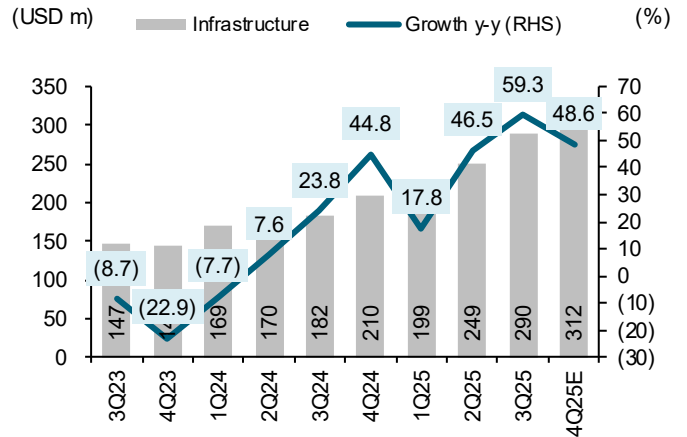
Sources: DELTA, FSSIA estimates

Exhibit 4: Quarterly revenue from mobility (EV)



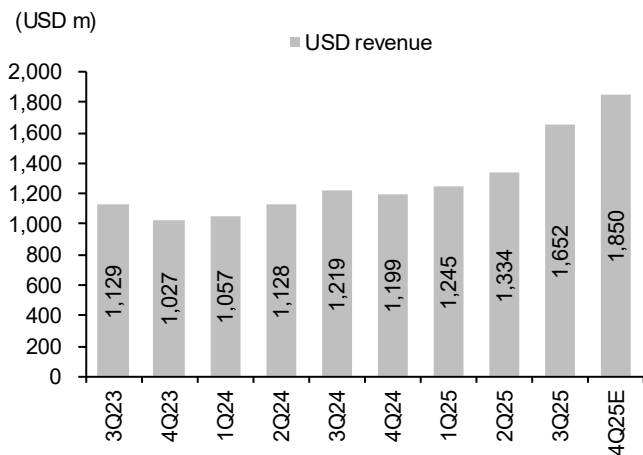
Sources: DELTA, FSSIA estimates

Exhibit 5: Quarterly revenue from infrastructure



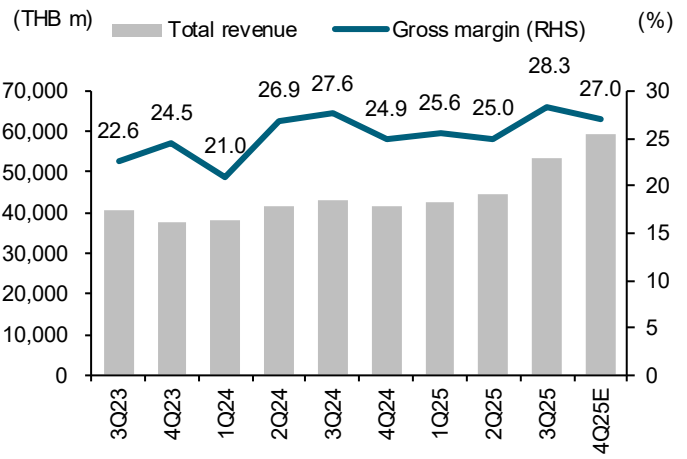
Sources: DELTA, FSSIA estimates

Exhibit 6: Quarterly USD revenue



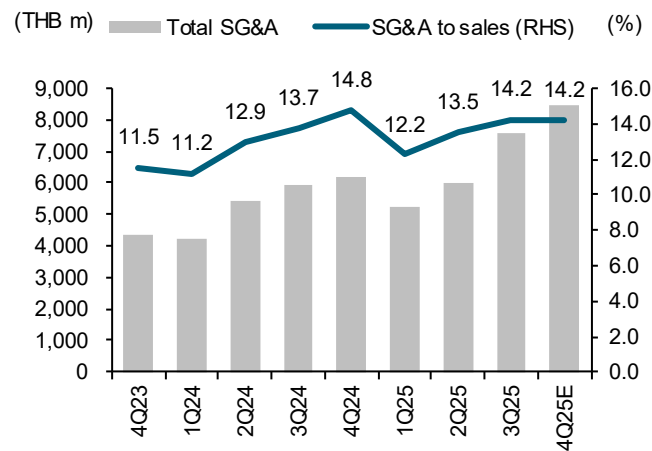
Sources: DELTA, FSSIA estimates

Exhibit 7: Quarterly total revenue and gross margin



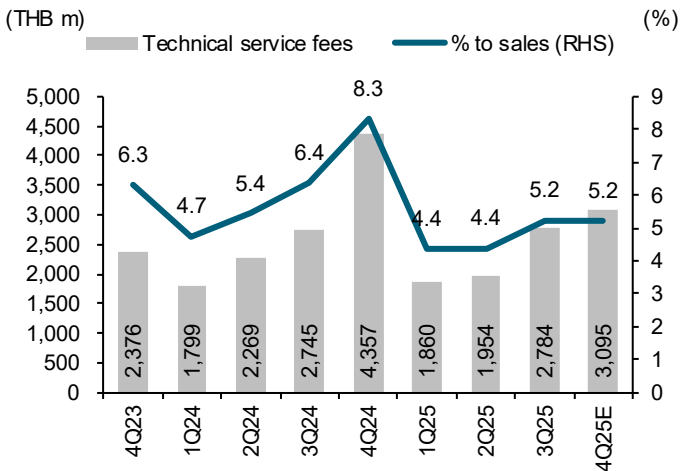
Sources: DELTA, FSSIA estimates

Exhibit 8: Quarterly SG&A to sales



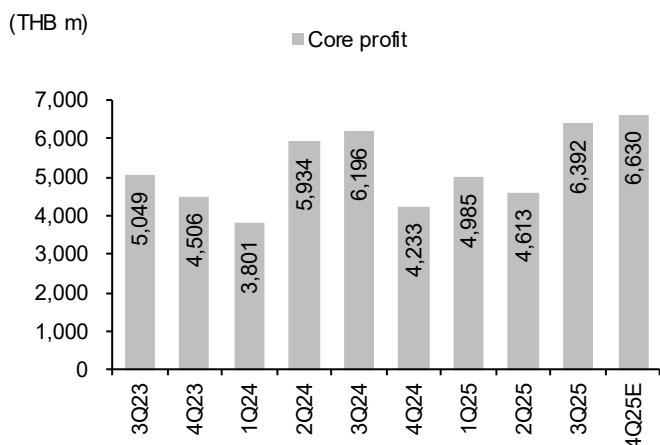
Sources: DELTA, FSSIA estimates

Exhibit 9: Quarterly technical service fees to Delta Taiwan



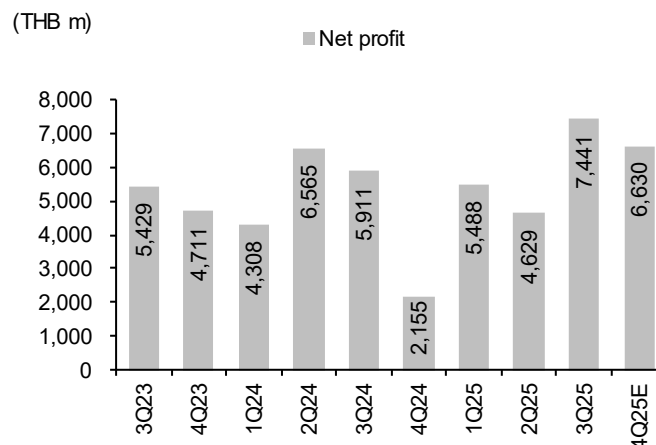
Sources: DELTA, FSSIA estimates

Exhibit 10: Quarterly core profit



Sources: DELTA, FSSIA estimates

Exhibit 11: Quarterly net profit



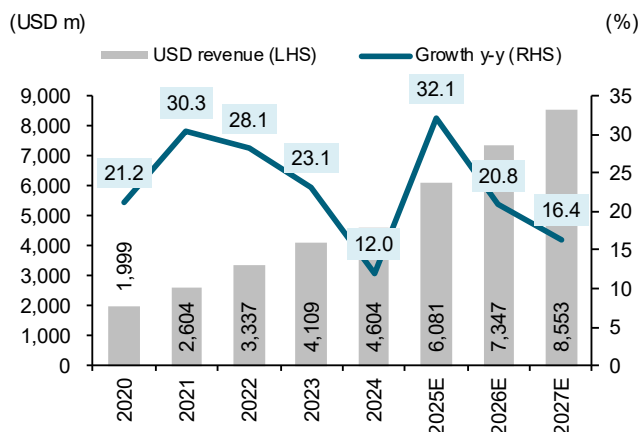
Sources: DELTA, FSSIA estimates

Exhibit 12: Changes in key assumptions for DELTA

	Current			Previous			Change		
	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Total sales value (THB m)	199,962	235,107	273,704	204,840	250,423	291,590	(2.4)	(6.1)	(6.1)
Costs	146,770	169,747	196,519	150,332	179,052	207,816	(2.4)	(5.2)	(5.4)
Gross profit	53,192	65,360	77,185	54,508	71,371	83,774	(2.4)	(8.4)	(7.9)
SG&A expense	27,271	31,739	36,950	28,043	33,807	39,365	(2.8)	(6.1)	(6.1)
Interest expense	45	63	60	45	63	60	0.0	0.0	0.0
Reported net profit	24,170	30,375	36,333	24,891	34,550	40,830	(2.9)	(12.1)	(11.0)
Core profit	22,514	30,375	36,333	23,236	34,550	40,830	(3.1)	(12.1)	(11.0)
Key Ratios (%)									
Total revenue growth	21.4	17.6	16.4	24.3	22.3	16.4	(3.0)	(4.7)	(0.0)
Net profit growth	27.6	25.7	19.6	31.4	38.8	18.2	(3.8)	(13.1)	1.4
Core profit growth	11.7	34.9	19.6	15.2	48.7	18.2	(3.6)	(13.8)	1.4
Gross margin	26.6	27.8	28.2	26.6	28.5	28.7	(0.0)	(0.7)	(0.5)
SG&A to sales	13.6	13.5	13.5	13.7	13.5	13.5	(0.1)	0.0	0.0
Net margin	12.1	12.9	13.3	12.2	13.8	14.0	(0.1)	(0.9)	(0.7)
Core margin	11.3	12.9	13.3	11.3	13.8	14.0	(0.1)	(0.9)	(0.7)
Effective tax rate	14.2	12.5	12.5	14.4	12.5	12.5	(0.2)	0.0	0.0
Operating Statistics									
Total revenue (USD m)	6,081	7,347	8,553	6,230	7,589	8,836	(2.4)	(3.2)	(3.2)
FX rate (THB/USD)	32.9	32.0	32.0	32.9	33.0	33.0	0.0	(3.0)	(3.0)
Power electronics (USD m)	3,835	4,928	5,914	3,978	5,112	6,134	(3.6)	(3.6)	(3.6)
Infrastructure (USD m)	1,050	1,208	1,328	1,050	1,208	1,328	0.0	0.0	0.0
Automation (USD m)	147	162	178	147	162	178	0.0	0.0	0.0

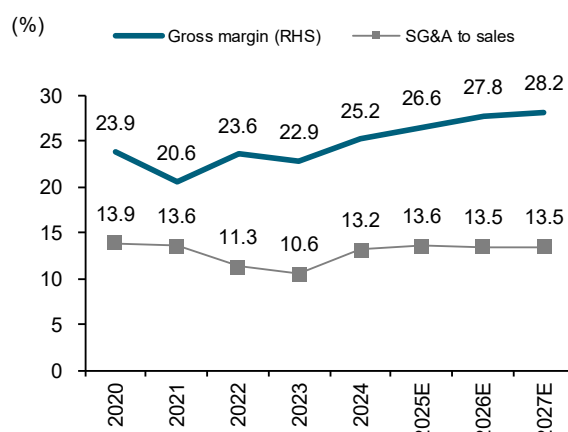
Source: FSSIA estimates

Exhibit 13: Yearly USD revenue and growth



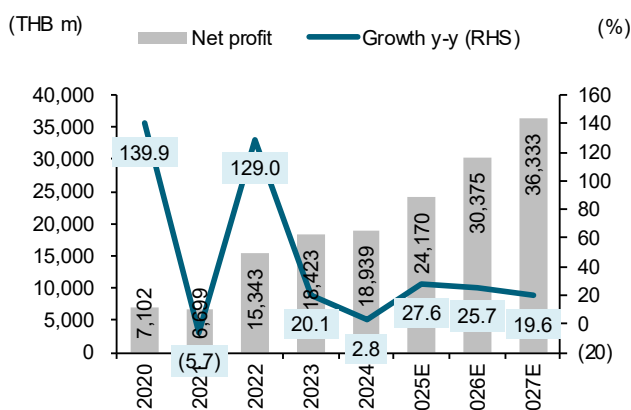
Sources: DELTA; FSSIA estimates

Exhibit 14: Yearly gross margin and SG&A to sales



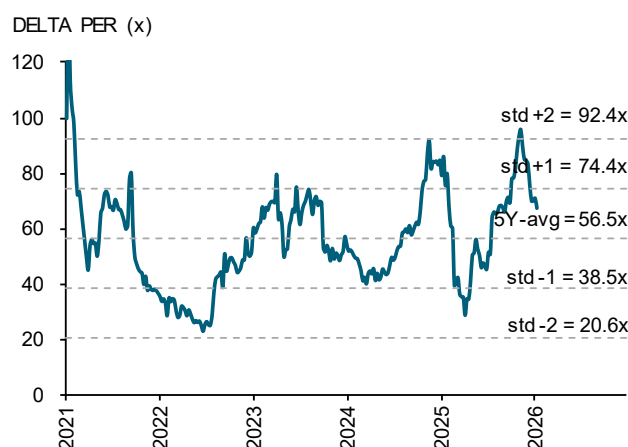
Sources: DELTA; FSSIA estimates

Exhibit 15: Yearly net profit and growth



Sources: DELTA; FSSIA estimates

Exhibit 16: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 17: Peers comparison as of 12 Jan 2026

Company	BBG	Rec	Share price			Market Cap (USD m)	PE		ROE		PBV		EV/EBITDA	
			Current (LCY)	Target (LCY)	Upside (%)		25E (x)	26E (x)	25E (%)	26E (%)	25E (x)	26E (x)	25E (x)	26E (x)
Thailand														
Delta Electronics (Thailand)*	DELTA TB	HOLD	162.00	172.00	6	64,679	89.8	66.5	25.4	28.2	20.7	17.1	59.6	47.2
KCE Electronics*	KCE TB	HOLD	17.40	27.00	55	658	21.4	14.1	7.0	10.7	1.5	1.5	9.2	7.3
Hana Microelectronics*	HANA TB	HOLD	15.60	18.00	15	442	29.1	14.5	1.7	3.4	0.5	0.5	1.4	1.1
SVI	SVI TB	n/a	7.30	n/a	n/a	503	22.7	15.8	7.9	11.8	2.0	1.8	14.5	11.3
Cal-Comp Electronics	CCET TB	n/a	4.48	n/a	n/a	1,497	21.0	14.8	8.6	11.9	1.8	1.7	10.8	9.0
Thailand average						67,779	36.8	25.2	10.1	13.2	5.3	4.5	19.1	15.1
Regional														
Delta Electronics (Taiwan)	2308 TT	n/a	1,055.00	n/a	n/a	86,626	44.2	30.9	23.7	28.8	10.4	8.6	24.8	18.6
China Leadshine Technology	002979 CH	n/a	44.99	n/a	n/a	2,027	53.6	42.3	15.4	18.0	8.6	7.5	45.2	33.6
Suplet Power	300593 CH	n/a	36.08	n/a	n/a	2,807	1,030.9	95.4	-0.617	7.62	7.9	7.4	98.8	46.6
Polycab India	POLYCAB IN	n/a	7,629.00	n/a	n/a	12,735	42.9	37.0	24.2	23.3	9.6	8.0	29.6	25.5
Qingdao Yunlu Advanced	688190 CH	n/a	104.23	n/a	n/a	1,794	31.9	26.8	13.4	14.2	4.46	3.94	26.7	23.6
TDG Holdings	600330 CH	n/a	14.34	n/a	n/a	2,537	65.2	55.2	3.0	3.4	2.1	2.1	28.2	24.7
Shenzhen Megmeet Electrical	002851 CH	n/a	99.46	n/a	n/a	7,846	136.2	64.4	6.4	11.9	8.5	7.7	84.6	45.2
Nexans	NEX FP	n/a	125.60	n/a	n/a	6,265	14.2	15.1	22.4	15.5	2.5	2.2	6.6	6.5
Furukawa Electric	5801 JP	n/a	10,015.00	n/a	n/a	4,483	18.7	15.7	11.2	11.4	1.9	1.7	10.7	9.4
Regional average						127,119	159.7	42.5	13.2	14.9	6.2	5.5	39.5	26.0
Global														
Nvidia	NVDA US	n/a	184.86	n/a	n/a	4,492,098	39.5	23.9	93.0	77.5	29.4	15.8	32.8	19.5
Advanced Micro Devices	AMD US	n/a	203.17	n/a	n/a	330,769	51.2	31.1	8.4	12.7	5.4	4.8	43.8	27.7
Apple	AAPL US	n/a	259.37	n/a	n/a	3,812,201	31.5	28.3	148.1	138.1	42.6	32.4	23.6	21.8
Microsoft	MSFT US	n/a	479.28	n/a	n/a	3,562,190	30.0	25.5	29.4	27.3	8.1	6.4	18.2	15.8
Meta Platforms	META US	n/a	653.06	n/a	n/a	1,646,409	22.6	19.4	29.7	29.0	7.3	5.5	16.0	13.5
Global average						13,843,667	35.0	25.7	61.7	56.9	18.6	13.0	26.9	19.6
Overall average						14,038,565	94.5	33.5	25.2	25.5	9.2	7.2	30.8	21.5

Sources: Bloomberg; *FSSIA estimates

Financial Statements

Delta Electronics

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	146,371	164,733	199,962	235,107	273,704
Cost of goods sold	(112,881)	(123,233)	(146,770)	(169,747)	(196,519)
Gross profit	33,491	41,500	53,192	65,360	77,185
Other operating income	758	1,260	1,060	1,176	1,369
Operating costs	(15,865)	(21,775)	(27,681)	(31,759)	(36,970)
Operating EBITDA	22,992	27,723	33,809	42,515	49,822
Depreciation	(4,608)	(6,738)	(7,238)	(7,738)	(8,238)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	18,384	20,985	26,571	34,777	41,584
Net financing costs	(109)	(167)	(45)	(63)	(60)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	1,221	(1,225)	1,656	0	0
Profit before tax	19,496	19,593	28,182	34,714	41,524
Tax	(1,073)	(654)	(4,012)	(4,339)	(5,190)
Profit after tax	18,423	18,939	24,170	30,375	36,333
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	18,423	18,939	24,170	30,375	36,333
Non-recurring items & goodwill (net)	(1,221)	1,225	(1,656)	0	0
Recurring net profit	17,201	20,164	22,514	30,375	36,333
Per share (THB)					
Recurring EPS *	1.38	1.62	1.80	2.44	2.91
Reported EPS	1.48	1.52	1.94	2.44	2.91
DPS	0.45	0.46	0.58	0.73	0.87
Diluted shares (used to calculate per share data)	12,474	12,474	12,474	12,474	12,474
Growth					
Revenue (%)	23.5	12.5	21.4	17.6	16.4
Operating EBITDA (%)	26.1	20.6	22.0	25.7	17.2
Operating EBIT (%)	22.1	14.1	26.6	30.9	19.6
Recurring EPS (%)	18.1	17.2	11.7	34.9	19.6
Reported EPS (%)	20.1	2.8	27.6	25.7	19.6
Operating performance					
Gross margin inc. depreciation (%)	22.9	25.2	26.6	27.8	28.2
Gross margin exc. depreciation (%)	26.0	29.3	30.2	31.1	31.2
Operating EBITDA margin (%)	15.7	16.8	16.9	18.1	18.2
Operating EBIT margin (%)	12.6	12.7	13.3	14.8	15.2
Net margin (%)	11.8	12.2	11.3	12.9	13.3
Effective tax rate (%)	5.5	3.3	14.2	12.5	12.5
Dividend payout on recurring profit (%)	32.6	28.5	32.2	30.0	30.0
Interest cover (X)	168.1	125.7	595.4	555.7	693.7
Inventory days	97.4	101.0	94.1	97.7	102.5
Debtor days	76.5	73.3	70.0	74.0	74.4
Creditor days	105.0	106.4	94.2	87.9	87.5
Operating ROIC (%)	26.3	25.5	26.9	28.9	30.2
ROIC (%)	25.3	24.6	25.9	27.7	28.8
ROE (%)	28.1	27.3	25.4	28.2	27.8
ROA (%)	17.4	17.6	17.0	19.6	19.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Power electronics	78,167	89,445	126,103	157,705	189,246
Mobility	42,123	44,774	34,097	33,184	35,839
Infrastructure	22,105	26,191	34,524	38,640	42,504
Automation	3,830	4,255	4,833	5,174	5,692

Sources: Delta Electronics; FSSIA estimates

Financial Statements

Delta Electronics

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	17,201	20,164	22,514	30,375	36,333
Depreciation	4,608	6,738	7,238	7,738	8,238
Associates & minorities	-	-	-	-	-
Other non-cash items	(546)	(959)	(1,656)	0	0
Change in working capital	(10,111)	5,406	(20,904)	(8,684)	(14,963)
Cash flow from operations	11,152	31,349	7,193	29,429	29,608
Capex - maintenance	-	-	-	-	-
Capex - new investment	(11,633)	(14,717)	(10,000)	(10,000)	(10,000)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(595)	(7)	(1,434)	(527)	(1,947)
Cash flow from investing	(12,227)	(14,724)	(11,434)	(10,527)	(11,947)
Dividends paid	(5,188)	(5,603)	(7,251)	(9,112)	(10,900)
Equity finance	0	0	0	0	0
Debt finance	3,568	(780)	2,398	388	607
Other financing cash flows	(376)	(932)	758	(1,000)	0
Cash flow from financing	(1,996)	(7,316)	(4,095)	(9,725)	(10,293)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	546	0	1,656	0	0
Net other adjustments	546	(1,225)	1,656	0	0
Movement in cash	(2,525)	8,084	(6,680)	9,177	7,367
Free cash flow to firm (FCFF)	(965.85)	16,791.54	(4,196.79)	18,964.59	17,720.57
Free cash flow to equity (FCFE)	2,663.13	13,687.00	570.86	18,289.61	18,267.38

Per share (THB)

FCFF per share	(0.08)	1.35	(0.34)	1.52	1.42
FCFE per share	0.21	1.10	0.05	1.47	1.46
Recurring cash flow per share	1.70	2.08	2.25	3.06	3.57

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	47,866	61,044	71,044	81,044	91,044
Less: Accumulated depreciation	(17,659)	(22,858)	(30,097)	(37,835)	(46,073)
Tangible fixed assets (net)	30,207	38,186	40,947	43,209	44,971
Intangible fixed assets (net)	591	571	629	629	629
Long-term financial assets	236	186	186	186	186
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	7,617	15,701	9,020	18,198	25,565
A/C receivable	33,237	32,906	43,827	51,530	59,990
Inventories	32,747	31,697	40,211	46,506	59,225
Other current assets	1,965	2,227	3,999	4,702	5,474
Current assets	75,566	82,532	97,058	120,936	150,254
Other assets	1,545	1,622	2,999	3,527	5,474
Total assets	108,145	123,097	141,819	168,486	201,513
Common equity	67,539	79,942	97,619	117,881	143,315
Minorities etc.	0	0	0	0	0
Total shareholders' equity	67,539	79,942	97,619	117,881	143,315
Long term debt	969	1,211	1,131	1,051	971
Other long-term liabilities	3,461	3,817	3,599	4,232	4,927
Long-term liabilities	4,431	5,028	4,730	5,283	5,898
A/C payable	32,096	35,793	36,190	41,855	48,457
Short term debt	2,607	245	1,280	1,115	1,107
Other current liabilities	1,472	2,089	2,000	2,351	2,737
Current liabilities	36,176	38,127	39,470	45,321	52,301
Total liabilities and shareholders' equity	108,145	123,097	141,819	168,486	201,513
Net working capital	34,380	28,949	49,848	58,532	73,495
Invested capital	66,959	69,514	94,609	106,082	124,754

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	5.41	6.41	7.83	9.45	11.49
Tangible book value per share	5.37	6.36	7.78	9.40	11.44

Financial strength

Net debt/equity (%)	(6.0)	(17.8)	(6.8)	(13.6)	(16.4)
Net debt/total assets (%)	(3.7)	(11.6)	(4.7)	(9.5)	(11.7)
Current ratio (x)	2.1	2.2	2.5	2.7	2.9
CF interest cover (x)	131.7	171.1	237.9	453.0	472.6

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	117.5	100.2	89.8	66.5	55.6
Recurring P/E @ target price (x) *	124.7	106.4	95.3	70.6	59.1
Reported P/E (x)	109.7	106.7	83.6	66.5	55.6
Dividend yield (%)	0.3	0.3	0.4	0.5	0.5
Price/book (x)	29.9	25.3	20.7	17.1	14.1
Price/tangible book (x)	30.2	25.5	20.8	17.2	14.2
EV/EBITDA (x) **	87.7	72.4	59.6	47.2	40.1
EV/EBITDA @ target price (x) **	93.1	76.9	63.3	50.1	42.6
EV/invested capital (x)	30.1	28.9	21.3	18.9	16.0

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Delta Electronics; FSSIA estimates

Delta Electronics Thailand (DELTA TB)

FSSIA ESG rating

80.05 /100
Exhibit 18: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 19: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	68.42	5.72	4.39	4.54	4.76	4.43	4.02	Medium	57.06	BBB	22.81	61.26	67.56	1.22	35.11
Coverage	66.06	4.94	4.20	4.40	4.82	4.46	3.88	Medium	54.14	BB	18.11	57.41	66.38	1.36	36.75
DELTA	80.05	Y	Y	A	5.00	4.00	Certified	Low	70.14	AA	--	83.69	79.00	--	--
HANA	58.59	--	Y	AA	5.00	5.00	Certified	Negligible	62.50	BBB	--	59.86	28.00	1.77	38.09
KCE	52.42	--	--	A	5.00	5.00	Certified	Medium	64.70	--	--	52.50	24.00	2.35	56.17

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation
Exhibit 20: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	3.63	3.92	4.13	4.06	4.24	4.03	4.21	—
BESG environmental pillar score	4.68	5.12	5.75	5.33	5.80	5.25	5.77	—
BESG social pillar score	2.72	2.72	2.72	2.72	2.72	2.72	2.72	—
BESG governance pillar score	3.27	3.71	3.65	3.90	3.94	3.91	3.89	—
ESG disclosure score	63.10	63.96	60.99	65.87	67.09	68.34	74.97	—
Environmental disclosure score	63.03	65.00	63.03	63.03	69.86	70.52	77.68	—
Social disclosure score	38.82	39.42	32.47	47.13	43.95	47.07	59.82	—
Governance disclosure score	87.36	87.36	87.36	87.36	87.36	87.36	87.36	—
Environmental								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	Yes	Yes	Yes
Risks of climate change discussed	No	No	No	No	No	Yes	Yes	Yes
GHG scope 1	0	0	0	0	1	1	2	3
GHG scope 2 location-based	41	40	39	42	40	51	62	73
GHG Scope 3	28	19	46	40	82	127	189	172
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	80	80	92	84	80	102	104	216
Renewable energy use	0	3	7	9	10	10	13	64
Electricity used	78	79	92	80	80	91	97	149
Fuel used - natural gas	—	—	—	—	196	233	201	187

Sources: Bloomberg; FSSIA's compilation

Exhibit 21: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	0	0	0	0	0	0	0	0
Total waste	2	2	2	3	6	8	6	9
Waste recycled	2	2	2	3	4	4	5	8
Waste sent to landfills	0	0	0	0	0	0	0	0
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	434	445	226	293
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	Yes	Yes	Yes	Yes	Yes
Pct women in workforce	80	75	71	71	65	69	71	73
Pct disabled in workforce	—	—	—	—	—	—	—	0
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	0	—	0	0	0
Total recordable incident rate - employees	1	0	0	1	0	—	—	0
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	9,764	10,691	11,088	11,297	13,852	16,951	20,022	27,607
Employee turnover pct	11	—	—	7	6	7	3	12
Total hours spent by firm - employee training	96,865	115,161	128,431	168,455	678,748	1,017,000	918,317	1,333,420
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance								
Board size	8	8	9	9	9	9	9	9
No. of independent directors (ID)	3	3	4	4	4	4	4	3
No. of women on board	0	0	1	1	1	1	1	2
No. of non-executive directors on board	6	6	7	6	6	6	6	5
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	5	6	6	6	5	5	6	8
Board meeting attendance pct	97	93	96	100	100	98	98	100
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	53	54	55	52	53	54	61	54
Age of the oldest director	71	72	73	73	73	74	75	76
No. of executives / company managers	5	5	5	5	3	4	4	4
No. of female executives	1	1	1	0	0	1	1	2
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	3	3	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3	3	3	3
Audit committee meetings	4	4	4	4	4	4	4	4
Audit meeting attendance %	90	92	100	100	100	100	100	100
Size of compensation committee	5	3	3	3	3	3	3	3
No. of ID on compensation committee	3	2	2	2	2	2	2	2
No. of compensation committee meetings	4	4	4	4	5	5	6	5
Compensation meeting attendance %	91	83	83	100	93	100	94	100
Size of nomination committee	5	3	3	3	3	3	3	3
No. of nomination committee meetings	4	4	4	4	5	5	6	5
Nomination meeting attendance %	91	83	83	100	93	100	94	100
Sustainability governance								
Verification type	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" data-bbox="880 1137 1501 1200"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" data-bbox="268 1397 1485 1599"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																		
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) "**SETESG**". The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

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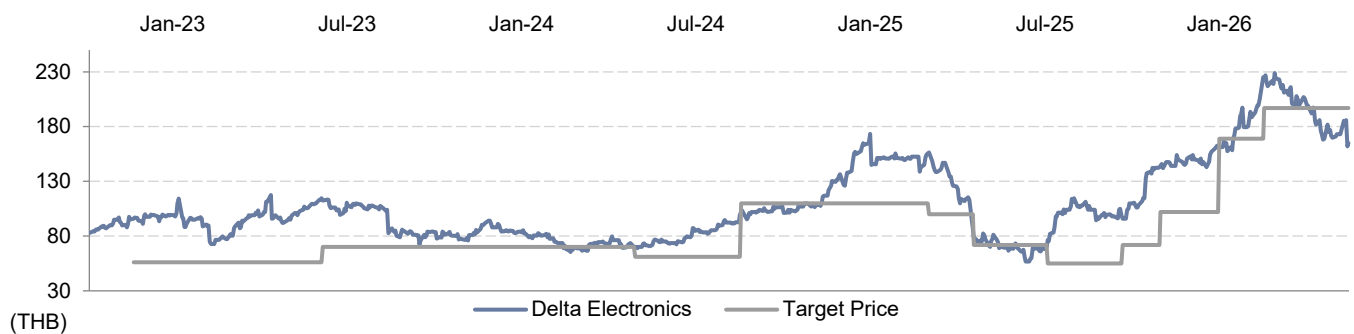
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History of change in investment rating and/or target price

Delta Electronics (DELTA TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
17-Feb-2023	REDUCE	56.00	09-Jan-2025	HOLD	100.00	29-Jul-2025	REDUCE	102.00
02-Aug-2023	REDUCE	70.00	17-Feb-2025	REDUCE	72.00	18-Sep-2025	HOLD	169.00
29-Apr-2024	REDUCE	61.00	22-Apr-2025	REDUCE	55.00	27-Oct-2025	HOLD	197.00
30-Jul-2024	HOLD	110.00	26-Jun-2025	REDUCE	72.00			

Sureporn Teewasuwet started covering this stock from 17-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Delta Electronics	DELTA TB	THB 162.00	HOLD	Downside and upside risks to our P/E-based TP include 1) a lower or higher-than-expected global EV and AI-related sales growth; 2) a lower or higher-than-expected in raw material costs; and 3) a stronger or weaker-than-expected THB.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 12-Jan-2026 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.