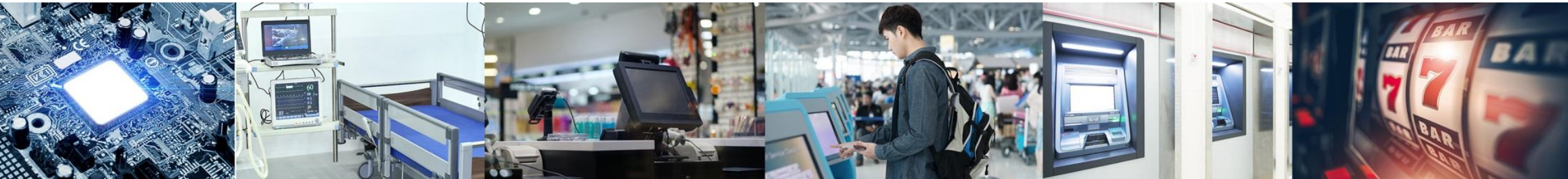


Ennoconn Corporation

December , 2018








Safe Harbor Statement

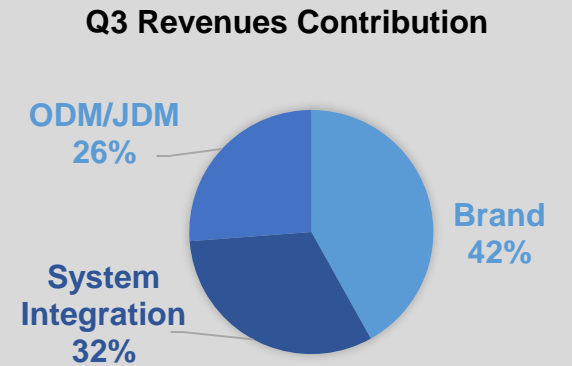
Our discussion may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially.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

3Q18 Financial Results

NT\$M	3Q17	2Q18	3Q18	QoQ	YoY	Notes
Revenues	11,889	14,674	19,981	36.2%	68.1%	<ul style="list-style-type: none"> We recognized Marketech's full-quarter revenues in Q3, as compared to 1.5 months of sales consolidation in Q2. The gross margin of Marketech is normally between 11-13%, lower than that of our brand and ODM business segments.
Gross Profit	3,573	3,402	4,184	23.0%	17.1%	
Gross Margin %	30.1%	23.2%	20.9%	-230 bps	-920 bps	
Selling expenses	-958	-696	-767			<ul style="list-style-type: none"> Operating margin was effectively improved to 4.6%, up from 2.5% last quarter. Thanks to economies of scale, we have reduced operating expense ratio by 4.4 percentage points. Expected credit loss was included in general and administrative expenses in 2017.
G&A expenses	-1,862	-845	-967			
R&D expenses	-197	-1,424	-1,480			
Expected credit loss	N/A	-76	-45			
Operating Income	556	361	926	156.4%	66.5%	
Operating Margin %	4.7%	2.5%	4.6%	210 bps	-10 bps	
Interest income (expense)	-96	-101	-86			<ul style="list-style-type: none"> FX loss was mainly from Marketech and S&T due to the depreciation of RMB and EUR. Other non-operating income mainly came from S&T R&D subsidy.
FX gain (loss)	-37	135	-26			
Other non-operating income (expenses)	193	319	258			
Net Income	471	548	850	55.1%	80.3%	
Net Income (deducted minority interest)	280	255	335	31.5%	19.5%	
EPS (NT\$)	3.70	3.31	4.35	31.4%	17.6%	<ul style="list-style-type: none"> 2018 Q1~Q3 EPS: 10.38 2017 Q1~Q3 EPS: 10.03

3Q18 Performance by Business Segment

Business Segments	Key Members (Ownership %)	3Q18 Revenue Contribution (NT\$M)	Revenue QoQ	3Q18 GM	3Q18 OpM	3Q18 EPS Contribution (NT\$)	Notes
Ennoconn Consolidation		19,981	36.2%	20.9%	4.6%	4.35	
Brand	 (24.1%)	8,374 (42%)	7.7%	29.2%*	2.9%*	0.77 (18%)	
System Integration	 (46.3%)	6,382 (32%)	-0.7%	13.0%	5.6%	1.39 (32%)	
ODM / JDM	 (100%)  (56.7%)  (34.2%) Others	5,225 (26%)	41.7%	17.5%	6.2%	2.19 (50%)	



- Revenue contribution : 42% from Brand business, 32% from System Integration and 26% from ODM / JDM business
- Due to different business nature, operating margin is more relevant than gross margin in our case.
- We adjusted the gross margin and operating margin of S&T due to the difference in accounting principles between EU and Taiwan.
- Ennoconn increased the shareholding of S&T to 26.6% via a share swap in October.

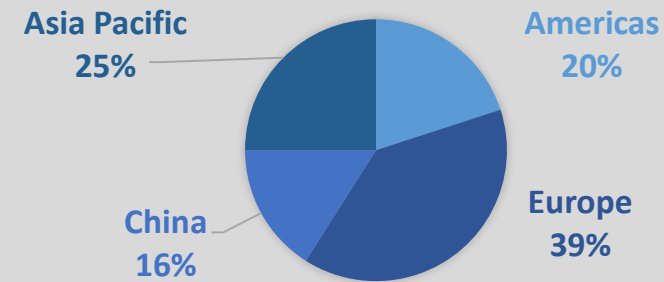
* S&T's announcement: 3Q18 gross margin was 34.2%.

3Q18 Revenue by Region

	3Q 2018 Revenue	1Q-3Q 2018 Revenue
Ennoconn Total	19,981 QoQ 36.2%	45,479
Americas	4,069 (20%) QoQ 15.3%	10,908 (24%)
Europe	7,819 (39%) QoQ 10.1%	21,263 (47%)
China	3,146 (16%) QoQ 92.9%	5,343 (12%)
Asia Pacific	4,947 (25%) QoQ 104.9%	7,965 (17%)

Notes

Q3 Revenue



- Ennoconn's performance was strong in all regions.
- Americas: mainly from Goldtek and S&T, 49% and 36%, respectively. The revenue from S&T included the contribution from Kontron Canada.
- Europe: S&T had very strong business and accounted for 86% of our Europe sales.
- China: 61% of the revenue was from Marketech, and 35% came from ODM business.
- Asia Pacific: Marketech was the key contributor, generating 81% of the revenue. The rest was from ODM business.