Delta Electronics, Inc. ("Company")

Minutes of 2020 Annual General Shareholders' Meeting

(Translation)

Time: 10:00 AM, June 10, 2020

Place: Auditorium, 1F., No.268, Shanying Road, Shanding Village, Guishan District, Taoyuan City

Quorum: 2,335,998,801 shares were represented by the shareholders and proxies present, which amounted to 89.93% of the Company’s 2,597,543,329 issued and outstanding shares.

Board Members Present: Bruce CH Cheng, Yancey Hai, Mark Ko, Ping Cheng, Yung-Chin Chen (Independent Director), Tsong-Pyng Perng (Independent Director) and Ji-Ren Lee (Independent Director). 7 members of the Board of Directors (including 3 Independent Directors) are present.

Chairman: Yancey Hai, Chairman of the Board of Directors

Recorder: YiChun Chen

Commencement: (The aggregate shareholding of the shareholders and proxies present constituted a quorum. The Chairman called the meeting to order.)

Salute according to the etiquette

Chairman’s speech: (omitted)

I. Report Items

(1) 2019 Operation Results (Please see Appendix 1)

(2) 2019 Financial Results (Please see Appendix 2 and 3)

(3) Audit Committee's Review Opinions on 2019 Annual Final Accounting Books and Statements (Please see Appendix 4)

(4) Report on 2019 Employees' and Directors' Compensation
The Company's annual profit in 2019 is NT$26,998,203,229, of which 6.5% is allocated as the employees' compensation in cash totaling NT$1,763,122,221 and 0.11% is allocated as the directors' compensation totaling NT$29,400,000.

II. Proposal Items

(1) Adoption of the 2019 Annual Final Accounting Books and Statements
(Proposed by the Board of Directors)

Explanation: a) This Company's 2019 Annual Final Accounting Books and Statements, including the Business Report, Parent Company Only Financial Statements and Consolidated Financial Statements (please refer to Appendix 1~3) had been resolved by the Board and Directors and reviewed by the Company's Audit Committee, of which the Parent Company Only Financial Statements and the Consolidated Financial Statements had been audited by CPA, Lin, Yu-Kuan and CPA, Chou, Chien-Hung from PricewaterhouseCoopers, Taiwan. The Company's Audit Committee has found no discrepancies after a thorough review and has made a written review report.

b) It is proposed by the Board of Directors to submit the 2019 Annual Final Accounting Books and Statements to the shareholders' meeting for adoption.

Resolution:

Approved and acknowledged as proposed by the Board of Directors by voting (a total of 2,335,998,801 shares with voting rights were present when votes were cast; the number of voting rights for approval is 2,107,467,915, among which 1,383,680,071 was exercised by electronic transmission, the number of voting rights for rejection is 465,809, the number of invalid votes is 0, the number of voting rights for abstention is 228,065,077, and 90.21% of the total voting rights voted for approval when votes were cast).

(2) Adoption of the 2019 Earnings Distribution (Proposed by the Board of Directors)

Explanation:
a) The 2019 Earnings Distribution Table is compiled as follows in accordance with Company Act and the Company's Articles of Incorporation and has been approved by the Audit Committee and the Board of Directors on March 10, 2020.
b) The Board of Director proposed to set aside NT$12,987,716,645 for cash dividends. According to the number of shares issued and entitled to distribution totaling 2,597,543,329, the cash dividends of NT$ 5 per share will be distributed. The Board of Directors authorized the Chairman subject to the approval of Annual General Shareholders' Meeting to set a record date on which the proposed cash dividend would be distributed according to the shareholding ratio of shareholders appeared in the register of shareholders on the designated record date of distribution. In the event that the proposed earnings distribution approved is affected by an amendment to relevant laws or regulations, a request by the competent authorities, or a change in common shares (such as, buyback of shares for transfer or cancellation, domestic capital increase by cash, and exercise of employee stock options), it is proposed that the Chairman be authorized to adjust the cash dividends to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
c) It is proposed by the Board of Directors to submit the 2019 Earnings Distribution to the shareholders' meeting for adoption.

Delta Electronics, Inc.
2019 Earnings Distribution Table

Unit: NT$

Item	Description	Amount
Net profit after tax for the year 2019		23,117,797,365
Subtract: Setting aside 10% legal reserve		2,311,779,737
Setting aside special reserves		61,001,914
Earnings available for distribution by the end of 2019		20,745,015,714
Add: Retained earnings in the beginning of 2019		17,880,189,488
Adjustment amount on initial application of IFRS 16		1,943,082
Subtract: Actuarial losses on defined benefit plan in 2019		255,787,328
Loss on disposal of financial assets at fair value through other comprehensive income in 2019		635,781,524
Earnings available for distribution by the end of the fiscal year (Note 1)		37,735,579,432
Distribution Items:		
Shareholders' dividends - Cash	NT$5.0 per share	12,987,716,645
Undistributed earnings by the end of 2019		24,747,862,787

(Note 1) The principle of 2019 earnings distribution: earnings available for distribution by the end of the fiscal year shall be distributed first.

(Note 2) Cash dividends distributed are rounded up to NT$1. The total amount of fractional cash dividends less than NT$1 shall be reversed to undistributed earnings.

Chairman: Yancey Hai Manager: Ping Cheng Chief Accounting Officer: Judy Wang

Resolution:

Approved and acknowledged as proposed by the Board of Directors by voting (a total of 2,335,998,801 shares with voting rights were present when votes were cast; the number of voting rights for approval is 2,110,471,698, among which 1,386,686,854 was exercised by electronic transmission, the number of voting rights for rejection is 55,070, the number of invalid votes is 0, the number of voting rights for abstention is 225,472,033, and 90.34% of the total voting rights voted for approval when votes were cast).

III. Discussion Items

(1) Discussion of the Amendments to the Shareholders' Meeting Rules and Procedures (Proposed by the Board of Directors)

Explanation: a) It is proposed to amend certain provisions of the Shareholders' Meeting Rules and Procedures in order to comply with the amendments to the “Sample Template for XX Co., Ltd. Rules of Procedure for Shareholders Meetings Regulations Governing Shareholders' Meeting Rules and Procedures” announced by the Taiwan Stock Exchange and take practical operation into consideration. Please see the comparison table of revised articles of the Shareholders' Meeting Rules and Procedures for the detailed revisions.

b) The proposed amendments are submitted for discussion.

Comparison Table of Revised Articles of the Shareholders' Meeting Rules and Procedures

Article	Article after revision	Article before revision	Explanation
Article3	The Company's shareholders' meeting shall be convened by the Board of Directors unless applicable laws and regulations provide otherwise. The Company shall prepare the electronic files of the notification of the shareholders' meeting, the proxy instrument, agenda and materials relating to proposals for acknowledgment and discussion and election or discharge of directors <u>(including independent directors)</u>, and upload the same to the Market Observation Post System Website 30 days in advance of an annual general shareholders' meeting or 15 days in advance of an extraordinary shareholders' meeting. The Company	The Company's shareholders' meeting shall be convened by the Board of Directors unless applicable laws and regulations provide otherwise. The Company shall prepare the electronic files of the notification of the shareholders' meeting, the proxy instrument, agenda and materials relating to proposals for acknowledgment and discussion and election or discharge of directors, and upload the same to the Market Observation Post System Website 30 days in advance of an annual general shareholders' meeting or 15 days in advance of an extraordinary shareholders' meeting. The Company shall also prepare the electronic files of	Amendments are made to comply with the Article 172 and 172-1 of the Company Act and the regulation numbered 10702417500 announced on August 6th, 2018.

Article	Article after revision	Article before revision	Explanation
	shall also prepare the electronic files of the shareholders' meeting agenda and supplemental materials and upload the same to the Market Observation Post System Website 21 days in advance of an annual general shareholders' meeting or 15 days in advance of an extraordinary shareholders' meeting. The Company shall make the shareholders' meeting agenda and supplemental materials available for shareholders to review at any time 15 days in advance of the shareholders' meeting and these documents shall be displayed at the Company and professional stock affairs agency appointed by the Company and shall be distributed at the shareholders' meeting. Notification and announcements shall state the reasons for the meeting. The notification may be given by means of electronic transmission after obtaining prior consent from the recipient(s) thereof. The election or discharge of directors (including independent directors), the amendment of this Company's Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of the release from non-competition restrictions on directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or spin-off of the Company, or the matters specified in Article 185, Paragraph 1 of the Company Law shall be listed	the shareholders' meeting agenda and supplemental materials and upload the same to the Market Observation Post System Website 21 days in advance of an annual general shareholders' meeting or 15 days in advance of an extraordinary shareholders' meeting. The Company shall make the shareholders' meeting agenda and supplemental materials available for shareholders to review at any time 15 days in advance of the shareholders' meeting and these documents shall be displayed at the Company and its stock affairs agency and shall be distributed at the shareholders' meeting. Notification and announcements shall state the reasons for the meeting. The notification may be given by means of electronic transmission after obtaining prior consent from the recipient(s) thereof. The election or discharge of directors, the amendment of this Company's Articles of Incorporation, the dissolution, merger, or spin-off of the Company, or the matters specified in Article 185, Paragraph 1 of the Company Law, or Article 26-1 or Article 43-6 of the Securities and Exchange Law shall be listed among the reasons for the meeting, and may not be proposed as provisional motions.	

Article	Article after revision	Article before revision	Explanation
	among the reasons for the meeting and the essential contents shall be explained in the notice to convene a meeting of shareholders, and may not be proposed as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company , and such website shall be indicated in the said notice. When a subject of election of directors (including independent directors) and the date on which the elected person assumed office be listed and described in the notice to convene a meeting of shareholder, the date on which the elected person assumed office cannot be changed either by the way of extemporary motions or by any other method in the said meeting after the election in the meeting of shareholders. Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the date on which share		

Article	Article after revision	Article before revision	Explanation
	transfer registration is suspended before the convention of a regular shareholders' meeting, the Company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (10) days. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal. The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.		

Article	Article after revision	Article before revision	Explanation
Article 4-1	When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence when voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder who exercised his voting right in writing or by way of electronic transmission shall be deemed to have attended the shareholders' meeting in person but shall be deemed to have waived his voting right in respect of any extemporary motions and amendments to the original proposals at the shareholders' meeting. It is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.	A shareholder could exercise his voting right in writing or by way of electronic transmission at the shareholders' meeting convened by the Company. A shareholder who exercised his voting right in writing or by way of electronic transmission shall be deemed to have attended the shareholders' meeting in person but shall be deemed to have waived his voting right in respect of any extemporary motions and amendments to the original proposals at the shareholders' meeting.	Amendments are made to cooperate with FSC's announcement in 2018 that TWSE/TPEx Listed Companies shall adopt electronic voting in shareholders' meetings.
Article 7	If a shareholders' meeting is convened by the Board of Directors, the chairman of the Board of Directors shall be the chairman presiding at the meeting. If the chairman of the Board of Directors is on leave or cannot perform his duties for some reason, a proxy may be designated in accordance with Article 208 of the Company Act. In the event that a director presides at a shareholders' meeting on the chairman's behalf pursuant to the above paragraph, such director shall have held office for at least six months and shall be familiar with the financial and business condition of the Company. The same requirements	If a shareholders' meeting is convened by the Board of Directors, the Chairman of the Board of Directors shall be the chairman presiding at the meeting. If the Chairman of the Board of Directors is on leave or cannot perform his duties for some reason, the Vice-Chairman shall preside at the meeting on the Chairman's behalf; if the Company does not have a vice-Chairman or the Vice-Chairman is on leave or cannot perform his duties for some reason, the Chairman of the Board of Directors shall appoint a managing director to serve on his behalf. If there are no managing directors, the Chairman shall appoint a director to serve on his	Amendments are made to comply with the Article 6 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Article	Article after revision	Article before revision	Explanation
	shall apply when a representative of a juristic-person director presides at a shareholders' meeting. More than one-half of the directors should attend the shareholders' meeting and the chairman of the board should chair the meeting in person and at least one member of each functional committee(s) attend the meeting on behalf of the committee(s) if that meeting has been convened by the Board of Directors. The attendance shall be recorded in the meeting minutes. If the shareholders' meeting is convened by any person entitled to convene the meeting other than the Board of Directors, such person shall be the meeting's chairman. If there is more than one such person entitled to convene the meeting, those persons shall nominate amongst themselves to be the meeting's chairman. This Company may appoint designated legal counsel, CPA, or relevant persons to attend the shareholders' meeting.	behalf. If the Chairman has not appointed a representative, the managing directors or directors shall nominate among themselves to preside over the meeting. In the event that a managing director or a director presides at a shareholders' meeting on the Chairman's behalf pursuant to the above paragraph, such managing director or director shall have held office for at least six months and shall be familiar with the financial and business condition of the Company. The same requirements shall apply when a representative of a juristic-person director presides at a shareholders' meeting. More than one-half of the directors should attend the shareholders' meeting if that meeting has been convened by the Board of Directors. If the shareholders' meeting is convened by any person entitled to convene the meeting other than the Board of Directors, such person shall be the meeting's chairman. If there is more than one such person entitled to convene the meeting, those persons shall nominate amongst themselves to be the meeting's chairman. This Company may appoint designated legal counsel, CPA, or relevant persons to attend the shareholders' meeting.	
Article 9	Attendance at shareholders' meeting shall be determined based on the number of shares. The number of attending shares shall be calculated based on the sign-in book or attendance cards submitted by	Attendance at shareholders' meeting shall be determined based on the number of shares. The number of attending shares shall be calculated based on the sign-in book or attendance cards submitted by	Amendments are made to comply with the Article 9 of the Sample Template for XXX Co., Ltd. Rules of

Article	Article after revision	Article before revision	Explanation
	shareholders <u>plus the number of shares whose voting rights are exercised by correspondence or electronically</u>. The chairman shall call the meeting to order at the time scheduled for the meeting. If the number of shares represented by the attending shareholders has not yet constituted more than one-half of all issued and outstanding shares at the time scheduled for the meeting, the chairman may postpone the time for the meeting. The postponements shall be limited to two times at the most and the meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements the number of shares represented by the attending shareholders has not yet constituted more than one-third of all issued and outstanding shares, the chairman shall announce the termination of the meeting. If after two postponements the number of attending shares represented by the attending shareholders has not yet constituted more than one-half of all issued and outstanding shares but the attending shareholders at the meeting represent more than one-third of all issued and outstanding shares, provisional resolutions may be made in accordance with Article 175, Paragraph 1 of the Company Law, and shareholders shall be notified to attend another shareholders' meeting to approve the said provisional resolutions within one month. If the attending shareholders have	shareholders. The chairman shall call the meeting to order at the time scheduled for the meeting. If the number of shares represented by the attending shareholders has not yet constituted more than one-half of all issued and outstanding shares at the time scheduled for the meeting, the chairman may postpone the time for the meeting. The postponements shall be limited to two times at the most and the meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements the number of shares represented by the attending shareholders has not yet constituted more than one-third of all issued and outstanding shares, the chairman shall announce the termination of the meeting. If after two postponements the number of attending shares represented by the attending shareholders has not yet constituted more than one-half of all issued and outstanding shares but the attending shareholders at the meeting represent more than one-third of all issued and outstanding shares, provisional resolutions may be made in accordance with Article 175, Paragraph 1 of the Company Law, and shareholders shall be notified to attend another shareholders' meeting to approve the said provisional resolutions within one month. If the attending shareholders have constituted more than one-half of all issued and outstanding shares by the	Procedure for Shareholders Meetings.

Article	Article after revision	Article before revision	Explanation
	constituted more than one-half of all issued and outstanding shares by the end of the meeting, the chairman may submit the foregoing provisional resolutions to the meeting for approval in accordance with Article 174 of the Company Law.	end of the meeting, the chairman may submit the foregoing provisional resolutions to the meeting for approval in accordance with Article 174 of the Company Law.	
Article 10	The agenda of the meeting shall be set by the Board of Directors if the meeting is convened by the Board of Directors. <u>For each proposal (including extemporary motions and amendments to original proposals), it should be followed by a poll of the shareholders.</u> Unless otherwise resolved at the meeting, the meeting shall proceed in accordance with the agenda. The above provision applies mutatis mutandis to cases where the meeting is convened by any person, other than the Board of Directors, entitled to convene such meeting. Unless otherwise resolved at the meeting, the chairman cannot announce adjournment of the meeting before all the items (including <u>extemporary</u> motions) listed in the agenda are completed. If the chairman announces the adjournment of the meeting in violation of these Rules and Procedures, other members of the Board of Directors shall promptly assist the attending shareholders to elect, by a majority of votes represented by attending shareholders in the meeting, another person to serve as chairman and continue the meeting in accordance with due procedures. The chairman must provide sufficient	The agenda of the meeting shall be set by the Board of Directors if the meeting is convened by the Board of Directors. Unless otherwise resolved at the meeting, the meeting shall proceed in accordance with the agenda. The above provision applies mutatis mutandis to cases where the meeting is convened by any person, other than the Board of Directors, entitled to convene such meeting. Unless otherwise resolved at the meeting, the chairman cannot announce adjournment of the meeting before all the items (including <u>provisional</u> motions) listed in the agenda are completed. If the chairman announces the adjournment of the meeting in violation of these Rules and Procedures, other members of the Board of Directors shall promptly assist the attending shareholders to elect, by a majority of votes represented by attending shareholders in the meeting, another person to serve as chairman and continue the meeting in accordance with due procedures. The chairman must provide sufficient time for the explanation and discussion of all items on the agenda and amendments and <u>provisional</u> motions submitted by shareholders; the	Amendments are made to cooperate with FSC's announcement in 2018 that TWSE/TPEx Listed Companies shall adopt electronic voting and adopt a poll for each proposal in shareholders' meetings.

Article	Article after revision	Article before revision	Explanation
	time for the explanation and discussion of all items on the agenda and amendments and extemporary motions submitted by shareholders; the chairman may announce an end of discussion and submit an item for a vote if the chairman deems that the agenda item is ready for voting and the chairman should designate sufficient time for a vote.	chairman may announce an end of discussion and submit an item for a vote if the chairman deems that the agenda item is ready for voting.	
Article 11	When a shareholder attending the meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's account number (or the number of attendance card) and the account name of the shareholder. The chairman shall determine the sequence of shareholders' speeches. If any attending shareholder at the meeting submits a speech note but does not speak, no speech should be deemed to have been made by the shareholder. Shareholders attending the meeting may raise questions in the section of report items in the agenda only after the chairman or the designated personnel has completed the presentation. The same shareholder may not speak more than twice concerning the same item without the chairman's consent, and each speech time may not exceed three minutes. The same shareholder may not speak more than twice concerning the same item without the chairman's consent, and each speech time may not exceed three minutes, when shareholders raise	When a shareholder attending the meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's account number (or the number of attendance card) and the account name of the shareholder. The chairman shall determine the sequence of shareholders' speeches. If any attending shareholder at the meeting submits a speech note but does not speak, no speech should be deemed to have been made by the shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail. The same shareholder may not speak more than twice concerning the same item without the chairman's consent, and each speech time may not exceed five minutes. The chairman may stop the speech of any shareholder who violates the above provision or exceeds the scope of the agenda item. Unless otherwise permitted by the chairman and the speaking shareholder, no shareholder shall	Amendments are made due to practical requirement.

Article	Article after revision	Article before revision	Explanation
	questions in the section of proposal items and discussion items in the agenda and items proposed in the section of extemporary motions. The same shareholder may not speak more than twice concerning the same item without the chairman's consent, and each speech time may not exceed three minutes when shareholders raise enquiries and opinion expressions in the section of extemporary motions. The chairman may stop the speech of any shareholder who violates the above provision or exceeds the scope of the agenda item or make the meeting out of order. Unless otherwise permitted by the chairman and the speaking shareholder, no shareholder shall interrupt the speech of the speaking shareholder, otherwise the chairman shall stop such interruption. When a legal-entity shareholder has appointed two or more representatives to attend the meeting, only one representative can speak for each agenda item. The chairman may respond himself/herself or designate another person to respond after the speech of attending shareholder.	interrupt the speech of the speaking shareholder, otherwise the chairman shall stop such interruption. When a legal-entity shareholder has appointed two or more representatives to attend the meeting, only one representative can speak for each agenda item. The chairman may respond himself/herself or designate another person to respond after the speech of attending shareholder.	
Article 13	Each shareholder is entitled to one vote for each share held except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. Except otherwise specified in the Company Law or the Company's	Each shareholder is entitled to one vote for each share held. The above provision shall not apply to those persons whose voting rights are restricted or who have no voting right. According to Article 197-1 of the Company Law, if the number of shares pledged by a director at any time	Amendments are made to comply with the Article 7 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.

Article	Article after revision	Article before revision	Explanation
	Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the Market Observation Post System. If there is amendment to or substitute for an agenda item, the chairman shall decide the sequence of voting for such original agenda item, the amendment, and the substitute. If any one of them has been approved, the others shall be deemed vetoed and no further voting will be necessary. The chairman shall appoint persons responsible for checking and counting ballots during votes on agenda items. However, the persons responsible for checking ballots must be shareholders. The ballots for voting or election matters shall be publicly counted at the meeting venue and once the counting is done, the result of voting including the number of votes casted shall be announced at the meeting and placed on record.	exceeds half of the total shares held by such director at the time of his appointment, such pledged shares exceeding half of the total shares held by such director at the time of his appointment, up to half of the total number of shares held by the director at the time of his appointment, shall not carry any voting right and such abovethreshold shares shall not be counted in determining the number of votes of the shareholders present at a general meeting. Except otherwise specified in the Company Law or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the attending shareholders. An agenda item shall be deemed approved and shall have the same effect as if it was voted by casting ballots if no objection is voiced by all attending shareholders after solicitation by the chairman. If there is any objection, the agenda item shall be put to a vote by casting ballots in accordance with the foregoing paragraph. If there is amendment to or substitute for an agenda item, the chairman shall decide the sequence of voting for such original agenda item, the amendment, and the substitute. If any one of them has been approved, the others shall be deemed vetoed and no further voting will be necessary. The chairman shall appoint persons responsible for checking and counting	

Article	Article after revision	Article before revision	Explanation
		ballots during votes on agenda items. However, the persons responsible for checking ballots must be shareholders. The ballots for voting or election matters shall be publicly counted at the meeting venue and once the counting is done, the result of voting including the number of votes casted shall be announced at the meeting and placed on record.	
Article 14	If the election of directors (including independent directors) is conducted at a shareholders' meeting, such an election shall be performed in accordance with the Company's Director Election Regulations, and the results including the list of elected directors (including independent directors) and the number of votes casted must be announced at the meeting. The ballots cast in the election in the foregoing paragraph shall be sealed with the signatures of the monitoring personnel and must be given proper safekeeping and kept for at least one year. If a shareholder initiates a lawsuit in accordance with Article 189 of the Company Law, ballots shall be kept until the end of the lawsuit.	If the election of directors is conducted at a shareholders' meeting, such an election shall be performed in accordance with the Company's Director Election Regulations, and the results including the list of elected directors and the number of votes casted must be announced at the meeting. The ballots cast in the election in the foregoing paragraph must be given proper safekeeping and kept for at least one year. If a shareholder initiates a lawsuit in accordance with Article 189 of the Company Law, ballots shall be kept until the end of the lawsuit.	Amendments are made to comply with the Article 14 of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.
Article 15	Resolutions made at a shareholders' meeting shall be compiled in the form of minutes. The chairman shall affix his signature or seal to the minutes, which shall be issued to shareholders within 20 days after the end of the meeting. With regard to the issue of minutes in the foregoing paragraph, the minutes may be distributed in the form of an	Resolutions made at a shareholders' meeting shall be compiled in the form of minutes. The chairman shall affix his signature or seal to the minutes, which shall be issued to shareholders within 20 days after the end of the meeting. With regard to the issue of minutes in the foregoing paragraph, the minutes may be distributed in the form of an	Amendments are made to adopt a poll for each proposal in shareholders' meetings.

Article	Article after revision	Article before revision	Explanation
	announcement on the Market Observation Post System Website. The minutes must faithfully record the meeting's date (year, month, day), place, chairman's name, resolution method, summary of proceedings, and results of the resolution and voting (including the statistical tallies of the numbers of votes). When there is a proposal of election of directors (including independent directors), the voting results to each candidate shall be disclosed. The minutes of shareholders' meeting shall be preserved for as long as the Company exists.	announcement on the Market Observation Post System Website. The minutes must faithfully record the meeting's date (year, month, day), place, chairman's name, resolution method, summary of proceedings, and results of resolutions. The minutes of shareholders' meeting shall be preserved for as long as the Company exists. "There is no objection from any shareholders after solicitation by the chairman and the resolution is passed" shall be recorded in the minutes if no objection is voiced after solicitation by the chairman before an agenda item is put to a vote. If there are any objections, however, and the agenda item is put to a vote, the number of approval votes cast and the percentage of the approval votes as to total votes shall be recorded in the minutes.	

Resolution:

Approved and acknowledged as proposed by the Board of Directors by voting (a total of 2,335,998,801 shares with voting rights were present when votes were cast; the number of voting rights for approval is 2,091,468,629, among which 1,367,683,785 was exercised by electronic transmission, the number of voting rights for rejection is 55,643, the number of invalid votes is 0, the number of voting rights for abstention is 244,474,529, and 89.53% of the total voting rights voted for approval when votes were cast).

(2) Discussion of the Release from Non-competition Restrictions on Directors
(Proposed by the Board of Directors)

Explanation: a) According to Article 209 of the Company Act, a director who conducts business within the business scope of the Company for himself or others shall explain at the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.

b) As certain directors concurrently work for other companies, which may constitute the act restricted under Article 209 of the Company Act, it is proposed to release the non-competition restrictions on the directors, without prejudice to the interests of the Company.

c) The proposal is submitted for discussion.

Description of Positions of Directors in Other Companies (New)

Name of Director	Positions in Other Companies	Title
Mark Ko	Delta Electronics (Thailand) Public Company Limited	Director
Ping Cheng	Delta Electronics (Thailand) Public Company Limited	Director
Ping Cheng	Boom Treasure Limited	Director
Ping Cheng	Drake Investment (HK) Limited	Director

Resolution:

Approved and acknowledged as proposed by the Board of Directors by voting (a total of 2,335,998,801 shares with voting rights were present when votes were cast; the number of voting rights for approval is 1,886,744,908, among which 1,162,960,064 was exercised by electronic transmission, the number of voting rights for rejection is 607,263, the number of invalid votes is 0, the number of voting rights for abstention is 448,646,630, and 80.76% of the total voting rights voted for approval when votes were cast).

IV.Extemporary Motions: None

Meeting Adjourned: 10:34 AM, June 10, 2020

Chairman: Yancey Hai

Recorder: YiChun Chen

Appendix 1

Business Report

In 2019, the world economy remained affected by the US-China trade war and overall market demand declined, which caused economic uncertainties and weakened overall investor confidence. Despite difficulties and challenges in the business environment, Delta achieved growth in terms of annual revenue and gross profit, thanks to all of Delta's team members' collective efforts. Delta's consolidated revenue in 2019 was NT$268.1 billion, a 13% increase from the previous year; gross profit was NT$74.5 billion; and gross profit margin was 27.8%, 17% higher than the previous year. The net operating profit was NT$19.4 billion, with a net operating profit margin of 7.2% that increased by 7% compared to the previous year. Net income after tax was NT$23.1 billion, with a net after-tax profit margin of 8.6%, which showed an increase of 27% compared to the previous year. In 2019, Delta's earnings per share (EPS) was NT$8.90, and return on equity (ROE) ratio was 17.10%.

In order to strengthen global production and sales deployment, as well as increase sales locations, improve manufacturing and shipping flexibility, and reduce operational risks due to the international trade war, Delta has obtained a majority shareholdings in Delta Electronics (Thailand) Public Company Limited (DET), a listed company in Thailand, since April 2019 and has adjusted its production lines. In line with its business growth, Delta plans to increase investments in Thailand and India in the future to supply local markets and implement despersion manufacturing. These initiatives would help Delta become more flexible in coping with changes in the international market, get a head start on a competitive business environment, and further expand its global business footprint.

Here is a summary of Delta's performance in various business fields in 2019 and future prospects:

<u>Power Electronics</u>

Delta has prospered greatly from the results of its business development in power electronics over the years. Not only is it the world's leader in power supplies, brushless DC fans, and miniaturized key components, but it has also been recognized as the "ENERGY STAR Partner of the Year" by the U.S. Environmental Protection Agency for four consecutive years. In addition, Delta has received the "Sustained Excellence Award" for two consecutive years. To be nominated by the U.S. Environmental Protection Agency is quite a feat since companies must achieve ENERGY STAR Partner of the Year long-term. This award recognizes the excellent energy-saving features of the Delta's Breez ventilation fans. Moreover, it recognizes Delta's long-term commitment to improving energy efficiency.

Delta has been involved in automobile electronics for over a decade. Delta collaborated with the U.S. Department of Energy to explore wide-band gap-based bi-directional on-board charger modules in 2017, which enable vehicle-to-load capabilities. Delta's performance in the electronic vehicle industry is also recognized by the world's leading car manufacturer, Fiat Chrysler Automobiles (FCA). Delta was presented the "2019 Powertrain Supplier of the Year" award in Detroit, USA, which highlights its close collaboration with FCA.

The power electronics business has contributed to Delta's revenue and profits for many years. In the future, Delta plans to continuously innovate based on its solid foundation in power electronics and control technology, as well as provide more energy-saving and intelligent products, while fulfilling its corporate mission "To provide innovative, clean and energy-efficient solutions for a better tomorrow."

Automation

Delta has developed its industrial automation business for more than 20 years. From providing high quality and high-efficiency automation equipment in the early stages to developing and manufacturing highly intelligent products such as industrial robots, robotic visual systems, PLCs, CNC motion control, and others, Delta has been helping customers in the automotive industry with a variety of visualized control platforms and factory management systems, including Manufacturing Execution Systems (MES). In 2019, Delta provided an integrated solution for wireless communication applications, control, and drives for CNC machine tool manufacturers by connecting their warehouse systems and production line equipment. Delta also provided machine industry customers a visualized system platform and machine solutions by connecting all machining equipment for immediate collection, monitoring, and analysis of data.

To ensure a high degree of competitiveness in intelligent manufacturing and to improve Delta's manufacturing quality while satisfying customers' various needs, Delta began a series of in-house intelligent transformation projects starting with product research and development design (first stage), followed by assessment and trial production (second stage), and production planning (final stage). Delta introduced around 1300 intelligent automation devices to China's production base in 2019, which reduced direct labor by 16% compared to that of 2018. In terms of its overall intelligent transformation, Delta has included 80% of its China production lines in the Company's intelligent manufacturing plans as of 2019.

Building automation is one of Delta's long-term strategies for business development. In addition to Delta Controls, Loytec, and Vivotek Inc., in 2019 Delta acquired Amerlux, a high-end commercial lighting solutions provider in North America. With the said acquisition, Delta is set to accelerate the process of developing smart buildings and providing solutions for sustainable cities, further expanding its global business footprint in building automation.

With the impact of the US-China trade war, the Chinese automation market remained stagnant in 2019. However, given the rigid market demand due to improving industrial structure and intelligent manufacturing, we believe that Delta's automation business will continue to be a main source of growth for the Company in the long-term.

Infrastructure

With the rapid development of global internet services and cloud computing, there has been an increasing need for big data applications, which drives dynamic infrastructure related to data center construction. In 2019, Delta collaborated with Alibaba to launch a "Panama Power Solution" with a high voltage DC power supply. Compared with the traditional data center, panama power subverts the traditional IDC power supply structure. Delta creatively infuses the circuit and magnetic circuit, changing medium voltage 10KV AC directly to 240V DC without the traditional multiple repeaters that introduce medium voltage to direct current, thus completing the power supply in one step with higher efficiency and reliability. Delta saves on the amount of equipment and construction required by up to 40%, improves power supply efficiency of the data center by 3%, and reduces the total investment cost of power supplies by 20%.

Global telecommunication operators are actively preparing networks for the coming of 5G mobile communication. Delta's communication power systems yield 98% energy conversion efficiency and reduce the cost of energy consumption by 12%. Delta's lithium batteries that are charged at night and discharged during the day can be used to save electricity or cut peak power. Delta's power supply and lithium battery products with IP65 protection level can reduce construction time by 70%, support fast miniaturization for 5G, and meet flexible expansion requirements in the future.

In terms of infrastructure, there is a consistent growing demand for distributed energy equipment. Delta provides a variety of infrastructure solutions using innovative technology that helps cities and transportation systems achieve their low-carbon energy transformations. In 2019, Delta provided a complete energy storage system solution for Mitsubishi Heavy Industries Engine & Turbocharger, Ltd. (MHIET), a company under Mitsubishi Heavy Industries, Ltd. The system is currently used in the triple-power demonstration power station of MHIET's factory in Sagamihara City, Kanagawa Prefecture, Japan. Delta has achieved a lower cost for its distribution system through a combination of three types of power: renewable energy, reciprocating generators, and storage batteries for stabilizing the volatile output of renewable energy.

At Delta, we care not only about developing new business and new technologies, but also about managing our company in accordance with Environmental, Social, and Governance (ESG) standards, and we appointed a Chief Sustainability Officer in 2019. Delta has been listed in the "Dow Jones Sustainability™ World Index" for nine consecutive years. We were also recognized as an industry leader for the fourth time in 2019 and acknowledged by CDP in 2016, 2017, and 2019 for the Climate Change Program. In addition, Delta was included in Forbes Magazine's Global 2000, FTSE4Good TIP Taiwan ESG Index, and MSCI Taiwan ESG Leaders Index in 2019. Delta also received the top "CSR Corporate Citizen Award" from Commonwealth Magazine, earned eight major recognitions in 2019 Taiwan Corporate Sustainability Awards, and the world-class 2019 Global Corporate Sustainability award. Delta has been listed as one of Taiwan's top 20 international brands for nine consecutive years. Delta's brand value increased by 12% compared to that of 2018, which indicates its growing strength as a major industrial brand among other nominees.

Over the years, Delta has moved forward with a clear and stable long-term strategic vision, backed by the hardworking team amid a changing and challenging global environment.

We thank all of our loyal clients, shareholders and partners for their continued support. Our management team continues to work alongside our colleagues towards achieving our goals. While pursuing its operational performance objectives and profit goals, Delta is also invested in corporate social responsibility, making it an internationally-respected company that employees can truly be proud of.

Chairman	Yancey Hai
Manager	Ping Cheng
Chief Account Officer	Judy Wang

Appendix 2

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Delta Electronics, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of Delta Electronics, Inc. (the "Company") as at December 31, 2019 and 2018, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the audit reports of other independent accountants as described in the Other Matter - Scope of the Audit section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2019 and 2018, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the audit reports of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements of the current period are stated as follows:

Assessment of the reasonableness of the purchase price allocation for business combination

Description

In April 2019, the subsidiary of the Company publicly acquired 42.85% of Delta Electronics (Thailand) Public Company Limited through a tender offer and obtained control over it. Such business acquisition was recognised as investment accounted for under equity method in the balance sheet.

As the allocation of goodwill and the net fair value of identifiable assets and liabilities are based on management's assessment and involve accounting estimations and assumptions, we consider the above equity price allocation transaction a key audit matter.

How our audit addressed the matter

We obtained an understanding of the basis and process of purchase price allocation which was estimated by management. We reviewed the reasonableness of the fair value assessment for assets acquired and liabilities assumed, projected cash flow, and the fair value calculation model as indicated in the purchase price allocation reports prepared by the appraisers appointed by the Company. Our procedures also included the following:

A. Assessing the setting of parameters of valuation models and calculation formulas;
B. Comparing expected growth rates and gross margin with historical data, economic and industry forecasts; and
C. Comparing the discount rate with the cost of capital assumptions of cash generating units and rate of return of similar assets.

Impairment assessment of investments accounted for under equity method

Description

As at December 31, 2019, the recognised goodwill as a result of investment of Delta Electronics (Thailand) Public Company Limited, Cyntec Co., Ltd., Eltek AS, Delta Controls Inc., Loy Tec electronics GmbH and Delta Greentech (China) Co., Ltd. is material. Refer to Note 5 for accounting estimates of impairment assessment of investments accounted for under equity method and the uncertainty of assumptions.

As the balance of investment accounted for under equity method is material, the valuation model adopted in the impairment assessment has an impact in determining the recoverable amount which involves the significant accounting estimates and prediction of future cash flows. Thus, we consider the impairment assessment of investment accounted for under equity method a key audit matter.

How our audit addressed the matter

We obtained management's impairment assessment of investments accounted for under equity method, obtained an understanding of the process in determining the expected future cash flows based on each cash generating unit, and performed the following audit procedures:

A. Assessing whether the valuation models adopted by the Company are reasonable for the industry, environment and the valued assets of the Company;
B. Confirming whether the expected future cash flows adopted in the valuation model are in agreement with the budget provided by the business units; and
C. Assessing the reasonableness of material assumptions, such as expected growth rates, operating margin and discount rates, by:
   (a) Checking the setting of parameters of valuation models and calculation formulas;
   (b) Comparing the expected growth rate and operating margin with historical data, economic and industrial forecast documents; and
   (c) Comparing the discount rate with cost of capital assumptions of cash generating units and rates of return of similar assets.

Other matter – Scope of the Audit

We did not audit the financial statements of certain investments accounted for under equity method and information on investees disclosed in Note 13. These investments accounted for under equity method amounted to NT$24,269,195 thousand and NT$14,483,106 thousand, constituting 12.03% and 8.18% of total assets as at December 31, 2019 and 2018, respectively, and the share of profit (loss) of associates and joint ventures accounted for under equity method and share of other comprehensive income of subsidiaries, associates and joint ventures accounted for under equity method was NT$1,677,887 thousand and NT$454,932 thousand, constituting 7.57% and 2.42% of total comprehensive income for the years then ended, respectively. Those financial statements and the information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company’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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ROC GAAS 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 parent company only financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

A. Identify and assess the risks of material misstatement of the parent company only 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 our 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;

B. 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 Company's internal control;

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

D. 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The parent company only financial statements of Delta Electronics, Inc. as at and for the year ended December 31, 2019 expressed in US dollars are presented solely for the convenience of the reader and were translated from the financial statements expressed in New Taiwan dollars using the exchange rate of $29.98 to US$1.00 at December 31, 2019. This basis of translation is not in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Lin, Yu-Kuan Chou, Chien-Hung

for and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 2020

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers, Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Assets	Notes	US Dollars December 31, 2019	New Taiwan Dollars December 31, 2019	New Taiwan Dollars December 31, 2018
Current assets				
Cash and cash equivalents	6(1)	$ 21,519	$ 645,136	$ 239,908
Financial assets at fair value through profit or loss - current	6(2)	-	-	22,360
Financial assets at fair value through other comprehensive income - current	6(3)	10,668	319,823	57,656
Contract assets - current	6(16)	24,542	735,763	880,554
Notes receivable, net	6(4)	2,118	63,493	69,639
Accounts receivable, net	6(4)	148,344	4,447,348	5,359,056
Accounts receivable - related parties	7	165,420	4,959,305	2,789,163
Other receivables		3,268	97,967	168,173
Other receivables - related parties	7	15,223	456,383	637,076
Inventories	6(5)	119,375	3,578,871	1,665,641
Prepayments		35,721	1,070,916	802,753
Other current assets	8	5,684	170,407	95,328
Total current assets		551,882	16,545,412	12,787,307
Non-current assets				
Financial assets at fair value through profit or loss - non-current	6(2)	1,441	43,198	52,231
Financial assets at fair value through other comprehensive income - non-current	6(3)	42,027	1,259,966	1,728,446
Investments accounted for under equity method	6(6)	5,379,463	161,276,288	145,811,850
Property, plant and equipment	6(7) and 7	660,233	19,793,789	14,686,584
Right-of-use assets	6(8)	17,536	525,718	-
Intangible assets	6(9)	33,642	1,008,581	944,431
Deferred income tax assets	6(22)	19,426	582,385	478,295
Other non-current assets	6(10)	25,643	768,814	543,054
Total non-current assets		6,179,411	185,258,739	164,244,891
Total assets		$ 6,731,293	$ 201,804,151	$ 177,032,198

(Continued)

Liabilities and Equity	Notes	US Dollars December 31, 2019	New Taiwan Dollars December 31, 2019	New Taiwan Dollars December 31, 2018
Current liabilities				
Contract liabilities - current	6(16)	$ 15,487	$ 464,306	$ 426,796
Accounts payable		80,386	2,409,962	1,118,938
Accounts payable - related parties	7	257,703	7,725,925	7,642,622
Other payables		352,395	10,564,812	8,889,975
Other payables - related parties	7	9,633	288,794	325,534
Current income tax liabilities		17,339	519,822	943,811
Other current liabilities		20,534	615,625	644,159
Total current liabilities		753,477	22,589,246	19,991,835
Non-current liabilities				
Long-term borrowings	6(11)	900,434	26,995,000	17,398,000
Deferred income tax liabilities	6(22)	316,249	9,481,142	7,378,875
Lease liabilities - non-current		15,270	457,795	-
Other non-current liabilities	6(12)	70,850	2,124,091	1,992,329
Total non-current liabilities		1,302,803	39,058,028	26,769,204
Total liabilities		2,056,280	61,647,274	46,761,039
Equity				
Share capital				
Share capital - common stock	6(13)	866,425	25,975,433	25,975,433
Capital surplus	6(14)			
Capital surplus		1,637,870	49,103,331	48,397,067
Retained earnings	6(15)			
Legal reserve		834,915	25,030,754	23,211,444
Special reserve		252,203	7,561,032	7,088,143
Unappropriated retained earnings		1,337,837	40,108,361	33,160,104
Other equity interest				
Other equity interest		(254,237)	(7,622,034)	(7,561,032)
Total equity		4,675,013	140,156,877	130,271,159
Significant contingent liabilities and unrecorded contract commitments	9			
Significant subsequent events	11			
Total liabilities and equity		$ 6,731,293	$ 201,804,151	$ 177,032,198

The notes in the parent company only financial statements and report of independent accountants are an integral part of these parent company only financial statements, please refer to the accompanying notes in the parent company only financial statements and report of independent accountants.

Items	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
Sales revenue	6(16) and 7	$ 1,599,255	$ 47,945,673	$ 38,948,885
Operating costs	6(5)(20)(21)and 7	(1,053,873)	(31,595,117)	(26,413,103)
Gross Profit		545,382	16,350,556	12,535,782
Operating expenses	6(20)(21)			
Selling expenses		(36,999)	(1,109,232)	(680,375)
General and administrative expenses		(90,289)	(2,706,854)	(2,004,916)
Research and development expenses		(363,916)	(10,910,222)	(8,412,595)
Expected credit impairment loss	12(2)	(487)	(14,602)	-
Total operating expenses		(491,691)	(14,740,910)	(11,097,886)
Operating profit		53,691	1,609,646	1,437,896
Non-operating income and expenses				
Other income	6(17)	30,315	908,836	752,831
Other gains and losses	6(18)	68,537	2,054,748	54,240
Finance costs	6(19)	(4,431)	(132,833)	(83,854)
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(6)	692,313	20,755,540	16,210,468
Total non-operating income and expenses		786,734	23,586,291	16,933,685
Profit before income tax		840,425	25,195,937	18,371,581
Income tax expense	6(22)	(69,318)	(2,078,140)	(178,488)
Profit for the year		$ 771,107	$ 23,117,797	$ 18,193,093
Other comprehensive income (loss)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
Gain (loss) on remeasurements of defined benefit plans	6(12)	($ 1,015)	($ 30,435)	($ 81,177)
Unrealised gain (loss) on valuation of equity investment at fair value through other comprehensive income	6(3)	6,180	185,277	(1,157,722)
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under equity method that will not be reclassified to profit or loss		(7,226)	(216,636)	380,450
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	203	6,088	(61,235)
Other comprehensive income (loss) that will not be reclassified to profit or loss		(1,858)	(55,706)	(919,684)
Components of other comprehensive income (loss) that will be reclassified to profit or loss				
Financial statements translation differences of foreign operations		(95,459)	(2,861,873)	3,284,960
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under equity method that will be reclassified to profit or loss		83,127	2,492,140	(1,787,299)
Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(22)	(17,583)	(527,130)	42,768
Other comprehensive income (loss) that will be reclassified to profit or loss		(29,915)	(896,863)	1,540,429
Other comprehensive income (loss) for the year		($ 31,773)	($ 952,569)	$ 620,745
Total comprehensive income for the year		$ 739,334	$ 22,165,228	$ 18,813,838
Earnings per share				
Basic earnings per share	6(23)	$ 0.30	$ 8.90	$ 7.00
Diluted earnings per share	6(23)	$ 0.30	$ 8.85	$ 6.96

Items	Notes	Share capital - common stock	Capital surplus	Retained earnings: Legal reserve	Retained earnings: Special reserve	Retained earnings: Unappropriated retained earnings	Other equity interest: Financial statements translation differences of foreign operations	Other equity interest: Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Other equity interest: Unrealised gain (loss) on available-for-sale financial assets	Other equity interest: Hedging instrument gain (loss) on effective hedge of cash flow hedges	Other equity interest: Gain (loss) on hedging instruments	Total equity
2018 New Taiwan Dollars												
Balance at January 1, 2018		$ 25,975,433	$ 48,446,318	$ 21,373,388	$ 2,767,749	$ 33,082,224	($ 5,911,839)	$ -	($ 1,256,841)	$ 80,537	$ -	$ 124,556,969
Effects of retrospective application and retrospective restatement		-	-	-	-	1,118,916	-	(2,375,757)	1,256,841	(80,537)	80,537	-
Balance after retrospective restatement at January 1, 2018		25,975,433	48,446,318	21,373,388	2,767,749	34,201,140	(5,911,839)	(2,375,757)	-	-	80,537	124,556,969
Profit for the year		-	-	-	-	18,193,093	-	-	-	-	-	18,193,093
Other comprehensive income (loss) for the year		-	-	-	-	(15,946)	1,489,814	(903,738)	-	-	50,615	620,745
Comprehensive income (loss) for the year		-	-	-	-	18,177,147	1,489,814	(903,738)	-	-	50,615	18,813,838
Distribution of 2017 earnings	6(15)											
Legal reserve		-	-	1,838,056	-	(1,838,056)	-	-	-	-	-	-
Special reserve		-	-	-	4,320,394	(4,320,394)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(12,987,717)	-	-	-	-	-	(12,987,717)
Changes in ownership interests in subsidiaries		-	(49,251)	-	-	(62,680)	-	-	-	-	-	(111,931)
Disposal of equity investment at fair value through other comprehensive income	6(3)	-	-	-	-	(9,336)	-	9,336	-	-	-	-
Balance at December 31, 2018		$ 25,975,433	$ 48,397,067	$ 23,211,444	$ 7,088,143	$ 33,160,104	($ 4,422,025)	($ 3,270,159)	$ -	$ -	$ 131,152	$ 130,271,159
2019 New Taiwan Dollars												
Balance at January 1, 2019		$ 25,975,433	$ 48,397,067	$ 23,211,444	$ 7,088,143	$ 33,160,104	($ 4,422,025)	($ 3,270,159)	$ -	$ -	$ 131,152	$ 130,271,159
Effects of retrospective application and retrospective restatement	3(1)	-	-	-	-	1,943	-	-	-	-	-	1,943
Balance after retrospective restatement at January 1, 2019		25,975,433	48,397,067	23,211,444	7,088,143	33,162,047	(4,422,025)	(3,270,159)	-	-	131,152	130,273,102
Profit for the year		-	-	-	-	23,117,797	-	-	-	-	-	23,117,797
Other comprehensive income (loss) for the year		-	-	-	-	(255,785)	(912,967)	200,079	-	-	16,104	(952,569)
Comprehensive income (loss) for the year		-	-	-	-	22,862,012	(912,967)	200,079	-	-	16,104	22,165,228
Distribution of 2018 earnings	6(15)											
Legal reserve		-	-	1,819,310	-	(1,819,310)	-	-	-	-	-	-
Special reserve		-	-	-	472,889	(472,889)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(12,987,717)	-	-	-	-	-	(12,987,717)
Changes in ownership interests in subsidiaries		-	34,941	-	-	-	-	-	-	-	-	34,941
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	671,323	-	-	-	-	-	-	-	-	671,323
Disposal of equity investments at fair value through other comprehensive income	6(3)	-	-	-	-	(635,782)	-	635,782	-	-	-	-
Balance at December 31, 2019		$ 25,975,433	$ 49,103,331	$ 25,030,754	$ 7,561,032	$ 40,108,361	($ 5,334,992)	($ 2,434,298)	$ -	$ -	$ 147,256	$ 140,156,877

(Continued)

				Retained earnings			Other equity interest					
Items	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Unrealised gain (loss) on available-for-sale financial assets	Hedging instrument gain (loss) on effective hedge of cash flow hedges	Gain (loss) on hedging instruments	Total equity
2019 US Dollars												
Balance at January 1, 2019		$ 866,425	$ 1,614,312	$ 774,231	$ 236,429	$ 1,106,074	($ 147,499)	($ 109,078)	$ -	$ -	$ 4,375	$ 4,345,269
Effects of retrospective application and retrospective restatement	3(1)	-	-	-	-	65	-	-	-	-	-	65
Balance after retrospective restatement at January 1, 2019		866,425	1,614,312	774,231	236,429	1,106,139	(147,499)	(109,078)	-	-	4,375	4,345,334
Profit for the year		-	-	-	-	771,107	-	-	-	-	-	771,107
Other comprehensive income (loss) for the year		-	-	-	-	(8,531)	(30,453)	6,674	-	-	537	(31,773)
Comprehensive income (loss) for the year		-	-	-	-	762,576	(30,453)	6,674	-	-	537	739,334
Distribution of 2018 earnings	6(15)											
Legal reserve		-	-	60,684	-	(60,684)	-	-	-	-	-	-
Special reserve		-	-	-	15,774	(15,774)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(433,213)	-	-	-	-	-	(433,213)
Changes in ownership interests in subsidiaries		-	1,166	-	-	-	-	-	-	-	-	1,166
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	22,392	-	-	-	-	-	-	-	-	22,392
Disposal of equity investments at fair value through other comprehensive income	6(3)	-	-	-	-	(21,207)	-	21,207	-	-	-	-
Balance at December 31, 2019		$ 866,425	$ 1,637,870	$ 834,915	$ 252,203	$ 1,337,837	($ 177,952)	($ 81,197)	$ -	$ -	$ 4,912	$ 4,675,013

The notes in the parent company only financial statements and report of independent accountants are an integral part of these parent company only financial statements, please refer to the accompanying notes in the parent company only financial statements and report of independent accountants.

	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax for the year		$ 840,425	$ 25,195,937	$ 18,371,581
Adjustments to reconcile net income to net cash generated from operating activities				
Income and expenses having no effect on cash flows				
Depreciation	6(7)(8)(20)	47,097	1,411,957	976,968
Amortization	6(9)(20)	14,965	448,662	275,642
Expected credit impairment loss	12(2)	487	14,602	-
Interest expense	6(19)	4,431	132,833	83,854
Interest income	6(17)	(571)	(17,125)	(16,269)
Dividend income	6(17)	(1,859)	(55,722)	(74,305)
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(6)	(692,313)	(20,755,540)	(16,210,468)
Net loss on financial assets at fair value through profit or loss	6(2)(18)	141	4,241	14,014
Loss (gain) on disposal of property, plant and equipment	6(18)	45	1,361	(16,705)
Gain on disposal of investments	6(18)	(70,490)	(2,113,283)	-
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Financial assets mandatorily measured at fair value through profit or loss		906	27,152	55,662
Contract assets		4,830	144,791	293,169
Notes receivable		205	6,146	151,489
Accounts receivable		84,968	2,547,349	(780,022)
Accounts receivable - related parties		(72,386)	(2,170,142)	(738,175)
Other receivables		8,514	255,243	(112,342)
Other receivables - related parties		6,027	180,693	82,216
Inventories		(16,851)	(505,188)	(338,308)
Prepayments		(7,954)	(238,464)	(92,714)
Other current assets		(2,501)	(74,976)	45,302
Other non-current assets		(2,166)	(64,930)	(124,105)
Net changes in liabilities relating to operating activities				
Contract liabilities		277	8,303	(91,513)
Accounts payable		(5,862)	(175,745)	222,411
Accounts payable - related parties		2,779	83,303	1,085,684
Other payables		23,163	694,436	72,932
Other payables - related parties		(1,225)	(36,740)	(58,211)
Other current liabilities		(12,457)	(373,450)	138,452
Other non-current liabilities		7,624	228,549	(101,279)
Cash inflow generated from operations		160,249	4,804,253	3,114,960
Interest received		566	16,979	16,408
Dividends received		206,811	6,200,189	4,047,045
Interest paid		(4,225)	(126,667)	(80,093)
Income taxes paid		(33,735)	(1,011,371)	(220,470)
Net cash flows from operating activities		329,666	9,883,383	6,877,850

(Continued)

	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of financial assets at fair value through other comprehensive income		($ 373)	($ 11,190)	($ 245,356)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	13,435	402,780	733
Acquisition of investments accounted for under equity method		(10,324)	(309,510)	(447,595)
Proceeds from capital reduction of investments accounted for under equity method		-	-	2,106,870
Proceeds from capital withdrawal from liquidation of subsidiaries		1,556	46,642	-
Acquisition of property, plant and equipment	6(7)	(203,820)	(6,110,524)	(4,041,549)
Proceeds from disposal of property, plant and equipment		929	27,859	228,995
Acquisition of intangible assets	6(9)	(16,891)	(506,394)	(418,812)
Increase in prepayments for business facilities		(4,462)	(133,758)	(193,344)
Decrease in cash surrender value of life insurance		228	6,827	8,415
(Increase) decrease in refundable deposits		(69)	(2,066)	20,298
Cash inflow due to business combinations	6(24)	14,852	445,267	6,105
Net cash flows used in investing activities		(204,939)	(6,144,067)	(2,975,240)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of short-term borrowings	6(25)	-	-	(45,000)
Proceeds from long-term debt	6(25)	320,113	9,597,000	6,822,000
Increase in guarantee deposit received		4,088	122,570	-
Lease principal repayment		(2,198)	(65,941)	-
Cash dividends paid	6(15)	(433,213)	(12,987,717)	(12,987,717)
Net cash flows used in financing activities		(111,210)	(3,334,088)	(6,210,717)
Net increase (decrease) in cash and cash equivalents		13,517	405,228	(2,308,107)
Cash and cash equivalents at beginning of year		8,002	239,908	2,548,015
Cash and cash equivalents at end of year		$ 21,519	$ 645,136	$ 239,908

The notes in the parent company only financial statements and report of independent accountants are an integral part of these parent company only financial statements, please refer to the accompanying notes in the parent company only financial statements and report of independent accountants.

Appendix 3

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Delta Electronics, Inc.

Opinion

We have audited the accompanying consolidated balance sheets of Delta Electronics, Inc. and its subsidiaries (the "Group") as at December 31, 2019 and 2018, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the audit reports of the other independent accountants as described in the Other Matter - Scope of the Audit section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and Generally Accepted Auditing Standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the audit reports of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group's consolidated financial statements of the current period are stated as follows:

Assessment of the reasonableness of the purchase price allocation for business combination

Description

In April 2019, the Group publicly acquired 42.85% of Delta Electronics (Thailand) Public Company Limited through a tender offer and obtained control over the Company. The value of intangible assets, inclusive of goodwill and identifiable intangible assets-premium on customer relationship, etc., acquired from the merger is significant. The merger was accounted for in accordance with IFRS 3, "Business Combination". For details of purchase price allocation, refer to Note 6(30).

As the allocation of goodwill and the net fair value of identifiable assets and liabilities are based on management's estimation and involve accounting estimations and assumptions, we consider the above equity price allocation transaction a key audit matter.

How our audit addressed the matter

We obtained an understanding of the basis and process of purchase price allocation which was estimated by management. We reviewed the reasonableness of the fair value assessment for assets acquired and liabilities assumed, projected cash flow, and the fair value calculation model as indicated in the purchase price allocation reports prepared by the appraisers appointed by the Group. Our procedures also included the following:

A. Assessing the setting of parameters of valuation models and calculation formulas;
B. Comparing expected growth rates and gross margin with historical data, economic and industry forecasts; and

C. Comparing the discount rate with the cost of capital assumptions of cash generating units and rate of returns of similar assets.

Impairment assessment of goodwill

Description

As at December 31, 2019, the recognised goodwill as a result of acquisitions of Delta Electronics (Thailand) Public Company Limited, Eltek AS, Cyntec Co., Ltd., Delta Controls Inc., Delta Greentech (China) Co., Ltd. and Loy Tec electronics GmbH amounted to NT$51,555,322 thousand, constituting 16.58% of consolidated total assets. Refer to Notes 5(2) and 6(12) for details.

As the balance of goodwill acquired from the merger is material, the valuation model adopted in the impairment assessment has an impact in determining the recoverable amount which involves the significant accounting estimates and prediction of future cash flows. Thus, we consider the impairment assessment of goodwill a key audit matter.

How our audit addressed the matter

We obtained management's impairment assessment of goodwill, obtained an understanding of the process in determining the expected future cash flows based on each cash generating unit, and performed the following audit procedures:

A. Assessing whether the valuation models adopted by the Group are reasonable for the industry, environment and the valued assets of the Group;
B. Confirming whether the expected future cash flows adopted in the valuation model are in agreement with the budget provided by the business units; and
C. Assessing the reasonableness of material assumptions, such as expected growth rates, operating margin and discount rates, by:
   (a) Checking the setting of parameters of valuation models and calculation formulas;
   (b) Comparing the expected growth rate and operating margin with historical data, economic and industrial forecast documents; and
   (c) Comparing the discount rate with cost of capital assumptions of cash generating units and rate of returns of similar assets.

Other matter－Scope of the Audit

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for under equity method that are included in the consolidated financial statements. Total assets of the subsidiaries amounted to NT$56,952,036 thousand and NT$9,917,275 thousand, constituting 18.31% and 3.79% of consolidated total assets as at December 31, 2019 and 2018, respectively, and operating revenue was NT$45,582,501 thousand and NT$10,568,370 thousand, constituting 17.00% and 4.46% of consolidated total operating revenue for the years then ended, respectively. The balance of investment accounted for under equity method was NT$0 thousand and NT$8,154,777 thousand, constituting 0% and 3.11% of consolidated total assets as at December 31, 2019 and 2018, respectively, and the share of profit (loss) of associates and joint ventures accounted for under equity method and share of other comprehensive income of associates and joint ventures accounted for under equity method was NT$429,060 thousand and NT$204,169 thousand, constituting 1.80% and 1.06% of consolidated total comprehensive income for the years then ended, respectively. Those financial statements and information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants.

Other matter－Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Delta Electronics, Inc. as at and for the years ended December 31, 2019 and 2018.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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, including audit committee, are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ROC GAAS 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 consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

A. Identify and assess the risks of material misstatement of the consolidated 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 our 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;

B. 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;

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

D. 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

F. 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The consolidated financial statements of Delta Electronics, Inc. and subsidiaries as at and for the year ended December 31, 2019 expressed in US dollars are presented solely for the convenience of the reader and were translated from the financial statements expressed in New Taiwan dollars using the exchange rate of $29.98 to US$1.00 at December 31, 2019. This basis of translation is not in accordance with International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins that are ratified by the Financial Supervisory Commission.

Lin, Yu-Kuan Chou, Chien-Hung

for and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 2020

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers, Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Assets	Notes	US Dollars December 31, 2019	New Taiwan Dollars December 31, 2019	New Taiwan Dollars December 31, 2018
Current assets				
Cash and cash equivalents	6(1)	$ 1,466,311	$ 43,960,001	$ 59,618,697
Financial assets at fair value through profit or loss - current	6(2)	37,440	1,122,458	1,000,116
Financial assets at fair value through other comprehensive income - current	6(3)	10,668	319,823	57,656
Contract assets - current		36,274	1,087,489	1,708,291
Notes receivable, net	6(5)	127,306	3,816,628	4,091,231
Accounts receivable, net	6(5)	1,766,348	52,955,106	52,053,496
Accounts receivable - related parties	7	8,794	263,644	1,722,114
Other receivables		49,354	1,479,625	757,008
Other receivables - related parties	7	18	532	99,389
Current income tax assets		12,430	372,654	293,394
Inventories	6(7)	1,311,422	39,316,423	34,301,866
Prepayments		80,078	2,400,734	1,151,065
Other current assets	8	15,445	463,074	451,583
Total current assets		4,921,888	147,558,191	157,305,906
Non-current assets				
Financial assets at fair value through profit or loss - non-current	6(2)	74,224	2,225,239	2,392,799
Financial assets at fair value through other comprehensive income - non-current	6(3)	59,950	1,797,301	2,920,338
Contract assets - non-current		10,151	304,338	495,875
Investments accounted for under equity method	6(8)	37,989	1,138,920	9,393,716
Property, plant and equipment	6(9) and 8	2,121,113	63,590,981	46,428,874
Right-of-use assets	6(10)	103,864	3,113,833	-
Investment property, net	6(11)	469	14,070	1,644,728
Intangible assets	6(12)	2,749,588	82,432,653	32,628,388
Deferred income tax assets	6(27)	222,795	6,679,405	6,179,485
Other non-current assets	6(13) and 8	72,795	2,182,359	2,545,315
Total non-current assets		5,452,938	163,479,099	104,629,518
Total assets		$ 10,374,826	$ 311,037,290	$ 261,935,424

(Continued)

Liabilities and Equity	Notes	US Dollars December 31, 2019	New Taiwan Dollars December 31, 2019	New Taiwan Dollars December 31, 2018
Current liabilities				
Short-term borrowings	6(14)	$ 252,700	$ 7,575,932	$ 6,259,062
Financial liabilities at fair value through profit or loss - current	6(2)	531	15,929	8,544
Contract liabilities - current	6(21)	111,815	3,352,208	2,643,318
Notes payable		723	21,669	7,955
Accounts payable		1,316,827	39,478,462	39,016,773
Accounts payable - related parties	7	1,074	32,197	1,484,335
Other payables		961,620	28,829,379	24,786,588
Current income tax liabilities		72,951	2,187,076	2,712,106
Other current liabilities	6(15)	141,204	4,233,308	3,710,299
Total current liabilities		2,859,445	85,726,160	80,628,980
Non-current liabilities				
Long-term borrowings	6(15)	925,578	27,748,839	25,232,787
Deferred income tax liabilities	6(27)	467,274	14,008,861	11,569,432
Lease liabilities - non-current		47,407	1,421,265	-
Other non-current liabilities	6(16)	259,430	7,777,723	5,043,317
Total non-current liabilities		1,699,689	50,956,688	41,845,536
Total liabilities		4,559,134	136,682,848	122,474,516
Equity				
Share capital				
Share capital - common stock	6(17)	866,425	25,975,433	25,975,433
Capital surplus	6(18)			
Capital surplus		1,637,870	49,103,331	48,397,067
Retained earnings	6(19)			
Legal reserve		834,915	25,030,754	23,211,444
Special reserve		252,203	7,561,032	7,088,143
Unappropriated retained earnings		1,337,837	40,108,361	33,160,104
Other equity interest				
Other equity interest		(254,237)	(7,622,034)	(7,561,032)
Equity attributable to owners of the parent		4,675,013	140,156,877	130,271,159
Non-controlling interest	4(3) and 6(20)	1,140,679	34,197,565	9,189,749
Total equity		5,815,692	174,354,442	139,460,908
Significant contingent liabilities and unrecorded contract commitments	9			
Significant subsequent events	11			
Total liabilities and equity		$ 10,374,826	$ 311,037,290	$ 261,935,424

Items	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
Sales revenue	6(21) and 7	$ 8,943,676	$ 268,131,397	$ 237,017,809
Operating costs	6(7)(25) (26) and 7	(6,458,815)	(193,635,252)	(173,463,422)
Gross profit		2,484,861	74,496,145	63,554,387
Operating expenses	6(25)(26)			
Selling expenses		(661,682)	(19,837,224)	(16,553,772)
General and administrative expenses		(380,864)	(11,418,313)	(9,714,466)
Research and development expenses		(796,794)	(23,887,886)	(19,257,915)
Expected credit impairment gain	12(2)	1,870	56,068	138,489
Total operating expenses		(1,837,470)	(55,087,355)	(45,387,664)
Operating profit		647,391	19,408,790	18,166,723
Non-operating income and expenses				
Other income	6(22)	134,662	4,037,166	4,373,591
Other gains and losses	6(23)	210,288	6,304,445	(134,572)
Finance costs	6(24)	(24,611)	(737,869)	(548,704)
Share of profit of associates and joint ventures accounted for under equity method	6(8)	4,732	141,877	943,990
Total non-operating income and expenses		325,071	9,745,619	4,634,305
Profit before income tax		972,462	29,154,409	22,801,028
Income tax expense	6(27)	(174,338)	(5,226,653)	(4,152,444)
Profit for the year		$ 798,124	$ 23,927,756	$ 18,648,584

(Continued)

Items	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
Other comprehensive income (loss)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
Gain (loss) on remeasurements of defined benefit plans		($ 11,220)	($ 336,375)	($ 34,508)
Unrealised gain (loss) on valuation of equity investment at fair value through other comprehensive income	6(3)	6,674	200,079	(820,308)
Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method that will not be reclassified to profit or loss		550	16,500	15,249
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	203	6,088	(61,234)
Other comprehensive income (loss) that will not be reclassified to profit or loss		(3,793)	(113,708)	(900,801)
Components of other comprehensive income (loss) that will be reclassified to profit or loss				
Financial statements translation differences of foreign operations		(98,697)	(2,958,933)	2,184,566
Gain on hedging instrument		90	2,700	47,162
Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method that will be reclassified to profit or loss		117,914	3,535,054	(771,659)
Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(27)	(17,583)	(527,130)	42,768
Other comprehensive income that will be reclassified to profit or loss		1,724	51,691	1,502,837
Other comprehensive income (loss) for the year		($ 2,069)	($ 62,017)	$ 602,036
Total comprehensive income for the year		$ 796,055	$ 23,865,739	$ 19,250,620
Profit attributable to:				
Owners of the parent		$ 771,107	$ 23,117,797	$ 18,193,093
Non-controlling interest		$ 27,017	$ 809,959	$ 455,491
Comprehensive income attributable to:				
Owners of the parent		$ 739,334	$ 22,165,228	$ 18,813,838
Non-controlling interest		$ 56,721	$ 1,700,511	$ 436,782
Earnings per share				
Basic earnings per share	6(28)	$ 0.30	$ 8.90	$ 7.00
Diluted earnings per share	6(28)	$ 0.30	$ 8.85	$ 6.96

The notes in the consolidated financial statements and report of independent accountants are an integral part of these consolidated financial statements, please refer to the accompanying notes in the consolidated financial statements and report of independent accountants.

Items	Notes	Equity attributable to owners of the parent												
				Retained earnings			Other equity interest							
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Unrealised gain (loss) on available-for-sale financial assets	Hedging instrument gain (loss) on effective hedge of cash flow hedges	Gain (loss) on hedging instruments	Total	Non-controlling interest	Total equity
2018 New Taiwan Dollars														
Balance at January 1, 2018		$ 25,975,433	$ 48,446,318	$ 21,373,388	$ 2,767,749	$ 33,082,224	($ 5,911,839)	$ -	($ 1,256,841)	$ 80,537	$ -	$ 124,556,969	$ 9,216,505	$ 133,773,474
Effects of retrospective application and retrospective restatement		-	-	-	-	1,118,916	-	(2,375,757)	1,256,841	(80,537)	80,537	-	-	-
Balance after retrospective restatement at January 1, 2018		25,975,433	48,446,318	21,373,388	2,767,749	34,201,140	(5,911,839)	(2,375,757)	-	-	80,537	124,556,969	9,216,505	133,773,474
Profit for the year		-	-	-	-	18,193,093	-	-	-	-	-	18,193,093	455,491	18,648,584
Other comprehensive income (loss) for the year		-	-	-	-	(15,946)	1,489,814	(903,738)	-	-	50,615	620,745	(18,709)	602,036
Comprehensive income (loss) for the year		-	-	-	-	18,177,147	1,489,814	(903,738)	-	-	50,615	18,813,838	436,782	19,250,620
Distribution of 2017 earnings	6(19)													
Legal reserve		-	-	1,838,056	-	(1,838,056)	-	-	-	-	-	-	-	-
Special reserve		-	-	-	4,320,394	(4,320,394)	-	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(12,987,717)	-	-	-	-	-	(12,987,717)	-	(12,987,717)
Changes in ownership interests in subsidiaries		-	(49,251)	-	-	(62,680)	-	-	-	-	-	(111,931)	-	(111,931)
Changes in non-controlling interests	6(20)	-	-	-	-	-	-	-	-	-	-	-	(463,538)	(463,538)
Disposal of equity investments at fair value through other comprehensive income	6(3)	-	-	-	-	(9,336)	-	9,336	-	-	-	-	-	-
Balance at December 31, 2018		$ 25,975,433	$ 48,397,067	$ 23,211,444	$ 7,088,143	$ 33,160,104	($ 4,422,025)	($ 3,270,159)	$ -	$ -	$ 131,152	$ 130,271,159	$ 9,189,749	$ 139,460,908
2019 New Taiwan Dollars														
Balance at January 1, 2019		$ 25,975,433	$ 48,397,067	$ 23,211,444	$ 7,088,143	$ 33,160,104	($ 4,422,025)	($ 3,270,159)	$ -	$ -	$ 131,152	$ 130,271,159	$ 9,189,749	$ 139,460,908
Effects of retrospective application and retrospective restatement	3(1)	-	-	-	-	1,943	-	-	-	-	-	1,943	-	1,943
Balance after retrospective restatement at January 1, 2019		25,975,433	48,397,067	23,211,444	7,088,143	33,162,047	(4,422,025)	(3,270,159)	-	-	131,152	130,273,102	9,189,749	139,462,851
Profit for the year		-	-	-	-	23,117,797	-	-	-	-	-	23,117,797	809,959	23,927,756
Other comprehensive income (loss) for the year		-	-	-	-	(255,785)	(912,967)	200,079	-	-	16,104	(952,569)	890,552	(62,017)
Comprehensive income (loss) for the year		-	-	-	-	22,862,012	(912,967)	200,079	-	-	16,104	22,165,228	1,700,511	23,865,739
Distribution of 2018 earnings	6(19)													
Legal reserve		-	-	1,819,310	-	(1,819,310)	-	-	-	-	-	-	-	-
Special reserve		-	-	-	472,889	(472,889)	-	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(12,987,717)	-	-	-	-	-	(12,987,717)	-	(12,987,717)
Changes in ownership interests in subsidiaries		-	34,941	-	-	-	-	-	-	-	-	34,941	-	34,941
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(31)	-	671,323	-	-	-	-	-	-	-	-	671,323	(4,947,661)	(4,276,338)
Changes in non-controlling interests	6(20)	-	-	-	-	-	-	-	-	-	-	-	28,254,966	28,254,966
Disposal of equity investments at fair value through other comprehensive income	6(3)	-	-	-	-	(635,782)	-	635,782	-	-	-	-	-	-
Balance at December 31, 2019		$ 25,975,433	$ 49,103,331	$ 25,030,754	$ 7,561,032	$ 40,108,361	($ 5,334,992)	($ 2,434,298)	$ -	$ -	$ 147,256	$ 140,156,877	$ 34,197,565	$ 174,354,442

(Continued)

Items	Notes	Equity attributable to owners of the parent												
				Retained earnings			Other equity interest							
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Unrealised gain (loss) on available-for-sale financial assets	Hedging instrument gain (loss) on effective hedge of cash flow hedges	Gain (loss) on hedging instruments	Total	Non-controlling interest	Total equity
2019 US Dollars														
Balance at January 1, 2019		$ 866,425	$ 1,614,312	$ 774,231	$ 236,429	$ 1,106,074	($ 147,499)	($ 109,078)	$ -	$ -	$ 4,375	$ 4,345,269	$ 306,529	$ 4,651,798
Effects of retrospective application and retrospective restatement	3(1)	-	-	-	-	65	-	-	-	-	-	65	-	65
Balance after retrospective restatement at January 1, 2019		866,425	1,614,312	774,231	236,429	1,106,139	(147,499)	(109,078)	-	-	4,375	4,345,334	306,529	4,651,863
Profit for the year		-	-	-	-	771,107	-	-	-	-	-	771,107	27,017	798,124
Other comprehensive income (loss) for the year		-	-	-	-	(8,531)	(30,453)	6,674	-	-	537	(31,773)	29,704	(2,069)
Comprehensive income (loss) for the year		-	-	-	-	762,576	(30,453)	6,674	-	-	537	739,334	56,721	796,055
Distribution of 2018 earnings	6(19)	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	60,684	-	(60,684)	-	-	-	-	-	-	-	-
Special reserve		-	-	-	15,774	(15,774)	-	-	-		-	-	-	-
Cash dividends		-	-	-	-	(433,213)	-	-	-	-	-	(433,213)	-	(433,213)
Changes in ownership interests in subsidiaries		-	1,166	-	-	-	-	-	-	-	-	1,166	-	1,166
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(31)	-	22,392	-	-	-	-	-	-	-	-	22,392	(165,032)	(142,640)
Changes in non-controlling interests	6(20)	-	-	-	-	-	-	-	-	-	-	-	942,461	942,461
Disposal of equity investments at fair value through other comprehensive income	6(3)	-	-	-	-	(21,207)	-	21,207	-	-	-	-	-	-
Balance at December 31, 2019		$ 866,425	$ 1,637,870	$ 834,915	$ 252,203	$ 1,337,837	($ 177,952)	($ 81,197)	$ -	$ -	$ 4,912	$ 4,675,013	$ 1,140,679	$ 5,815,692

The notes in the consolidated financial statements and report of independent accountants are an integral part of these consolidated financial statements, please refer to the accompanying notes in the consolidated financial statements and report of independent accountants.

	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Consolidated profit before tax for the year		$ 972,462	$ 29,154,409	$ 22,801,028
Adjustments to reconcile net income to net cash generated from operating activities				
Income and expenses having no effect on cash flows				
Depreciation	6(9)(10)(11)(25)	363,996	10,912,594	8,939,275
Amortization	6(12)(25)	102,497	3,072,851	2,203,617
Expected credit impairment gain	12(2)	(1,870)	(56,068)	(138,489)
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	6(23)	(12,207)	(365,965)	202,545
Interest expense	6(24)	24,408	731,745	545,804
Interest income	6(22)	(29,571)	(886,537)	(851,185)
Dividend income	6(22)	(9,416)	(282,302)	(181,942)
Share-based payments	6(29)	1,373	41,176	(5,282)
Share of profit of associates accounted for under equity method	6(8)	(4,732)	(141,877)	(943,990)
Loss (gain) on disposal of property, plant and equipment	6(23)	1,883	56,441	(274,921)
Gain on disposal of investments	6(23)	(200,197)	(6,001,894)	-
Reversal of impairment loss on non-financial assets	6(23)	(3,009)	(90,215)	-
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Financial assets mandatorily measured at fair value through profit or loss		9,470	283,898	240,966
Contract assets		27,096	812,339	(533,977)
Notes receivable		9,160	274,603	(80,786)
Accounts receivable		277,066	8,306,424	(3,501,951)
Accounts receivable - related parties		94,511	2,833,432	(402,645)
Other receivables		(3,890)	(116,634)	(42,452)
Other receivables - related parties		3,632	108,894	(29,208)
Inventories		188,188	5,641,877	(3,476,464)
Prepayments		(10,740)	(321,976)	580,341
Other current assets		(11)	(328)	240,631
Other non-current assets		4,348	130,389	50,370
Net changes in operating liabilities relating to operating activities				
Contract liabilities		23,645	708,890	949,545
Notes payable		457	13,714	(1,837)
Accounts payable		(224,254)	(6,723,132)	2,307,949
Accounts payable - related parties		(79,424)	(2,381,143)	278,138
Other payables		(4,269)	(127,974)	(422,895)
Other current liabilities		(22,669)	(679,602)	(1,828,485)
Other non-current liabilities		22,765	682,490	821,714
Cash inflow generated from operations		1,520,698	45,590,519	27,445,414
Interest received		31,427	942,187	781,652
Dividends received		9,416	282,302	714,031
Interest paid		(24,323)	(729,218)	(536,989)
Income taxes paid		(139,260)	(4,175,022)	(4,732,398)
Net cash flows from operating activities		1,397,958	41,910,768	23,671,710

(Continued)

	Notes	US Dollars 2019	New Taiwan Dollars 2019	New Taiwan Dollars 2018
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of financial assets at fair value through other comprehensive income		($ 373)	($ 11,190)	($ 439,188)
Disposal of financial assets at fair value through other comprehensive income	6(3)	37,187	1,114,871	733
Acquisition of investments accounted for under equity method		(405)	(12,154)	(210,950)
Net cash flow from acquisition of subsidiaries (net of cash acquired)	6(30)	(801,135)	(24,018,015)	-
Acquisition of property, plant and equipment	6(9)	(562,581)	(16,866,186)	(11,340,871)
Proceeds from disposal of property, plant and equipment		15,763	472,561	676,924
Acquisition of investment properties		-	-	(15,448)
Disposal of investment properties		-	-	38
Acquisition of intangible assets	6(12)	(22,247)	(666,967)	(503,457)
(Increase) decrease in other financial assets		(1,714)	(51,359)	4,820
(Increase) decrease in other non-current assets		(16,327)	(489,479)	151,465
Net cash flows used in investing activities		(1,351,832)	(40,527,918)	(11,675,934)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in short-term borrowings	6(32)	43,925	1,316,870	(11,204,447)
Proceeds from long-term debt	6(32)	80,316	2,407,888	14,138,799
Lease principal repayment		(19,555)	(586,249)	-
Cash dividends paid	6(19)	(433,213)	(12,987,717)	(12,987,717)
Cash dividends paid to minority share interests	6(20)	(77,391)	(2,320,171)	(369,183)
Acquisition of ownership interests in subsidiaries	6(20)(31)	(142,638)	(4,276,338)	(94,355)
Net cash flows used in financing activities		(548,556)	(16,445,717)	(10,516,903)
Effects due to changes in exchange rate		(19,875)	(595,829)	773,207
Net (decrease) increase in cash and cash equivalents		(522,305)	(15,658,696)	2,252,080
Cash and cash equivalents at beginning of year		1,988,616	59,618,697	57,366,617
Cash and cash equivalents at end of year		$ 1,466,311	$ 43,960,001	$ 59,618,697

The notes in the consolidated financial statements and report of independent accountants are an integral part of these consolidated financial statements, please refer to the accompanying notes in the consolidated financial statements and report of independent accountants.

Appendix 4

Audit Committee's Review Report

To: The 2020 Annual General Shareholders' Meeting of Delta Electronics, Inc.

We, the Audit Committee of the Company have reviewed the business report, parent company only financial statements, consolidated financial statements and proposal for earnings distribution of the Company for the year 2019 in accordance with applicable laws and regulations and found the same have been complied with. We hereby report to the shareholders as described above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

The Audit Committee of Delta Electronics, Inc.

Convenor of the Audit Committee: Yung-Chin Chen

Date: March 10, 2020