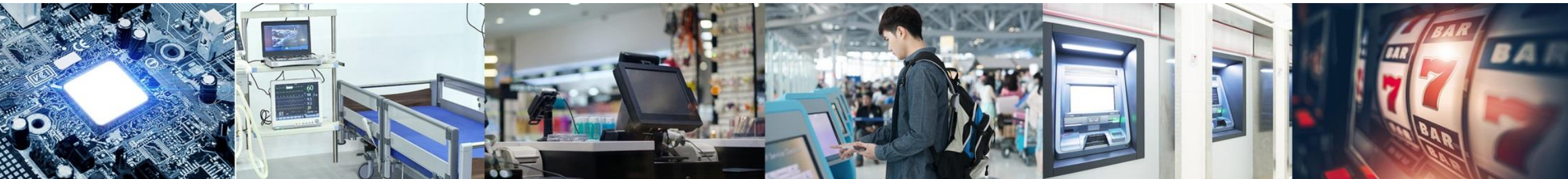


Ennoconn Corporation

3Q 2019 Earnings Conference Call

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

Nov 14th, 2019








Safe Harbor Statement

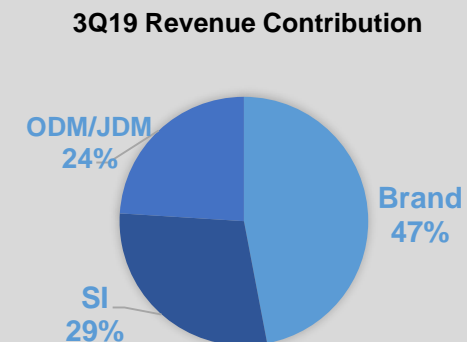
Our discussion may include predictions, estimates and other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. 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.

3Q19 Financial Results

NT\$M	3Q18	2Q19	3Q19	QoQ	YoY	Notes
Revenues	19,981	18,725	20,633	10.2%	3.3%	<ul style="list-style-type: none"> The revenue growth was mainly contributed from brand business and several ODM/JDM businesses. Gross margin increased by 1.5 ppt sequentially, attributed to margin recovery of brand business and system integration business. Correspondingly, the operating margin improved to 4.3% from 3.8%.
Gross Profit	4,184	4,217	4,956	17.5%	18.4%	
Gross Margin %	20.9%	22.5%	24.0%	1.5ppt	3.1ppt	
Selling expenses	-767	-791	-847			
G&A expenses	-979	-995	-986			
R&D expenses	-1,480	-1,695	-2,158			
Expected credit loss	-45	-20	-84			
Operating Income	914	716	881	23.0%	-3.6%	
Operating Margin %	4.6%	3.8%	4.3%	0.4ppt	-0.3ppt	
Interest income (expense)	-86	-89	-123			<ul style="list-style-type: none"> Interest expense rose by 38% QoQ as the brand business took bonded loans of €160m. The FX loss was due to the appreciation of NTD against USD. The increase of other non-operating income was a result of dividend income and government subsidies.
FX gain (loss)	-25	103	-14			
Other non-operating income (expenses)	258	199	305			
ECB/CB2 amortization expense	0	-58	0			
Net Income	838	680	831	22.2%	-0.8%	
Net Income (deducted minority interest)	329	238	353	48.6%	7.4%	
EPS (NT\$)	4.28	2.87	4.26	48.6%	-0.4%	<ul style="list-style-type: none"> EPS of 3Q 2019 was NT\$4.26, substantially improved from previous two quarters.

Performance by Business Segment

Business Segments	Key Members		Revenue Contribution (NT\$M)	Revenue QoQ	Revenue YoY	GM	OpM	EPS Contribution (NT\$)
Ennoconn Consolidation		3Q19	20,633			24.0%	4.3%	4.26
		2Q19	18,725	10.2%	3.3%	22.5%	3.8%	2.87
		3Q18	19,981			20.9%	4.6%	4.35
Brand		3Q19	9,693 (47%)			33.4%*	2.9%	0.79(19%)
		2Q19	8,704(47%)	11.4%	15.8%	30.1%*	2.7%	0.62 (22%)
		3Q18	8,374(42%)			29.2%*	2.9%	0.77 (18%)
System Integration		3Q19	5,938 (29%)			12.0%	4.2%	1.00(23%)
		2Q19	5,853(31%)	1.4%	-7.0%	11.2%	3.2%	0.96(33%)
		3Q18	6,382(32%)			13.0%	5.6%	1.39(32%)
ODM / JDM		3Q19	5,002(24%)			20.2%	7.0%	2.47 (58%)
		2Q19	4,168 (22%)	20.2%	-4.3%	22.6%	7.1%	1.29(45%)
		3Q18	5,225(26%)			17.5%	6.2%	2.19(50%)



- The GM of S&T went up to 33.4%, primarily driven by transportation business.
- As for Marketech, the GM and OpM went up to 12.0% and 4.2% respectively, thanks to margin recovery for project businesses.
- Ownership: S&T 26.8% ; MIC 44.7% ; Goldtek 56.7% ; CASwell 34.5%

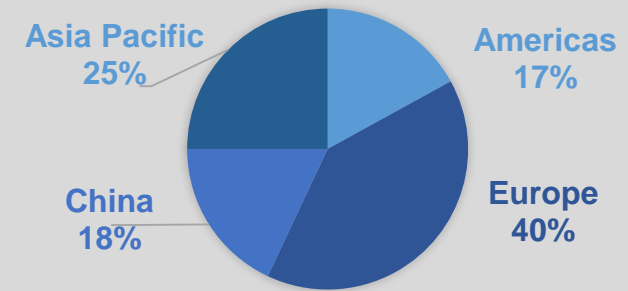
* We adjusted the GM and OpM of S&T due to the difference in accounting principles between EU and Taiwan. S&T's announcement: 3Q19 GM was 37.7%; 2Q19 GM was 35.8%; 3Q18 GM was 34.2%.

Revenue by Region

		Revenue (NT\$M)	Revenue QoQ	Revenue YoY	2019Q1-Q3 Revenue (NT\$M)
Ennoconn Total	3Q19	20,633			
	2Q19	18,725	10.2%	3.3%	56,963
	3Q18	19,981			
The Americas	3Q19	3,522(17%)			
	2Q19	3,374(18%)	4.4%	-13.4%	10,214 (18%)
	3Q18	4,069 (20%)			
Europe	3Q19	8,200(40%)			
	2Q19	6,747(36%)	21.5%	4.9%	22,008(39%)
	3Q18	7,819(39%)			
China	3Q19	3,689(18%)			
	2Q19	2,628(14%)	40.4%	17.3%	8,681 (15%)
	3Q18	3,146(16%)			
Asia Pacific	3Q19	5,222(25%)			
	2Q19	5,976(32%)	-12.6%	5.5%	16,060 (28%)
	3Q18	4,947(25%)			

Notes

3Q19 Revenue



- **The Americas:** mainly from Goldtek and S&T, 43% and 32%, respectively.
- **Europe:** S&T accounted for 86% of our Europe sales.
- **China:** 62% of the revenue was from Marketech, and 28% came from ODM business.
- **Asia Pacific:** Marketech was the key contributor, generating 60% of the revenue.