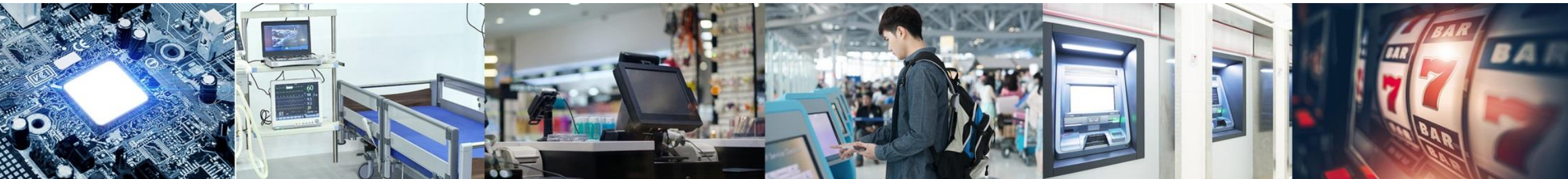


Ennoconn Corporation

Q1 2019 Earnings Conference Call

Steve Chu, Chairman & CEO
Kenny Deng, President
Yolanda Wu, CFO
Max Lee, Chief Strategy Officer

May 14th, 2019











Safe Harbor Statement

Our discussion may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. Undue reliance should not be placed on any forward-looking statements, which reflect our opinions only as of the date of this presentation. We undertake no obligation to update them.

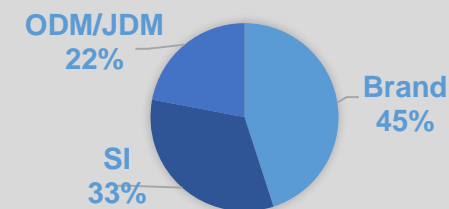
1Q19 Financial Results

NT\$M	1Q18	4Q18	1Q19	QoQ	YoY	Notes
Revenues	10,824	23,483	17,606	-25.0%	62.7%	<ul style="list-style-type: none"> The YoY growth was 10% if we exclude the inorganic contribution from Marketech consolidation. Gross margin increased 1.4 ppt sequentially, reflecting the better product mix and our cost reduction efforts. The operating margin came in at 3.2%, down from 4.5% in Q4 due to a seasonal dip in business scales. We have started to book quarterly intangible assets amortization expense of NT\$12 million incurred by Marketech acquisition since Q1; This translated to a very mild impact of 0.07% to the margin.
Gross Profit	2,924	4,754	3,800	-20.1%	30.0%	
Gross Margin %	27.0%	20.2%	21.6%	1.4 ppt	-5.4 ppt	
Selling expenses	-573	-904	-790			
G&A expenses	-623	-900	-979			
R&D expenses	-1,206	-1,767	-1,514			
Expected credit loss	4	-126	51			
Operating Income	526	1,058	569	-46.3%	8.1%	
Operating Margin %	4.9%	4.5%	3.2%	-1.3 ppt	-1.7 ppt	
Interest income (expense)	-96	-125	-93			
FX gain (loss)	-60	-2	-11			
Other non-operating income (expenses)	134	357	126			<ul style="list-style-type: none"> We booked a non-operating income of NT\$22 million in Q1, which was much lower than that of the previous quarters, dragged by the ECB amortization expense of NT\$165 million.
Net Income	389	1,013	473	-53.3%	21.6%	
Net Income (deducted minority interest)	187	312	119	-61.9%	-36.2%	
EPS (NT\$)	2.45	4.07	1.52	-62.7%	-38.0%	<ul style="list-style-type: none"> If we stripped out the one-time adverse impact of the ECB, the EPS in 1Q19 would be 3.21.

Performance by Business Segment

Business Segments	Key Members		Revenue Contribution (NT\$M)	Revenue QoQ	Revenue YoY (Organic)	GM	OpM	EPS Contribution (NT\$)
Ennoconn Consolidation		1Q19	17,606	-25.0%	62.7%	21.6%	3.2%	1.52
		4Q18	23,483		(9.5%)	20.2%	4.5%	4.07
Brand	 	1Q19	7,881 (45%)	-32.4%	7.5%	30.9%*	2.3%*	0.70 (46%)*
		4Q18	11,651 (50%)			28.0%*	5.7%*	1.69 (42%)
System Integration		1Q19	5,753 (33%)	-5.1%	N/M	8.8%	2.6%	0.80(53%)*
		4Q18	6,059(26%)			9.4%	1.2%	0.45 (11%)
ODM / JDM	   Others	1Q19	3,972 (22%)	-31.2%	13.8%	21.7%	5.9%	0.02 (1%)*
		4Q18	5,773 (24%)			15.9%	5.5%	1.93 (47%)

1Q19 Revenue Contribution



- The OpM of S&T went down to 2.3% primarily due to weak seasonality in Q1.
- Although the GM of Marketech edged down to 8.8% because of higher sales mix from lower-margin project-based business, its OpM recovered to 2.6% from 1.2% in 4Q18 mainly owing to the reversal of credit loss.
- The GM increased from 15.9% to 21.7% attributable to the more favorable product mix, and correspondingly, its OpM increased to 5.9%.
- 2019 Q1 EPS contribution excluded the impact from ECB redemption: Brand 22%, SI 25%, ODM 53%.
- Ownership: S&T 26.6% ; MIC 45.0% ; Goldtek 56.7% ; CASwell 34.5%

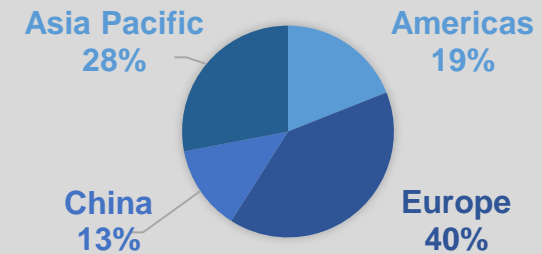
* We adjusted the GM and OpM of S&T due to the difference in accounting principles between EU and Taiwan. S&T's announcement: 1Q19 GM was 37.9%; 4Q18 GM was 33.4%.

Revenue by Region

		Revenue (NT\$M)	Revenue YoY (Organic)	2019Q1 Revenue (NT\$M)
Ennoconn Total	1Q19	17,606	62.7%	17,606
	1Q18	10,824	(9.5%)	
The Americas	1Q19	3,318 (19%)	0.2%	3,318 (19%)
	1Q18	3,311 (31%)	(-0.4%)	
Europe	1Q19	7,061 (40%)	11.3%	7,061 (40%)
	1Q18	6,343 (59%)	(3.8%)	
China	1Q19	2,364(13%)	317.1%	2,364 (13%)
	1Q18	567(5%)	(47.3%)	
Asia Pacific	1Q19	4,863(28%)	706.3%	4,863 (28%)
	1Q18	603(5%)	(88.9%)	

Notes

1Q19 Revenue



- **The Americas:** mainly from Goldtek and S&T, 50% and 35%, respectively.
- **Europe:** S&T accounted for 86% of our Europe sales.
- **China:** 65% of the revenue was from Marketech, and 27% came from ODM business.
- **Asia Pacific:** Marketech was the key contributor, generating 77% of the revenue.