

**Ennoconn Technology Co., Ltd. and  
Subsidiaries**

**Consolidated Financial Statements and  
Independent Auditors' Review Report**

**For the Six Months Ended June 30, 2022 and 2021**

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Notice to Reader:

*For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.*

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## **Independent Auditors' Review Report**

To the Board of Directors of Ennoconn Corporation:

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Ennoconn Corporation and its subsidiaries (the "Group") as of June 30, 2022, and the related consolidated statements of comprehensive income for the three months ended June 30, 2022 and for the six months ended June 30, 2022, changes in equity and cash flows for the six months ended June 30, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

We conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity," except for the effects of the matter(s) described in the Basis for Qualified Conclusion paragraph, a review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis of Qualified Conclusion**

As stated in Note 4 (b) to the consolidated financial statements, it has included part of its insignificant subsidiaries in the aforesaid consolidated financial statements based on the financial statements of these invested companies not reviewed by the independent auditors for the same period. As of June 30, 2022, these subsidiaries had the total assets of NT\$2,670,746, thousand representing 2.61% of the consolidated total assets, and the total liabilities of NT\$1,579,314 thousand, representing 2.29% of the consolidated total liabilities, and they realized the comprehensive profit (loss) of NT\$69,722 thousand and NT\$63,516 thousand for the three months ended June 30, 2022 and for the six months ended June 30, 2022, representing 5.64% and 2.52% of the consolidated comprehensive profit (loss).

Besides the above-mentioned in the previous paragraph, as stated in Note 6 (d) of the consolidated financial statements, investments accounted for under the equity method of Ennoconn Technology Co., Ltd. and its subsidiaries amounted to NT\$303,735 thousand as of June 30, 2022. The profit or loss of associates under equity method were NT\$(6,160) thousand and NT\$(3,700) thousand for the three months ended June 30, 2022 and for the six months ended June 30, 2022. Those amounts were recognized based on financial statements of the investees for the same period and have not been reviewed by the independent auditors.

### **Qualified Conclusion**

Based on our reviews, except for possible effects from financial statements of these investees mentioned in the paragraph titled "Basis for Qualified Conclusion" if they were reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Ennoconn Corporation and its subsidiaries as of June 30, 2022, and of its consolidated financial performance for the three months ended June 30, 2022 and for the six months ended June 30, 2022 and its consolidated cash flows for the six months ended June 30, 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Other Matters**

The consolidated financial statements of Ennoconn Technology Co., Ltd. and its subsidiaries for the six months ended June 30, 2021 were reviewed by other independent auditors. Due to the financial statements of some subsidiaries are reviewed by other independent auditors as well as some of the non-material subsidiaries and investments accounted for using the equity method included in the consolidated financial statements are prepared based on the financial statements of each of these investee companies that have not been reviewed by independent auditors during the same period, the review report of the qualified conclusion plus other matters paragraph was issued on August 11, 2021.

KPMG

CPA:

Securities and Futures Commission  
Approval No. August 11, 2022  
Taiwan-Finance-Securities-VI  
: No.0930106739  
Financial Supervisory  
Commission No.1040003949

**Reviewed only, not audited in accordance with the generally accepted auditing standards as of**  
**June 30, 2022 and 2021**  
**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Consolidated Balance Sheets**  
**June 30, 2022, December 31 and June 30, 2021**

**Unit: NT\$ 1,000**

Assets	2022.6.30		2021.12.31		2021.6.30			Liabilities and equity	2022.6.30		2021.12.31		2021.6.30	
	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities</b>						
1100 Cash and cash equivalents (Notes 6 (a) and (w))	\$ 13,925,677	14	17,522,321	17	14,412,844	16	2100 Short-term loans (Notes 6 (l) and (w))	\$ 9,484,562	9	9,476,954	9	9,571,631	10	
1110 Financial assets measured at fair value through profit and loss - current (Note 6 (w))	72,583	-	189,816	-	222,234	-	2120 Financial liabilities measured at fair value through profit and loss - current (Note 6 (w))	1,211	-	713	-	355,348	-	
1136 Financial assets measured at amortized cost - current (Note 6 (w))	23,130	-	864,112	1	1,509,791	2	2130 Contract liabilities - current (Notes 6 (t) and (w))	9,190,110	9	7,151,404	7	6,149,804	7	
1140 Contract assets - current (Notes 6 (t) and (w))	8,812,356	9	9,538,944	10	7,171,375	8	2150 Notes payables (Note 6 (w))	2,594,955	3	1,721,962	2	1,514,351	2	
1150 Notes receivable, net (Notes 6 (b), (t) and (w))	51,668	-	60,171	-	111,168	-	2160 Notes payables - related parties (Notes 6 (w) and 7)	10,628	-	15,218	-	4,539	-	
1170 Accounts receivable, net (Notes 6 (b), (t) and (w))	17,422,974	17	16,550,819	16	13,783,863	15	2170 Accounts payables (Note 6 (w))	16,788,593	16	18,718,569	19	13,821,784	15	
1180 Accounts receivable - related parties, net (Notes 6 (b), (t) and (w) and 7)	272,127	-	769,363	1	1,017,277	1	2180 Accounts payables - related parties (Notes 6 (w) and 7)	68,293	-	709,342	1	936,676	1	
130X Inventories (Note 6 (c))	21,301,065	21	15,971,415	16	14,656,678	16	2200 Other payables (Notes 6 (w) and 7)	6,008,108	6	5,181,431	5	4,767,968	5	
1470 Other current assets (Note 6 (k))	5,562,768	5	4,917,814	5	4,852,390	5	2230 Current income tax liabilities	571,733	1	454,685	-	341,860	-	
<b>Total Current Assets</b>	<b>67,444,348</b>	<b>66</b>	<b>66,384,775</b>	<b>66</b>	<b>57,737,620</b>	<b>63</b>	2250 Provisions for liabilities - current	990,742	1	992,243	1	1,138,459	1	
<b>Non-Current Assets:</b>							2280 Lease liabilities - current (Note 6 (w))	969,669	1	974,736	1	926,465	1	
1510 Financial assets measured at fair value through profit and loss - non-current (Note 6 (w))	923,184	1	984,540	1	704,586	1	2321 Corporate bonds matured or exercised redemption rights within one year or one operating cycle (Notes 6 (n) and (w))	166,237	-	1,137,035	1	6,659,149	7	
1517 Financial assets measured at fair value through other comprehensive income - non-current (Note 6 (w))	1,083,796	1	926,755	1	692,008	1	2322 Long-term loans matured within one year or one operating cycle (Notes 6 (m) and (w))	480,648	-	11,926	-	829,918	1	
1550 Investments accounted for using equity method (Note 6 (d))	606,898	1	128,693	-	450,885	-	2399 Other current liabilities	787,347	1	768,632	1	378,760	1	
1600 Property, plant and equipment (Note 6 (i))	6,441,682	6	6,697,993	7	6,832,863	7	<b>Total Current Liabilities</b>	<b>48,112,836</b>	<b>47</b>	<b>47,314,850</b>	<b>47</b>	<b>47,396,712</b>	<b>51</b>	
1760 Investment properties, net	51,375	-	51,656	-	-	-	<b>Non-current liabilities:</b>							
1755 Right-of-use assets	2,988,190	3	2,977,436	3	2,928,061	3	2500 Financial liabilities measured at fair value through profit and loss - non-current (Note 6 (w))	-	-	-	-	701,613	1	
1805 Goodwill (Note 6 (j))	13,494,831	13	13,285,999	13	13,444,791	15	2530 Corporate bonds payable (Notes 6 (n) and (w))	8,599,491	8	8,967,735	9	1,626,782	2	
1821 Other intangible assets (Note 6 (j))	6,135,138	6	6,374,149	6	6,709,717	7	2540 Long-term loans (Notes 6 (m) and (w))	7,552,992	7	7,833,098	8	8,582,054	9	
1840 Deferred tax assets (Note 6 (p))	1,554,865	2	1,564,709	2	1,584,009	2	2550 Provisions for liabilities - non-current	467,205	-	485,942	-	568,535	1	
1960 Advance payment for investment (Note 6 (k))	29,720	-	27,680	-	27,860	-	2570 Deferred tax liabilities (Note 6 (p))	610,775	1	535,929	1	518,690	-	
1990 Other non-current assets (Note 6 (k))	1,405,385	1	1,221,508	1	1,209,268	1	2580 Lease liabilities - non-current (Note 6 (w))	2,455,627	2	2,485,942	2	2,439,919	3	
<b>Total non-current assets</b>	<b>34,715,064</b>	<b>34</b>	<b>34,241,118</b>	<b>34</b>	<b>34,584,048</b>	<b>37</b>	2640 Net defined benefit liabilities - non-current (Note 6 (o))	473,434	1	475,690	1	522,565	-	
							2670 Other non-current liabilities	622,258	1	1,156,520	1	762,866	1	
							<b>Total non-current liabilities</b>	<b>20,781,782</b>	<b>20</b>	<b>21,940,856</b>	<b>22</b>	<b>15,723,024</b>	<b>17</b>	
							<b>Total Liabilities</b>	<b>68,894,618</b>	<b>67</b>	<b>69,255,706</b>	<b>69</b>	<b>63,119,736</b>	<b>68</b>	
							<b>Equity attributable to owners of parent (Notes 6 (q) and (r)):</b>							
							3110 Share capital	1,060,370	1	1,018,120	1	968,120	1	
							3200 Capital surplus	9,300,086	9	8,865,780	9	7,634,297	8	
							Retained earnings:							
							3310 Legal reserve	812,521	1	754,561	1	754,561	1	
							3320 Special reserve	1,768,490	2	1,010,924	1	1,010,924	1	
							3350 Unappropriated earnings	778,668	1	1,157,171	1	291,619	-	
							Total Retained Earnings	3,359,679	4	2,922,656	3	2,057,104	2	
							3400 Other equity	(1,295,252)	(1)	(1,768,490)	(2)	(1,500,433)	(1)	
							3500 Treasury stock	-	-	(233,608)	-	(233,608)	-	
							Total Equity Attributable to Owners of Parent	12,424,883	13	10,804,458	11	8,925,480	10	
							36XX Non-controlling equity (Note 6 (j))	20,839,911	20	20,565,729	20	20,276,452	22	
							<b>Total Equity</b>	<b>33,264,794</b>	<b>33</b>	<b>31,370,187</b>	<b>31</b>	<b>29,201,932</b>	<b>32</b>	
<b>Total Assets</b>	<b>\$ 102,159,412</b>	<b>100</b>	<b>100,625,893</b>	<b>100</b>	<b>92,321,668</b>	<b>100</b>	<b>Total Liabilities and Equity</b>	<b>\$ 102,159,412</b>	<b>100</b>	<b>100,625,893</b>	<b>100</b>	<b>92,321,668</b>	<b>100</b>	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

**Reviewed only, not audited in accordance with the generally accepted auditing standards**

**Ennoconn Technology Co., Ltd. and Subsidiaries**

**Consolidated Statements of Comprehensive Income**

**For the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021**

**Unit: NT\$ 1,000**

	April to June, 2022		April to June, 2021		January to June, 2022		January to June, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
4100 Sales revenue, net (Notes 6 (t) and 7)	\$ 26,839,352	100	22,805,189	100	51,111,672	100	42,996,426	100
5000 Operating costs (Notes 6 (c), (i), (j), (o), (u) and 7)	21,365,918	80	17,659,757	77	40,534,493	79	33,096,924	77
5900 Gross profit	5,473,434	20	5,145,432	23	10,577,179	21	9,899,502	23
Operating expenses (Notes 6 (b), (i), (j), (o), (u)):								
6100 Selling Expenses	763,182	3	794,395	4	1,583,001	3	1,646,066	4
6200 General and administrative expenses	1,299,287	5	1,204,630	5	2,576,221	5	2,379,353	5
6300 Research and development expense	2,242,573	8	2,166,395	10	4,447,787	9	4,279,595	10
6450 Expected credit losses	32,772	-	55,065	-	104,974	-	70,431	-
<b>Total operating expenses</b>	<b>4,337,814</b>	<b>16</b>	<b>4,220,485</b>	<b>19</b>	<b>8,711,983</b>	<b>17</b>	<b>8,375,445</b>	<b>19</b>
6900 Net operating profit	1,135,620	4	924,947	4	1,865,196	4	1,524,057	4
<b>Non-operating income and expenses (Notes 6 (d), (g) and (v)):</b>								
7100 Interest income	13,073	-	14,734	-	25,684	-	29,105	-
7190 Other income	6,173	-	12,664	-	12,230	-	18,656	-
7020 Other gains and losses	539,598	2	113,377	1	963,527	2	349,163	1
7050 Financial costs	(136,874)	-	(141,817)	(1)	(269,764)	(1)	(278,792)	(1)
7060 Share of profit or loss of associates accounted for using the equity method	2,184	-	(5,988)	-	4,644	-	(9,292)	-
<b>Total non-operating income and expenses</b>	<b>424,154</b>	<b>2</b>	<b>(7,030)</b>	<b>-</b>	<b>736,321</b>	<b>1</b>	<b>108,840</b>	<b>-</b>
<b>Net profit before tax</b>	<b>1,559,774</b>	<b>6</b>	<b>917,917</b>	<b>4</b>	<b>2,601,517</b>	<b>5</b>	<b>1,632,897</b>	<b>4</b>
7950 Less: Income tax expense (Note 6 (p))	467,048	2	172,897	1	743,943	1	349,795	1
<b>Net income for period</b>	<b>1,092,726</b>	<b>4</b>	<b>745,020</b>	<b>3</b>	<b>1,857,574</b>	<b>4</b>	<b>1,283,102</b>	<b>3</b>
8300 <b>Other comprehensive income:</b>								
8310 <b>Items that will not be reclassified to profit or loss</b>								
8316 Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	125,898	1	(1,697)	-	56,318	-	(2,518)	-
8320 Share of other comprehensive income from associates and joint venture recognized under equity method	13	-	(726)	-	13	-	(949)	-
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
<b>Total of components of other comprehensive income that will not be reclassified to profit or loss</b>	<b>125,911</b>	<b>1</b>	<b>(2,423)</b>	<b>-</b>	<b>56,331</b>	<b>-</b>	<b>(3,467)</b>	<b>-</b>
8360 <b>Components of other comprehensive income that will be reclassified subsequently to profit or loss</b>								
8361 Exchange differences on translation of foreign financial statements	19,850	-	(333,783)	(1)	605,516	1	(1,079,767)	(3)
8370 Share of other comprehensive income of associates accounted for using the equity method	(1,509)	-	(241)	-	(95)	-	(259)	-
8399 Less: Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
<b>Total of components of other comprehensive income that will be reclassified subsequently to profit or loss</b>	<b>18,341</b>	<b>-</b>	<b>(334,024)</b>	<b>(1)</b>	<b>605,421</b>	<b>1</b>	<b>(1,080,026)</b>	<b>(3)</b>
8300 <b>Other comprehensive income for period</b>	<b>144,252</b>	<b>1</b>	<b>(336,447)</b>	<b>(1)</b>	<b>661,752</b>	<b>1</b>	<b>(1,083,493)</b>	<b>(3)</b>
<b>Total comprehensive income for period</b>	<b>\$ 1,236,978</b>	<b>5</b>	<b>408,573</b>	<b>2</b>	<b>2,519,326</b>	<b>5</b>	<b>199,609</b>	<b>-</b>
<b>Net income attributable to:</b>								
Owners of parent	\$ 441,324	2	283,321	1	755,134	2	474,039	1
Non-controlling interests	651,402	2	461,699	2	1,102,440	2	809,063	2
	<b>\$ 1,092,726</b>	<b>4</b>	<b>745,020</b>	<b>3</b>	<b>1,857,574</b>	<b>4</b>	<b>1,283,102</b>	<b>3</b>
<b>Total comprehensive income attributable to:</b>								
Owners of parent	\$ 654,355	3	61,289	-	1,228,372	2	(15,470)	-
Non-controlling interests	582,623	2	347,284	2	1,290,954	3	215,079	-
	<b>\$ 1,236,978</b>	<b>5</b>	<b>408,573</b>	<b>2</b>	<b>2,519,326</b>	<b>5</b>	<b>199,609</b>	<b>-</b>
9750 <b>Basic earnings per share (Unit: NT\$) (Note 6 (s))</b>	<b>\$ 4.16</b>		<b>2.95</b>		<b>7.14</b>		<b>4.95</b>	
9850 <b>Diluted earnings per share (Unit: NT\$) (Note 6 (s))</b>	<b>\$ 3.24</b>		<b>2.44</b>		<b>5.61</b>		<b>4.13</b>	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

**Reviewed only, not audited in accordance with the generally accepted auditing standards**

**Ennoconn Technology Co., Ltd. and Subsidiaries  
Consolidated Statements of Changes in Equity  
For the six months ended June 30, 2022 and 2021**

**Unit: NT\$ 1,000**

Equity attributable to owners of parent

	Retained earnings					Other equity interest			Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity	
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at FVTOCI					Total
<b>Balance as of January 1, 2021</b>	\$ 932,720	6,738,090	643,854	850,114	1,268,438	2,762,406	(934,258)	(76,666)	(1,010,924)	(233,608)	9,188,684	21,251,225	30,439,909
Net income for period	-	-	-	-	474,039	474,039	-	-	-	-	474,039	809,063	1,283,102
Other comprehensive income for period	-	-	-	-	-	-	(487,047)	(2,462)	(489,509)	-	(489,509)	(593,984)	(1,083,493)
Total comprehensive income for period	-	-	-	-	474,039	474,039	(487,047)	(2,462)	(489,509)	-	(15,470)	215,079	199,609
Legal reserve	-	-	110,707	-	(110,707)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	160,810	(160,810)	-	-	-	-	-	-	-	-
Cash dividend on ordinary shares	-	-	-	-	(480,785)	(480,785)	-	-	-	-	(480,785)	-	(480,785)
Changes in ownership interests in subsidiaries	-	9,437	-	-	-	-	-	-	-	-	9,437	(9,437)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(461,021)	(461,021)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(719,394)	(719,394)
Issuance of new shares for other company's shares	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614	-	223,614
<b>Balance as of June 30, 2021</b>	<b>\$ 968,120</b>	<b>7,634,297</b>	<b>754,561</b>	<b>1,010,924</b>	<b>291,619</b>	<b>2,057,104</b>	<b>(1,421,305)</b>	<b>(79,128)</b>	<b>(1,500,433)</b>	<b>(233,608)</b>	<b>8,925,480</b>	<b>20,276,452</b>	<b>29,201,932</b>
<b>Balance as of January 1, 2022</b>	<b>\$ 1,018,120</b>	<b>8,865,780</b>	<b>754,561</b>	<b>1,010,924</b>	<b>1,157,171</b>	<b>2,922,656</b>	<b>(1,673,323)</b>	<b>(95,167)</b>	<b>(1,768,490)</b>	<b>(233,608)</b>	<b>10,804,458</b>	<b>20,565,729</b>	<b>31,370,187</b>
Net income for period	-	-	-	-	755,134	755,134	-	-	-	-	755,134	1,102,440	1,857,574
Other comprehensive income for period	-	-	-	-	-	-	418,026	55,212	473,238	-	473,238	188,514	661,752
Total comprehensive income for period	-	-	-	-	755,134	755,134	418,026	55,212	473,238	-	1,228,372	1,290,954	2,519,326
Legal reserve	-	-	57,960	-	(57,960)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	757,566	(757,566)	-	-	-	-	-	-	-	-
Cash dividend on ordinary shares	-	(424,148)	-	-	(318,111)	(318,111)	-	-	-	-	(742,259)	-	(742,259)
Capital increase by cash	48,800	1,056,570	-	-	-	-	-	-	-	-	1,105,370	-	1,105,370
Cancellation of treasury stock	(6,550)	(227,058)	-	-	-	-	-	-	-	233,608	-	-	-
Changes in ownership interests in subsidiaries	-	28,942	-	-	-	-	-	-	-	-	28,942	(28,942)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,174,655)	(1,174,655)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	186,825	186,825
<b>Balance as of June 30, 2022</b>	<b>\$ 1,060,370</b>	<b>9,300,086</b>	<b>812,521</b>	<b>1,768,490</b>	<b>778,668</b>	<b>3,359,679</b>	<b>(1,255,297)</b>	<b>(39,955)</b>	<b>(1,295,252)</b>	<b>-</b>	<b>12,424,883</b>	<b>20,839,911</b>	<b>33,264,794</b>

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

**Reviewed only, not audited in accordance with the generally accepted auditing standards**

**Ennoconn Technology Co., Ltd. and Subsidiaries**

**Consolidated Statements of Cash Flows**

**For the six months ended June 30, 2022 and 2021**

**Unit: NT\$ 1,000**

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
<b>Cash flows of operating activities:</b>		
<b>Net profit before income tax</b>	<u>\$ 2,601,517</u>	<u>1,632,897</u>
<b>Adjustments:</b>		
Adjustments for:		
Depreciation expenses	888,612	895,730
Amortization expenses	625,053	707,464
Expected credit losses	104,974	70,431
Net losses (gains) from financial assets and liabilities at fair value through profit or loss	183,435	(106,381)
Interest expenses	269,764	278,792
Interest income	(25,684)	(29,105)
Dividend income	(341)	(7,191)
Share-based payment compensation	89	8,168
Share of (profits) losses of associates accounted for using the equity method	(4,644)	9,292
Gain on disposal and scrap of property, plant and equipment	(16,837)	(37,375)
Gains on disposal of investments	(43,172)	-
Losses on lease modification	169	-
Inventory losses from market declines	126,374	2,697
Unrealized (gains) losses on foreign exchange	(9,570)	27,945
Bond recovery loss	-	2,189
Losses on Inventory scrap	<u>212,169</u>	<u>106,204</u>
Total adjustments to reconcile profit (loss)	<u>2,310,391</u>	<u>1,928,860</u>
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	-	8,863
Contract assets	726,588	(1,023,295)
Notes and accounts receivable	(1,089,307)	113,195
Inventories	(5,894,560)	(1,895,919)
Other current assets	(677,977)	129,433
Contract liabilities	2,038,707	93,681
Notes payable (including related parties)	868,401	360,639
Accounts payable (including related parties)	(1,800,399)	(498,546)
Other payables	963,797	(1,278,639)
Provisions for liabilities	(20,238)	(329,173)
Other current liabilities	85,911	(29,764)
Other liabilities	<u>(536,769)</u>	<u>67,610</u>
Total adjustments	<u>(3,025,455)</u>	<u>(2,353,055)</u>
Cash used in operations	<u>(423,938)</u>	<u>(720,158)</u>
Interest received	25,684	25,730
Dividends received	341	7,191
Interest paid	(233,497)	(217,344)
Income taxes paid	<u>(549,506)</u>	<u>(649,079)</u>
<b>Net cash used in operating activities</b>	<u>(1,180,916)</u>	<u>(1,553,660)</u>

**(Please refer to Notes to the Consolidated Financial Statements)**

**Chairman: Fu-Chuan Chu**

**Manager: Neng-Chi Tsai**

**Chief Accountant: You-Mei Wu**



**Reviewed only, not audited in accordance with the generally accepted auditing standards**  
**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Consolidated Statements of Cash Flows (Continued)**  
**For the six months ended June 30, 2022 and 2021**

Unit: NT\$ 1,000

	January to June, 2022	January to June, 2021
<b>Cash flows of investing activities:</b>		
Acquisition of financial assets measured at fair value through other comprehensive income	\$ (111,886)	(19,289)
Disposal of financial assets measured at fair value through other comprehensive income	-	2,789
Proceeds from disposal of financial assets at amortized cost	840,982	792,576
Acquisition of financial assets at fair value through profit or loss designated on initial recognition	(35,467)	-
Disposal of financial assets at fair value through profit or loss designated on initial recognition	26,452	-
Return of capital from financial assets at FVTPL	3,299	-
Acquisition of investments accounted for using the equity method	(305,000)	-
Disposal of investments accounted for using the equity method	31,238	-
Decrease in prepayments for investments	(2,040)	-
Acquisition of subsidiaries (after deduction of cash obtained)	760	(13,560)
Disposal of subsidiaries	45,899	-
Return of capital from financial assets at FVTPL	-	846
Acquisition of property, plant and equipment	(475,257)	(785,618)
Proceeds from disposal of property, plant and equipment	138,534	60,693
Acquisition of intangible assets	(425,768)	(435,016)
(Increase) decrease in other non-current assets	(305,729)	91,451
<b>Net cash outflow from investment activities</b>	<b>(573,983)</b>	<b>(305,128)</b>
<b>Cash flows of financing activities:</b>		
Increase in short-term loans	89,420	725,827
Repayments of corporate bonds payables	(1,139,508)	(218,531)
Proceeds from long-term loans	188,615	1,542,441
Repayments of long-term loans	-	(3,492)
Repayments of lease principal	(439,616)	(421,551)
Distribution of cash dividend	(742,259)	-
Capital increase by cash	1,105,370	-
Cash Dividends paid to non-controlling interests	(1,174,655)	(461,021)
Change in non-controlling interests	7,920	(516,226)
<b>Net cash outflow (inflow) from financing activities</b>	<b>(2,104,713)</b>	<b>647,447</b>
Effect of exchange rate changes on cash and cash equivalents	262,968	(332,167)
Net decrease in cash and cash equivalents	(3,596,644)	(1,543,508)
Cash and cash equivalents at the beginning of the period	17,522,321	15,956,352
Cash and cash equivalents at the end of the period	<b>\$ 13,925,677</b>	<b>14,412,844</b>

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

**Reviewed only, not audited in accordance with the generally accepted auditing standards**

**Ennoconn Technology Co., Ltd. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**For the Six Months Ended June 30, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(1) Company Overview**

Ennoconn Corporation ("the Company") was established on July 12, 1999. The registered place and business operation site of the Company is 3~6F, No. 10, Jiangkang Rd., Zhonghe Dist., New Taipei City. The Company and its subsidiaries ("the Group") mainly engage in data storage, processing equipment, along with manufacturing and sales of industrial motherboard.

The Company's initial public offering was conducted on November 21, 2012. On December 18 of the same year, its emerging stocks were traded at Taipei Exchange (TPEX) and its stocks were listed at the Taiwan Stock Exchange Corporation on March 28, 2014.

**(2) Date and Procedures of Authorization of Financial Statements**

The consolidated financial statements were approved by the Board of Directors and authorized for issue on August 11, 2022.

**(3) Application of New and Amended Standards and Interpretations**

- (a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already been adopted.

The Group has initially adopted the following new amendments from January 1, 2022, and it did not have a significant impact on the consolidated financial statements.

- Amendments to IAS 16 "Property, Plant and Equipment—Proceeds before Intended Use"
- Amendments to IAS 37 "Onerous Contracts—Cost of Fulfilling a Contract"
- Annual Improvements to IFRS Standards 2018-2020
- Amendments to IFRS 3 "Reference to the Conceptual Framework"

- (b) Effect of not adopting IFRSs recognized by the FSC

The Group has assessed the application of the following newly revised IFRSs effective from January 1, 2023, and it would not have a significant impact on the consolidated financial statements.

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The impact of IFRS issued by IASB but not yet endorsed by the FSC to the Group is summarized as below:

New, Revised or Amended Standards and Interpretations	Major amendments	Effective Date Issued by IASB
Amendment to IAS 1 "Classification of Liabilities as Current or Non-current"	The amendments aim to promote consistency in applying the requirements by helping the Company determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt the Company might settle by converting it into equity.	January 1, 2023

The Group is evaluating the impact on its financial position and financial performance as a result of the aforementioned standards or interpretations. The related impact will be disclosed when the evaluation has been completed.

The Group expects that the following other newly issued and revised standards that have not been recognized will not have a significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17
- Amendments to IFRS 17 "Initial application of IFRS 17 and IFRS 9 comparative information"

#### (4) Summary of Significant Accounting Policies

- (a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except for the accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2021. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2021.

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

### (b) Basis of Consolidation

#### 1. Subsidiaries included in consolidated financial statements

Subsidiaries included in the consolidated financial statements are as below:

Name of investor	Name of Subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2022.6.30	2021.12.31	2021.6.30	
The Company	Innovative Systems Integration Limited (Innovation System)	Professional investment	100.00%	100.00%	100.00%	
The Company	Ennoconn International Investment Co., Ltd. (Ennoconn International)	Professional investment	100.00%	100.00%	100.00%	
The Company	Ennoconn Investment Holdings Co., Ltd. (EIH)	Professional investment	100.00%	100.00%	100.00%	
The Company and EIH	AIS Cayman Technology	Professional investment	100.00%	100.00%	100.00%	
EIH	Ennoconn Hungary KFT	Manufacturing and marketing of industrial computers	100.00%	100.00%	- %	Note 1
The Company and Ennoconn International	Caswell, Inc. and its subsidiaries (Caswell)	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	31.77%	31.77%	31.77%	Note 2
Innovation System	Nanjing Asiatek Co., Ltd. (Nanjing Asiatek)	Engaged in the research, development and sales of software and hardware products, and provide installation, commissioning and technical consultation.	100.00%	100.00%	100.00%	
Innovation System	ENGA Technology Co., Ltd.	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	100.00%	100.00%	100.00%	
Innovation System	Ennoconn (Suzhou) Technology Co., Ltd. (Suzhou Ennoconn)	R&D, production and sales of industrial computers	100.00%	100.00%	100.00%	
Innovation System	Sheng-Li-Jia Holdings Co., Ltd. (Sheng-Li-Jia)	Import and export trading	100.00%	100.00%	100.00%	
Innovation System	Hua-En Investment Co., Ltd. (Hua-En)	Professional investment	100.00%	100.00%	100.00%	
Innovation System and Hua-En	Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	100.00%	100.00%	100.00%	
Suzhou Ennoconn	Ennoconn (Kunshan) Technology Co., Ltd. (Kunshan Ennoconn)	Intelligent technology development and hardware sales	70.00%	70.00%	70.00%	
Nanjing Asiatek	Shenzhen Asiatek Co., Ltd. (Shenzhen Asiatek)	Engage in R&D, production and sales of electronic materials required for software and hardware products	25.00%	73.51%	70.00%	Note 3
Ennoconn International	Goldtek Technology Co., Ltd. (Goldtek)	Wholesale and retail of telecommunications control RF equipment input and information software	56.74%	56.74%	56.74%	
Ennoconn International	EnnoMech Precision (Cayman) Co., Ltd.	Professional investment	100.00%	100.00%	100.00%	
Ennoconn International	SyS-P Co., Ltd.	International trade, information software wholesale and services	- %	- %	100.00%	Note 4

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

Name of investor	Name of Subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2022.6.30	2021.12.31	2021.6.30	
Ennoconn International	Ennowyse Corporation (Ennowyse)	Research, design and sales of mobile payment, electronic signature and information security products	100.00%	100.00%	100.00%	
Ennoconn International	Thecus Technology Corp.	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	60.00%	60.00%	60.00%	
Ennoconn International	Dexatek Technology Ltd.	Multimedia product R&D and design and manufacturing business	56.36%	56.36%	60.00%	Note 5
Ennoconn International	Marketech International Corp. and its subsidiary (MIC INC.)	High tech industry plant services and process system planning integration service	42.80%	44.04%	44.56%	Note 6
Ennoconn International	Poslab Technology Co. (Poslab)	Manufacturing, wholesale and sales of electronic and its peripheral equipment	70.00%	70.00%	70.00%	
Ennoconn International	Renown Information Technology Corp. (Renown Information)	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	37.14%	- %	- %	Note 7
Goldtek	Keenest Electronic Corp.	Professional investment	100.00%	100.00%	100.00%	
Keenest Electronic Corp.	Goldtek Technology (Shenzhen) Co., Ltd.	Research, design and sales of electronic products, communication devices and their spare parts, and after-sales service of the above products.	100.00%	100.00%	100.00%	
Keenest Electronic Corp.	Sunlit Precision Technology Co., Ltd. (Sunlit)	Metal stamping and casting industry	40.30%	40.30%	40.30%	
Ennoconn International and EIH	Kontron AG and its subsidiary	Information system software and hardware integration service	27.64%	27.64%	27.54%	Note 8
AIS Cayman	American Industrial Systems Inc. (AIS)	Human-machine interface and industry 4.0 and other related products	100.00%	100.00%	100.00%	
AIS Cayman	Vecow Co., Ltd.	Manufacturing, processing, trading, import and export of communication machinery and equipment, electronic equipment and electronic devices	100.00%	100.00%	100.00%	
EnnoMech Cayman	DOMINATE UNITED ENTERPRISE LTD.	Professional investment	100.00%	100.00%	100.00%	
EnnoMech Cayman	ENNOMECH PRECISION CO., LTD.	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	100.00%	100.00%	100.00%	
EnnoMech Cayman	HighAim Technology Inc. (HighAim)	Professional investment	67.65%	67.65%	66.05%	Note 9
HighAim	HighAim Technology Inc. and its subsidiary	Design, development and production of various molds, servers and communication equipment.	100.00%	100.00%	100.00%	
HighAim	Andrix International LTD.	Import and export trading	100.00%	100.00%	100.00%	

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

Name of investor	Name of Subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2022.6.30	2021.12.31	2021.6.30	
HighAim	Funology Investment Inc.	Import and export trading	100.00%	100.00%	100.00%	
Thecus Technology	Thecus U.S.A.,Inc.	Sales of network storage equipment and maintenance services	100.00%	100.00%	100.00%	
Ennowyse Corporation	Hua Qun Venture Management Corporation (Hua Qun)	General investment and investment consultancy	40.00%	40.00%	- %	Note 10

- Note 1 : Incorporated in December 2021 and included in the consolidated financial statements.
- Note 2 : The Company and Ennoconn International hold 27.33% and 4.44% of equity, respectively. The Group acquires the majority voting rights of the board of directors of CASwell Inc. and could dominantly make personnel, financial and operational decisions, so it is listed as a subsidiary.
- Note 3 : Nanjing Asiatick increased investments to Shenzhen Asiatick in October 2021, increased the shareholding ratio. However, the shareholding ratio has decreased due to no participation in the capital increase of Shenzhen Asiatick in January 2022. In addition, Nanjing Asiatick disposed of 45% equity interests in Shenzhen Astronergy in June 2022, thus losing control of the Company.
- Note 4 : At the end of 2021, the Company ended its operations and went through dissolution procedures
- Note 5 : During the holding period, the shareholding ratio decreased due to the increase of equity due to the exercise of stock options issued by the Company.
- Note 6 : The Group considered the proportion of voting rights held by other shareholders, and it was judged to have substantial control. Therefore, it was listed as a subsidiary. During the holding period, the shareholding ratio decreased due to the increase of equity due to the exercise of stock options issued by the Company.
- Note 7 : Renown Information was formerly an investee accounted for using the equity method of Ennoconn International. Ennoconn International originally indirectly held 21.03% of Renown Information through Caswell, Goldtek and MIC INC.As a result of these companies' participation in the capital increase by cash of Renown Information on May 27, 2022, the shareholdings in Renown Information held by Ennoconn International, Caswell, Goldtek and MIC INC. increased to 20%, 12.4%, 12.4% and 14.4%, respectively, totaling 59.2%. The percentage of indirect shareholding increased to 37.14%, thus obtaining substantial control over the Company and classifying it as a subsidiary.
- Note 8 : This company (formerly known as S&T AG, and changed its name to Kontron AG in June 2022.) is a listed company in Frankfurt, Germany, and a group holding company. Due to the decentralized ownership structure of the Company, the shareholding ratio of the Group to other shareholders is significant. The Group is the largest shareholder and holds more than half of the total number of directors with substantial control power. Therefore, it is listed as a subsidiary. During the holding period, the Company bought back the treasury stock, leading to increasing consolidated shares held.
- Note 9 : In September 2021, EnnoMech Cayman transferred 80,000 non-controlling shares, with an amount of USD336,000, increased shares held.
- Note 10 : Incorporated in July 2021 and included in the consolidated financial statements.

The above subsidiaries included in the consolidated financial statements, except for some non-material subsidiaries of MIC INC. which have not been reviewed, the rest were prepared based on the financial statements reviewed by the independent auditors during the same period.

2. Subsidiaries excluded from consolidated financial statements: None.

(c) Business Combination

The Group applies the acquisition method for each business combination. Goodwill is measured at the fair value of the consideration transferred at the date of acquisition, including the amount attributable to any non-controlling interest in the acquiree, less the net

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

amount of the identifiable assets acquired and liabilities assumed (generally the fair value). If the resulting balance is negative, the Group reassesses whether all assets acquired and liabilities assumed have been correctly identified before recognizing the gain on bargain purchase in profit or loss.

Except for those related to the issuance of debt or equity instruments, transaction costs associated with a business combination should be recognized as expenses of the combining company immediately when incurred.

If the non-controlling interest in the acquiree is a present ownership interest and the holder is entitled to a proportionate share of the net assets of the enterprise at the time of liquidation, the Group elects, on a transaction-by-transaction basis, to measure the acquisition date fair value or the proportionate share of the present ownership instrument to the recognized amount of the acquiree's identifiable net assets. Other non-controlling interests are measured at the fair values at the acquisition date or on other bases in accordance with IFRSs recognized by the FSC.

For a business combination concluded in stages, the Group remeasures the interests of the acquiree previously held based on the fair value on the acquisition date. Any resulting gain or loss is recognized as profit or loss. Changes in the value of the acquiree's interest that were recognized in other comprehensive income before the acquisition date should be treated in the same manner as if the Group had directly disposed of its previously held interest. If it is appropriate to reclassify the interest to profit or loss upon disposal, the amount is reclassified to profit or loss.

If the original accounting treatment for a business combination is not completed before the reporting date of the combination transaction, the Group recognizes provisional amounts for incomplete accounting items and makes retroactive adjustments or recognizes additional assets or liabilities during the measurement period to reflect the new information about the existing facts and conditions on the acquisition date. The measurement period will not exceed one year from the date of acquisition.

### (d) Employee benefits

The pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

### (e) Income taxes

The income tax expenses have been prepared and disclosed in accordance with

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

paragraph B12 of International Financial Reporting Standards 34 “Interim Reporting.”

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management, and the current income tax expenses and deferred income tax expenses are apportioned according to the estimated proportion of the current income tax expenses and deferred income tax expenses for the whole year.

The temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and recognized directly in equity or other comprehensive income as tax expense.

### (5) The Primary Sources of Uncertainties in Major Accounting Judgments, Estimates, and Assumptions

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the Note 5 of the consolidated financial statements for the year ended December 31, 2021.

### (6) Details of Significant Accounts

#### (a) Cash and cash equivalents

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Cash on hand	\$ 21,845	34,944	25,500
Demand deposits and check deposits	13,587,731	17,213,071	11,552,726
Time deposits	316,101	274,306	2,834,618
Cash and cash equivalents listed on the consolidated statement of cash flow	<u>\$ 13,925,677</u>	<u>17,522,321</u>	<u>14,412,844</u>

#### (b) Notes receivable and accounts receivable

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Notes receivable	\$ 51,668	60,171	111,168
Accounts receivable	18,434,853	17,448,314	14,842,861
Accounts receivable - related parties	272,127	769,363	1,051,816
Less: Allowance for loss	(1,011,879)	(897,495)	(1,093,537)
	<u>\$ 17,746,769</u>	<u>17,380,353</u>	<u>14,912,308</u>



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

The Group adopts a simplified method to estimate the expected credit loss for all notes receivable and accounts receivable, namely, it is measured by the expected credit loss during the duration. For this measurement purpose, these notes receivable and accounts receivable are grouped on the basis of shared credit risk characteristics representing the customer's ability to pay all due amounts in accordance with the terms of the contract, and have been incorporated into forward-looking information. The analysis of the expected credit loss of the Group's notes and accounts receivable is as follows:

	<b>2022.6.30</b>		
	<b>Carrying amount of accounts and notes receivable</b>	<b>Weighted average expected credit loss rate</b>	<b>Expected credit loss during the allowance</b>
Not past due	\$ 14,651,065	0.17%	25,121
1~30 days past due	1,113,594	0.60%	6,658
31~150 days past due	1,466,046	3.27%	47,872
151~270 days past due	290,330	11.72%	34,041
271~365 days past due	104,124	13.19%	13,739
1~2 years past due	627,975	60.34%	378,934
Over 2 years past due	505,514	100%	505,514
	<b><u>\$ 18,758,648</u></b>		<b><u>1,011,879</u></b>

	<b>2021.12.31</b>		
	<b>Carrying amount of accounts receivable</b>	<b>Weighted average expected credit loss rate</b>	<b>Expected credit loss during the allowance</b>
Not past due	\$ 14,638,212	0.03%	3,887
1~30 days past due	1,190,397	0.48%	5,735
31~150 days past due	942,045	3.30%	31,132
151~270 days past due	250,384	15.37%	38,491
271~365 days past due	169,792	27.14%	46,082
1~2 years past due	616,185	48.90%	301,335
Over 2 years past due	470,833	100%	470,833
	<b><u>\$ 18,277,848</u></b>		<b><u>897,495</u></b>

	<b>2021.6.30</b>		
	<b>Carrying amount of accounts and notes receivable</b>	<b>Weighted average expected credit loss rate</b>	<b>Expected credit loss during the allowance</b>
Not past due	\$ 12,586,130	0.11%	13,287
1~30 days past due	819,261	0.85%	6,941
31~150 days past due	1,028,718	8.13%	83,685
151~270 days past due	215,455	13.97%	30,099
271~365 days past due	151,552	17.19%	26,056
1~2 years past due	569,897	58.37%	332,655
Over 2 years past due	634,832	94.64%	600,814
	<b><u>\$ 16,005,845</u></b>		<b><u>1,093,537</u></b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

The change in the credit loss of the Group's notes and accounts receivable is as follows:

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Beginning Balance	\$ 897,495	1,086,892
Impairment losses recognized	104,974	70,431
Write-off due to irrecoverable of this year	(14,324)	(37,926)
Profit/loss from foreign currency translation	26,579	(25,860)
Acquisition through combinations	(2,845)	-
Ending Balance	<b><u>\$ 1,011,879</u></b>	<b><u>1,093,537</u></b>

Please refer to Note 8 for details of the pledge set as loan guarantee by the Group as of June 30, 2022, December 31, 2021 and June 30, 2021.

Please refer to Note 6 (w) for other credit risk information.

(c) Inventories

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Raw materials	\$ 13,395,438	6,599,058	8,129,168
Raw materials in transit	171,029	12,048	121,570
Work in progress	1,770,617	1,160,370	1,492,437
Semi-finished products	981,669	481,600	647,024
Finished goods	2,361,660	1,445,242	2,476,978
Stock in hand	3,280,357	6,845,765	2,312,627
Less: Allowance for inventory losses from market declines	(659,705)	(572,668)	(523,126)
	<b><u>\$ 21,301,065</u></b>	<b><u>15,971,415</u></b>	<b><u>14,656,678</u></b>

The inventory related expenses and losses (profits) recognized by the Group for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021 were NT\$484,712 thousand, NT\$43,721 thousand, NT\$338,543 thousand and NT\$108,901 thousand respectively, under the operating costs, and the details are as below:

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Inventory price loss (recovery gain)	\$ 278,396	(38,790)	126,374	2,697
Losses on Inventory scrap	206,316	82,511	212,169	106,204
Total	<b><u>\$ 484,712</u></b>	<b><u>43,721</u></b>	<b><u>338,543</u></b>	<b><u>108,901</u></b>

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

Inventory costs recognized as operating costs and expenses for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021 were NT\$20,881,206 thousand, NT\$17,616,036 thousand, NT\$40,195,950 thousand and NT\$32,988,023 thousand, respectively.

For the Group's use of inventory as pledge guarantees, please refer to Note 8.

(d) Investments accounted for using the equity method

The investments of the Group using the equity method on the reporting date are listed as follows:

	2022.6.30	2021.12.31	2021.6.30
Associates	\$ 606,898	128,693	450,885

1. Associates

The Group participated in the private placement of new shares of Arbor Technology Corporation on February 24, 2022, and it acquired 16,000 thousand shares of the Company for NT\$296,000 thousand with a shareholding ratio of about 17.69%, resulting in the acquisition of significant influence in the Company, which engaged in major operating projects of the R&D, manufacturing and sales of industrial computers.

On May 23, 2022, the Group acquired 900 thousand shares of Ennowell Co., Ltd. for NT\$9,000 thousand with a shareholding ratio of 30%, resulting in the acquisition of significant influence in the Company, which is mainly engaged in smart building system integration, energy management services and cloud services, etc.

On April 2, 2022, the Group disposed of 20% equity interest in Shenzhen Pictographic Technology Co., Ltd. and lost its significant influence, for a consideration of NT\$31,238 thousand (RMB7,000 thousand). The gains on disposal of NT\$1,671 thousand was included in other gains and losses in the consolidated statement of comprehensive income.

If the affiliated enterprises of the Group adopting the equity method are individually insignificant, the summarized financial information is as follows. The financial information is the amount included in the consolidated financial report of the Group:

	2022.6.30	2021.12.31	2021.6.30
Ending summary carrying amount of equity of individual insignificant affiliated enterprises	\$ 606,898	128,693	450,885

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

	January to June, 2022	January to June, 2021
Shares attributable to the Group:		
Net income for period	\$ 4,644	(9,292)
Other comprehensive income	(82)	(1,208)
Total comprehensive income	<b>\$ 4,562</b>	<b>(10,500)</b>

As of June 30, 2022 and 2021, the affiliated enterprises that the Group adopts the equity method did not provide pledge, guarantee or without the restrictive circumstances.

**2. Unreviewed Investments Recognized Through the Equity Method**

The shares of profit or loss and other comprehensive income entitled by the Group and investments recognized through the equity method are calculated on the basis of the financial statements which has not been reviewed by the independent auditors, except for those of Arbor Technology Corporation which were recognized based on the financial statements for the same period which was reviewed by the independent auditors.

**(e) Business Combination**

The Group expands the Group's business by acquiring the following companies and obtains relevant development, design and production technologies.

	Main operating activities	Acquisition date	Proportion of Purchases	Fair value of transfer consideration
HC Solutions GmbH	IoT industry	2021.01.01	100.00%	47,239
Axino Solutions GmbH	Information technology services	2021.04.01	100.00%	22,736
CNP GmbH/CNT GmbH	Information services	2022.01.01	100.00%	14,594 (Note)
Renown Information Technology Corp.	Information software services	2022.05.27	59.20%	10,000

Note: it is consolidation by merger.

The main categories of transfer consideration, assets acquired and liabilities assumed on the acquisition date and the amount of goodwill recognized are as follows:

**1. The fair values of the main categories of transfer consideration at the acquisition date are as follows:**

For the six months ended June 30, 2022:

	CNP GmbH/ CNT GmbH	Renown Information
Transfer consideration		
Cash	\$ 14,594	10,000
	<b>\$ 14,594</b>	<b>10,000</b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

For the six months ended June 30, 2021:

	<b>HC Solutions GmbH</b>	<b>Axino Solutions GmbH</b>
Transfer consideration		
Cash	\$ 43,095	6,630
Contingent consideration agreement	4,144	16,106
	<b><u>\$ 47,239</u></b>	<b><u>22,736</u></b>

2. Fair value of net identifiable assets acquired and liabilities assumed:

For the six months ended June 30, 2022:

	<b>CNP GmbH/ CNT GmbH</b>	<b>Renown Information</b>
Cash and cash equivalents	\$ -	25,354
Notes and accounts receivable	-	13,219
Inventories	-	11,244
Other current assets	-	6,449
Property, plant and equipment	914	1,094
Right-of-use assets	10,926	-
Intangible assets	8,280	6,031
Lease liabilities - current	(1,971)	-
Other payables	(405)	(25,940)
Deferred tax liabilities	(2,484)	-
Lease liabilities - non-current	(8,955)	-
Other current liabilities	-	(251)
	<b><u>\$ 6,305</u></b>	<b><u>37,200</u></b>

For the six months ended June 30, 2021:

	<b>HC Solutions GmbH</b>	<b>Axino Solutions GmbH</b>
Cash and cash equivalents	\$ 4,905	31,260
Notes and accounts receivable	11,362	27,081
Other receivables	637	2,184
Inventories	837	32,493
Prepayments	-	-
Contract assets - current	16,619	-
Current income tax assets	-	3,089
Other current assets	222	2,622
Property, plant and equipment	1,913	991
Right-of-use assets	-	-
Intangible assets	15,019	25,085
deferred tax assets	-	-
Other non-current assets	2,162	-
Notes and accounts payable	(12,794)	(48,381)
Lease liabilities - current	-	-
Provisions for liabilities - current	(6,604)	(9,640)
Contract liabilities - current	(8,756)	(47,053)
Other payables	(311)	(3,238)

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

Current income tax liabilities	(4,956)	(8,254)
Other current liabilities	(11,721)	(41,850)
Contract liabilities - non-current	-	-
Deferred tax liabilities	(3,804)	-
Lease liabilities - non-current	-	-
Provisions for liabilities - non-current	(13,106)	-
Other non-current liabilities	(1,848)	-
	<u>\$ (10,224)</u>	<u>(33,611)</u>

The original accounting treatment for the acquisition of have not been reviewed, the companies on the balance sheet date is only provisional. At the date of issuance of this consolidated financial statements, the required market evaluation and other calculations have not been completed. Therefore, the tentative value is only based on the best possible estimate of the management of the Group.

The fair value and book value of the accounts receivable obtained from these companies in the merger transaction are close to each other, and there is no expected unrecoverable amount on the acquisition date.

3. Goodwill

Goodwill generated from the acquisition:

For the six months ended June 30, 2022:

	<u>CNP GmbH/ CNT GmbH</u>	<u>Renown Information</u>
Transfer consideration	\$ 14,594	10,000
Less: fair value of identifiable net assets (liabilities) acquired	6,305	37,200
Add: non-controlling interests (measured as the ratio of identifiable net assets to non-controlling interests)	-	(23,384)
Add: fair value of the original interest in the acquiree	-	(11,393)
Goodwill arising on acquisition	<u>\$ 8,289</u>	<u>7,577</u>

For the six months ended June 30, 2021:

	<u>HC Solutions GmbH</u>	<u>Axino Solutions GmbH</u>
Transfer consideration	\$ 47,239	22,736
Less: fair value of identifiable net assets (liabilities) acquired	(10,224)	(33,611)
Goodwill arising on acquisition	<u>\$ 57,463</u>	<u>56,347</u>

The goodwill arising from the acquisition mainly comes from control of premium. In addition, the consideration paid for the combination includes the expected combination synergies, revenue growth and future market development. However, such benefits do not meet the requirements for recognition of identifiable intangible assets, thus they are not recognized separately.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

4. Since the acquisition date, the income and net profit contributed by the acquired company are as follows:

For the six months ended June 30, 2022:

	<b>Renown Information</b>
Operating revenue	\$ <b>3,477</b>
Net income (loss) for period	\$ <b>(346)</b>

For the six months ended June 30, 2021:

	<b>HC Solutions GmbH</b>	<b>Axino Solutions GmbH</b>
Operating revenue	\$ <b>120,318</b>	\$ <b>76,444</b>
Net income (loss) for period	\$ <b>5,419</b>	\$ <b>12,958</b>

(f) Changes in ownership interests in subsidiaries

1. The transactions in which the Group changed its equity in subsidiaries and did not change its control over the Company for the six months ended June 30, 2022 and 2021 are as follows:

In January 2021, the Company issued new shares through capital increase, transferred the remained shares of AIS Cayman, increased the Company and EIH's consolidated shares from 62.36% to 100%.

CASWELL, INC. exercised the conversion right of convertible corporate bonds for the six months ended June 30, 2021, resulted the shares held by the Company and Ennoconn International reduced from 31.91% to 31.77%.

In January 2022, Nanjiang Asiatek did not subscribe Shenzhen Aisatek's capital increase by its shareholding ratio, which shares are increased from 73.51% to 70%. Please refer to Note 6 (g) for the details of the disposal of 45% of its equity interests in June 2022.

MIC INC. increased shares through exercising the share option for the six months ended June 30, 2022 and 2021, resulted in Ennoconn International shares reduced from 44.04% to 42.80%, and from 44.59% to 44.56%, respectively.

Kontron AG exercised the treasury stock repurchase for the six months ended June 30, 2021, resulted in EIH and Ennoconn International's consolidated shareholding increased from 27.22% to 27.54%.

Kontron AG increased its investment in its subsidiary for the six months ended June 30, 2022 and 2021, respectively, resulting in a change in net equity.

As the above transactions, except for the disposal of 45% equity interest of Nanjiang Asiatek, do not change the control over the subsidiary, they are treated as equity transactions.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

For the six months ended June 30, 2022:

	MIC Tech	Kontron AG	Shenzhen Asiatek
Cash consideration received (paid)	\$ -	-	-
The amount of non-controlling interests that should be transferred out (in) is calculated by the carrying amount of net assets of subsidiaries calculated by the equity change.	21,909	8,705	(1,672)
Difference in equity transactions	<u>\$ 21,909</u>	<u>8,705</u>	<u>(1,672)</u>

For the six months ended June 30, 2021:

	MIC Tech	Kontron AG	Caswell	AIS Cayman
Cash consideration received (paid)	\$ -	(510,302)	-	(922,170)
The amount of non-controlling interests that should be transferred out (in) is calculated by the carrying amount of net assets of subsidiaries calculated by the equity change.	(1,741)	514,219	7,261	223,614
Difference in equity transactions	<u>\$ (1,741)</u>	<u>3,917</u>	<u>7,261</u>	<u>(698,556)</u>

In the balance of equity transactions listed above, except for AIS Cayman balance of equity transactions deducted from the retained earnings, the rest is adjusted as capital reserve.

(g) Loss of control over subsidiaries

On June 2022, the Group disposed of 45% equity interest in Shenzhen Aisatek, and lost its control for a consideration of NT\$121,721 thousand. The loss on disposal of NT\$68,111 thousand was included in other gains and losses in the consolidated statement of comprehensive income.

On June 2022, the Group disposed of 55% equity interest in RTSoft Project OOO, Russia, and lost its control for a consideration of NT\$406 thousand. The loss on disposal of NT\$34,398 thousand was included in other gains and losses in the consolidated statement of comprehensive income.

The carrying amounts of the assets and liabilities of Shenzhen Asiatek and RTSoft Project OOO, Russia in June 2022 were as follows:

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Cash and cash equivalents	\$ 45,843	30,385
Notes and accounts receivable	578,780	31,861
Inventories	196,379	41,232
Other current assets	61,144	29,910
Property, plant and equipment	204,430	-
deferred tax assets	-	5,100
Goodwill	-	14,438



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

Intangible assets	-	80,635
Short-term loans	(80,527)	(1,291)
Accounts payable	(776,541)	-
Other payables	6,828	(166,342)
Other current liabilities	(63,146)	-
Other non-current liabilities	-	(4,050)
Deferred tax liabilities	-	(282)
	<b>\$ 173,190</b>	<b>61,596</b>

(h) Subsidiary with significant non-controlling interests

The non-controlling interests of subsidiaries are significant to the Group as follows:

<u>Name of Subsidiary</u>	<u>Country of main business premises/ registration</u>	<u>Proportion of ownership interests and voting rights of non-controlling interests</u>		
		<u>2022.6.30</u>	<u>2021.12.31</u>	<u>2021.6.30</u>
CASWELL, INC.	Taiwan	68.23%	68.23%	68.23%
Kontron AG	Austria	72.36%	72.36%	72.46%
MIC INC	Taiwan	57.20%	55.96%	55.44%

The summary financial information of the above subsidiaries is as follows. The financial information is prepared in accordance with the international financial reporting standards recognized by the FSC, and has reflected the fair value adjustment made by the Group on the acquisition date and the adjustment made for the difference in accounting policies, and the financial information includes the amount before the cancellation of transactions between the Group and subsidiaries.

1. Summary financial information of CASWELL, INC. and its subsidiary

	<u>2022.6.30</u>	<u>2021.12.31</u>	<u>2021.6.30</u>
Current assets	\$ 4,372,192	4,357,648	4,098,098
Non-current assets	686,139	598,297	1,029,965
Current liabilities	(1,669,662)	(1,446,133)	(1,017,428)
Non-current liabilities	(102,169)	(283,411)	(286,257)
Net assets	<u>\$ 3,286,500</u>	<u>3,226,401</u>	<u>3,824,378</u>
Ending carrying amount of non-controlling interests	<u>\$ 2,420,964</u>	<u>2,400,879</u>	<u>2,533,978</u>
		<u>January to June, 2022</u>	<u>January to June, 2021</u>
Operating revenue		<u>\$ 2,382,320</u>	<u>2,359,379</u>
Net income for period		\$ 205,790	86,478
Other comprehensive income		687	(16,454)
Total comprehensive income		<u>\$ 206,477</u>	<u>70,024</u>
Current net profit (loss) attributable to non-controlling interests		<u>\$ 119,239</u>	<u>60,737</u>
Total comprehensive profit and loss attributable to non-controlling interests		<u>\$ 119,959</u>	<u>48,941</u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Cash flows of operating activities	\$ (70,344)	281,364
Cash flows of investing activities	(126,201)	(25,616)
Cash flows of financing activities	(27,942)	21,532
Effect of exchange rate changes on cash	1,159	(14,900)
Increase in Cash and Cash Equivalents	<b>\$ (223,328)</b>	<b>262,380</b>
Dividends paid on non-controlling interests	<b>\$ 99,879</b>	<b>-</b>

2. Summary financial information of Kontron AG and its subsidiary

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Current assets	\$ 23,375,142	26,092,951	23,935,551
Non-current assets	15,865,819	16,255,863	23,385,383
Current liabilities	(15,691,295)	(18,187,780)	(15,233,367)
Non-current liabilities	(10,122,044)	(10,904,440)	(12,328,748)
Net assets	<b>\$ 13,427,622</b>	<b>13,256,594</b>	<b>19,758,819</b>
Ending carrying amount of non-controlling interests	<b>\$ 12,091,461</b>	<b>12,094,778</b>	<b>12,200,379</b>

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Operating revenue	<b>\$ 20,751,802</b>	<b>20,396,778</b>
Net income for period	765,631	550,771
Other comprehensive income	154,739	114,245
Total comprehensive income	<b>\$ 920,370</b>	<b>665,016</b>
Current net profit (loss) attributable to non-controlling interests	<b>\$ 447,473</b>	<b>396,378</b>
Total comprehensive profit and loss attributable to non-controlling interests	<b>\$ 558,632</b>	<b>480,252</b>

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Cash flows of operating activities	\$ (2,370,557)	(548,114)
Cash flows of investing activities	(416,828)	(762,541)
Cash flows of financing activities	(1,392,310)	(85,306)
Effect of exchange rate changes on cash	130,813	111,822
Increase in cash and cash equivalents	<b>\$ (4,048,882)</b>	<b>(1,284,139)</b>
Dividends paid on non-controlling interests	<b>\$ 502,818</b>	<b>461,021</b>

3. Summary financial information of MIC INC and its subsidiary

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Current assets	\$ 27,498,924	22,945,728	18,238,596
Non-current assets	4,961,396	4,914,806	6,839,816
Current liabilities	(22,046,571)	(17,612,523)	(12,951,689)
Non-current liabilities	(2,336,483)	(2,445,871)	(2,895,925)
Net assets	<b>\$ 8,077,266</b>	<b>7,802,140</b>	<b>9,230,798</b>
Ending carrying amount of non-controlling interests	<b>\$ 4,715,510</b>	<b>4,487,298</b>	<b>3,924,728</b>

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Operating revenue	<b>\$ 21,491,469</b>	<b>14,578,939</b>
Net income for period	\$ 830,470	568,504
Other comprehensive income	65,450	(82,859)
Total comprehensive income	<b>\$ 895,920</b>	<b>485,645</b>
Current net profit (loss) attributable to non-controlling interests	<b>\$ 448,725</b>	<b>307,564</b>
Total comprehensive profit and loss attributable to non-controlling interests	<b>\$ 486,385</b>	<b>261,461</b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Cash flows of operating activities	\$ 49,065	(600,413)
Cash flows of investing activities	70,943	(321,893)
Cash flows of financing activities	(47,673)	747,012
Effect of exchange rate changes on cash	83,534	(40,200)
Decrease in cash and cash equivalents	<b>\$ 155,869</b>	<b>(215,494)</b>
Dividends paid on non-controlling interests	<b>\$ 491,794</b>	<b>-</b>

(i) **Property, plant and equipment**

The details of changes in the cost, depreciation and impairment losses of the Group's property, plant and equipment are as follows:

	<b>Land</b>	<b>Houses and buildings</b>	<b>Machinery and equipment</b>	<b>Leasehold improvements</b>	<b>Other equipment</b>	<b>Total</b>
<b>Cost:</b>						
Balance as of January 1, 2022	\$ 592,113	6,004,696	3,526,732	56,363	769,179	10,949,083
Additions	-	57,738	289,308	-	128,211	475,257
Acquisition through business combinations	-	470	771	86	3,280	4,607
Disposal	(32,178)	(131,673)	(457,850)	(10,616)	(74,481)	(706,798)
Reclassification	-	(134,177)	169,304	-	(33,044)	2,083
Effects of exchange rate changes	2,209	46,559	82,196	12,946	8,010	151,920
Balance as of June 30, 2022	<b>\$ 562,144</b>	<b>5,843,613</b>	<b>3,610,461</b>	<b>58,779</b>	<b>801,155</b>	<b>10,876,152</b>
Balance as of January 1, 2021	\$ 626,395	6,838,304	5,538,002	97,303	803,508	13,903,512
Additions	9,966	235,912	453,966	16,369	60,282	776,495
Acquisition through business combinations	-	66	5,299	-	-	5,365
Disposal	-	(1,479)	(125,956)	(1,802)	(19,383)	(148,620)
Reclassification	20,648	40,805	132,850	13,379	(173,654)	34,028
Effects of exchange rate changes	(1,453)	(260,341)	(211,248)	(883)	(5,526)	(479,451)
Balance as of June 30, 2022	<b>\$ 655,556</b>	<b>6,853,267</b>	<b>5,792,913</b>	<b>124,366</b>	<b>665,227</b>	<b>14,091,329</b>
<b>Depreciation:</b>						
Balance as of January 1, 2022	\$ -	1,881,964	1,894,118	29,668	445,340	4,251,090
Depreciation of the current year	-	117,580	261,632	6,327	57,342	442,881
Acquisition through business combinations	-	-	104	86	2,409	2,599
Disposal	-	(52,949)	(269,556)	(10,616)	(47,535)	(380,656)
Reclassification	-	(149,491)	144,235	-	32,094	26,838
Effects of exchange rate changes	-	19,729	67,327	131	4,531	91,718
Balance as of June 30, 2022	<b>\$ -</b>	<b>1,816,833</b>	<b>2,097,860</b>	<b>25,596</b>	<b>494,181</b>	<b>4,434,470</b>
Balance as of January 1, 2021	\$ -	2,601,757	4,148,346	32,044	397,763	7,179,910
Depreciation of the current year	-	124,391	250,508	10,939	49,045	434,883
Acquisition through business combinations	-	-	2,461	-	-	2,461
Disposal	-	(951)	(106,359)	(1,125)	(16,867)	(125,302)
Reclassification	-	-	-	13,379	-	13,379
Effects of exchange rate changes	-	(86,286)	(157,249)	(31)	(3,299)	(246,865)
Balance as of June 30, 2021	<b>\$ -</b>	<b>2,638,911</b>	<b>4,137,707</b>	<b>55,206</b>	<b>426,642</b>	<b>7,258,466</b>
<b>Book value:</b>						
January 1, 2022	<b>\$ 592,113</b>	<b>4,122,732</b>	<b>1,632,614</b>	<b>26,695</b>	<b>323,839</b>	<b>6,697,993</b>
June 30, 2022	<b>\$ 562,144</b>	<b>4,026,780</b>	<b>1,512,601</b>	<b>33,183</b>	<b>306,974</b>	<b>6,441,682</b>
June 30, 2021	<b>\$ 655,556</b>	<b>4,214,356</b>	<b>1,655,206</b>	<b>69,160</b>	<b>238,585</b>	<b>6,832,863</b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(j) Intangible assets

The details of changes in the cost, amortization and depreciation of the Group's intangible assets are as follows:

	<u>Goodwill</u>	<u>Trademark</u>	<u>Patents</u>	<u>Computer software</u>	<u>Customer relations</u>	<u>Others</u>	<u>Total</u>
Cost or recognized cost:							
Balance as of January 1, 2022	\$ 13,347,834	2,165,186	621,691	4,954,251	1,964,731	2,527,167	25,580,860
Acquired separately	-	-	-	422,493	-	3,275	425,768
Acquisition through business combinations	15,866	-	-	10,252	-	8,280	34,398
Disposal	(14,606)	-	-	(102,707)	-	(11,833)	(129,146)
Reclassification	-	-	(3,000)	-	-	(36,242)	(39,242)
Effects of exchange rate changes	212,069	(3,529)	-	278,280	(14,629)	34,989	507,180
Balance as of June 30, 2022	<b><u>\$ 13,561,163</u></b>	<b><u>2,161,657</u></b>	<b><u>618,691</u></b>	<b><u>5,562,569</u></b>	<b><u>1,950,102</u></b>	<b><u>2,525,636</u></b>	<b><u>26,379,818</u></b>
Balance as of January 1, 2021	\$ 13,850,405	2,459,261	593,269	4,439,746	2,165,201	2,572,235	26,080,117
Acquired separately	-	-	42,913	387,603	-	4,500	435,016
Acquisition through business combinations	113,810	-	-	566	-	39,538	153,914
Disposal	-	(33,282)	-	(86,381)	-	(613)	(120,276)
Effects of exchange rate changes	(458,005)	(110,462)	(637)	(145,436)	(101,319)	(129,696)	(945,555)
Balance as of June 30, 2021	<b><u>\$ 13,506,210</u></b>	<b><u>2,315,517</u></b>	<b><u>635,545</u></b>	<b><u>4,596,098</u></b>	<b><u>2,063,882</u></b>	<b><u>2,485,964</u></b>	<b><u>25,603,216</u></b>

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

	<u>Goodwill</u>	<u>Trademark</u>	<u>Patents</u>	<u>Computer software</u>	<u>Customer relations</u>	<u>Others</u>	<u>Total</u>
Amortization:							
Balance as of January 1, 2022	\$ 61,835	627,328	378,377	2,207,176	1,010,259	1,635,737	5,920,712
Current amortization	-	42,910	30,905	291,611	116,861	142,766	625,053
Acquisition through business combinations	-	-	-	4,221	-	-	4,221
Disposal	-	-	-	(21,137)	-	(11,833)	(32,970)
Reclassification	-	-	(3,000)	-	-	3,000	-
Effects of exchange rate changes	4,497	1,690	-	209,798	(8,398)	25,246	232,833
Balance as of June 30, 2022	<u>\$ 66,332</u>	<u>671,928</u>	<u>406,282</u>	<u>2,691,669</u>	<u>1,118,722</u>	<u>1,794,916</u>	<u>6,749,849</u>
Balance as of January 1, 2021	\$ 62,786	633,201	358,393	1,681,951	855,040	1,425,438	5,016,809
Current amortization	-	52,933	29,063	327,147	124,552	173,769	707,464
Disposal	-	(33,282)	-	(69,046)	-	(613)	(102,941)
Effects of exchange rate changes	(1,367)	(23,672)	(637)	(25,570)	(41,855)	(79,523)	(172,624)
Balance as of June 30, 2021	<u>\$ 61,419</u>	<u>629,180</u>	<u>386,819</u>	<u>1,914,482</u>	<u>937,737</u>	<u>1,519,071</u>	<u>5,448,708</u>
Book value:							
January 1, 2022	<u>\$ 13,285,999</u>	<u>1,537,858</u>	<u>243,314</u>	<u>2,747,075</u>	<u>954,472</u>	<u>891,430</u>	<u>19,660,148</u>
June 30, 2022	<u>\$ 13,494,831</u>	<u>1,489,729</u>	<u>212,409</u>	<u>2,870,900</u>	<u>831,380</u>	<u>730,720</u>	<u>19,629,969</u>
June 30, 2021	<u>\$ 13,444,791</u>	<u>1,686,337</u>	<u>248,726</u>	<u>2,681,616</u>	<u>1,126,145</u>	<u>966,893</u>	<u>20,154,508</u>

### 1. Intangible assets with indefinite useful life

Part of the trademark rights of the Group can apply for extending the legal life at very little cost. The Group is expected to continue to apply for extending its legal life and continue to produce this series of products. Therefore, it is expected that the trademark rights will continue to generate net cash inflow, so it is regarded as intangible assets with indefinite useful life.

### 2. Guarantee

As of June 30, 2022, December 31, 2021 and June 30, 2021, the Group had no intangible assets used as pledge guarantee.

### (k) Other current assets and other non-current assets

	<u>2022.6.30</u>	<u>2021.12.31</u>	<u>2021.6.30</u>
Other receivables	\$ 1,665,806	1,145,262	1,582,954
Current income tax assets	141,078	92,251	91,646
Prepayments	1,394,845	1,360,349	2,700,177
Other financial assets	48,683	42,119	11,593
Refundable deposits	448,135	340,854	291,424
Prepayments for equipment	87,619	16,210	21,838
Contract assets-non-current	6,047	6,067	7,169
Others	3,175,940	3,136,210	1,354,857
	<u>\$ 6,968,153</u>	<u>6,139,322</u>	<u>6,061,658</u>
Current	\$ 5,562,768	4,917,814	4,852,390
Non-current	1,405,385	1,221,508	1,209,268
	<u>\$ 6,968,153</u>	<u>6,139,322</u>	<u>6,061,658</u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

1. Other financial assets

It is mainly pledged bank deposits, which are used as guarantees for long-term loans and financing lines. Please refer to Note 8 for details.

(l) Short-term loans

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Unsecured bank borrowings	\$ 8,736,002	8,534,442	8,720,189
Guaranteed bank loan	748,560	942,512	851,442
	<b>\$ 9,484,562</b>	<b>9,476,954</b>	<b>9,571,631</b>
Unused quota	<b>\$ 23,030,680</b>	<b>19,411,317</b>	<b>18,693,365</b>
Interest rate	<b>0.25%~8.53%</b>	<b>0.25%~5.50%</b>	<b>0.40%~5.50%</b>

1. Issuance and repayment of loans

For the six months ended June 30, 2022 and 2021, the Group has no significant issuance, re-buyback or repayment of the short-term loans. Please refer to Note 6 (v) for interest expenses. For relevant information, please refer to Note 6 (k) of the consolidated financial statements for the year ended December 31, 2021.

2. Collateral for bank loans

The Group sets out the assets as pledged collateral for bank loans in Note 8.

(m) Long-term loans

	<b>2022.6.30</b>		
	<b>Interest rate (%)</b>	<b>Maturity year</b>	<b>Amount</b>
Unsecured bank borrowings	1.00%~1.74%	2023~2031	\$ 6,900,605
Guaranteed bank loan	0.54%~1.78%	2031~2038	1,133,035
Subtotal			8,033,640
Less: Those mature within one year			(480,648)
Total			<b>\$ 7,552,992</b>
	<b>2021.12.31</b>		
	<b>Interest rate (%)</b>	<b>Maturity year</b>	<b>Amount</b>
Unsecured bank borrowings	1.00%~1.44%	2023~2046	\$ 6,893,258
Guaranteed bank loan	0.44%~1.50%	2031~2038	951,766
Subtotal			7,845,024
Less: Those mature within one year			(11,926)
Total			<b>\$ 7,833,098</b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

	<b>2021.6.30</b>	
	<b>Interest rate (%)</b>	<b>Maturity year</b>
Unsecured bank borrowings	0.81% ~ 1.48%	2032
Guaranteed bank loan	0.40% ~ 3.99%	2038
Subtotal		\$ 7,926,776
Less: Those mature within one year		1,485,196
Total		\$ 8,582,054

(n) Corporate bonds payable

The Group has the following balance of corporate bonds payable:

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
The 3rd domestic unsecured convertible bonds	\$ 5,528,996	5,497,329	5,465,911
The 4th domestic unsecured convertible bonds	957,437	952,683	-
The 1st oversea unsecured convertible bonds	-	1,137,035	1,193,238
The 1st privately placed unsecured convertible bonds	1,470,396	1,466,888	-
Unsecured convertible corporate bonds of subsidiaries	808,899	1,050,835	1,626,782
Less: Those matured or able to exercise redemption rights within one year	(166,237)	(1,137,035)	(6,659,149)
Ending balance of corporate bonds payable	\$ 8,599,491	8,967,735	1,626,782

1. To meet the needs of working capital and repayment for borrowings, the Company issued the domestic 3rd unsecured convertible corporate bonds on February 26, 2019.

The issuance condition is as follows:

- (1) Total issuance: NT\$6,000,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.1542%
- (5) Book value at issuance: NT\$5,665,424 thousand
- (6) Duration: February 26, 2019 - February 26, 2024
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day after three months of issuance date (May 27, 2019) to the expiration date February 26, 2024, in accordance with the regulations on corporate bond conversion. The suspension period of conversion is as follows:

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
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- A. During the book closure period, the transfer of ordinary shares is suspended in accordance with the law.
- B. The Company will negotiate with Taipei Exchange on the period from the 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.
- C. The date of capital reduction is cut off one day before the commencement of capital reduction.
- D. Other suspension periods of stock transfer by law.

(8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$272.8. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of June 30, 2022, the conversion price was adjusted to NT\$213.6.

(9) Redemption rights of the creditor:

30 days prior to the issuance of corporate bonds for three years (February 26, 2022), the bondholders may notify the Company in writing based on the regulations of corporate bonds conversion method to require the Company to redeem the convertible corporate bonds held by them in cash based on the nominal amount of the corporate bonds plus interest compensation (1.5075% of the nominal amount of the corporate bonds for three years).

(10) The Company's redemption option:

From the day after the issuance of corporate bonds for 3 months (May 27, 2019) to 40 days before the maturity date (January 17, 2024), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount of the issuance, the Company may notify the bondholders in accordance with the regulations of conversion method and call back all the corporate bonds by cash at par value.

These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. As of June 30, 2022, the fair value of the embedded



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

derivative financial products is NT\$(2,254) thousand. As of June 30, 2022, the measured amount of non-derivative financial liabilities is NT\$5,528,996 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

Issue proceeds (less transaction costs of NT\$4,852 thousand)	\$ 6,007,148
Equity components	<u>(320,141)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$5,677,415 thousand and financial liabilities at fair value through profit or loss - non-current have not been reviewed, the NT\$9,592 thousand)	5,687,007
Interest calculated at effective interest rate of 1.1542%	213,998
Gain on financial commodity evaluation	(11,846)
Corporate bonds converted into ordinary shares	<u>(362,417)</u>
The liability components as of June 30, 2022	<u><b>\$ 5,526,742</b></u>

2. To meet the needs of working capital and reinvestment, the Company issued the first foreign unsecured convertible corporate bonds on March 10, 2017, which are declared effective by the FSC and listed on the Singapore Exchange. The issuance condition is as follows:

- (1) Total issuance amount: US\$200,000 thousand. The fixed exchange rate of US\$31.653 will be converted into NT dollars equivalent to US dollars for the repayment, repurchase, and redemption of the corporate bonds.
- (2) Face value: US\$200 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 2.4144%
- (5) Book value at issuance: NT\$5,978,823 thousand
- (6) Duration: March 10, 2017 - March 10, 2022
- (7) Conversion period:

Except for the suspension period of conversion, the creditor may request at any time that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day (April 10, 2017) after 30 days of issuance date to 10 days before (February 28, 2022) the expiration date under the regulations of corporate bonds conversion method.

- (8) Conversion price:

The creditors may request the Company to convert the corporate bonds they held into ordinary shares of the Company at a fixed exchange rate of NT\$31.653 and the conversion price of NT\$488 per share. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 13 of the Company's regulations on issuance and conversion of foreign unsecured

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

convertible corporate bonds. As of January 26, 2022, the conversion price was adjusted to NT\$375.33.

(9) Repayment upon maturity of bonds:

Unless the bonds have been redeemed, repurchased, and written-off or the bondholder has exercised the conversion right, the issuer will repay the bonds in full on the maturity date according to the nominal amount of the bonds plus the earning rate, the annual interest rate of 1.25%.

(10) Redemption rights of the creditor:

From 2 years (March 10, 2019) to 4 years following the corporate bonds issuance (March 10, 2021), the bondholders may, in accordance with the provisions of the conversion method, notify the Company in writing that the Company shall add the interest compensation (corporate bonds denomination plus 1.25% of the annual interest rate) to the denomination of the corporate bonds, and redeem the converted corporate bonds held from the Company.

(11) The Company's redemption option:

After 2 years (March 10, 2019) of issuance of the corporate bonds, if 20 trading days in 30 consecutive business days of the ordinary shares of the issuer, the closing price of the corporate bonds on the TWSE converted to USD at the exchange rate at that time, when the total amount of the early redemption price multiplied by the conversion price at that time divided by the nominal amount of the corporate bonds is 130% and above, the issuer may redeem corporate bonds in whole or in part in advance at the calculated price of the nominal amount of the corporate bonds plus 1.25% of the annual interest rate. If more than 90% of the bonds have been redeemed, converted, repurchased and written-off, the issuer may redeem all the outstanding bonds in advance at the early redemption price of the issuer.

These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of non-derivative financial products, as of June 30, 2022, its measured amount of amortized cost is NT\$0 thousand, and the effective interest rate initially recognized is 2.4144%.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
Subsidiaries (Continued)**

Issue proceeds (less transaction costs of NT\$29,142 thousand)	\$ 6,301,458
Equity components	<u>(322,635)</u>
Liability components on date have not been reviewed, the issuance	5,978,823
Interest calculated at effective interest rate of 2.4144%	351,776
Corporate bonds converted into ordinary shares	(90,841)
corporate bonds payable exercised redemption rights	<u>(6,239,758)</u>
The liability components as of June 30, 2022	<u><u>\$ -</u></u>

3. To meet the needs of operating development and planning and introduce long-term strategic investment partners, the Company privately issued the first domestic unsecured convertible corporate bonds on September 2, 2021. The issuance conditions are as follows:

- (1) Total issuance: NT\$1,500,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 0.931%
- (5) Book value at issuance: NT\$1,464,589 thousand
- (6) Duration: September 2, 2021 - September 2, 2026
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day after three months of issuance date (December 3, 2021) to the expiration date September 2, 2026, in accordance with the regulations on corporate bond conversion. The suspension period of conversion is as follows:

- A. During the book closure period, the transfer of ordinary shares is suspended in accordance with the law.
  - B. The Company's period from 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.
  - C. The date of capital reduction is cut off one day before the commencement of capital reduction.
  - D. Other suspension periods of stock transfer by law.
- (8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$214.9. In the event of an increase in the shares of the Company's privately issued ordinary shares,

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
Subsidiaries (Continued)**

the conversion price shall be adjusted under Article 11 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of June 30, 2022, the conversion price was adjusted to NT\$205.6.

(9) Redemption rights of the creditor:

30 days prior to the issuance of corporate bonds for three years (September 2, 2024), the bondholders may notify the Company in writing based on the regulations of corporate bonds conversion method to require the Company to redeem the convertible corporate bonds held by them in cash based on the nominal amount of the corporate bonds.

(10) The Company's redemption option:

From the day after the issuance of corporate bonds for 3 years (December 3, 2024) to 40 days before the maturity date (July 24, 2026), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount of the issuance, the Company may notify the bondholders in accordance with the regulations of conversion method and call back all the corporate bonds by cash at par value.

(11) Repayment upon maturity of bonds:

Unless the bonds have been redeemed, repurchased, and written-off or the bondholder has exercised the conversion right, the issuer will repay the bonds in full cash on the maturity date according to the nominal amount of the bonds.

These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. As of June 30, 2022, the fair value of the embedded derivative financial products is NT\$900 thousand. As of June 30, 2022, the measured amount of non-derivative financial liabilities is NT\$1,470,396 thousand at amortized cost, and its effective interest rate initially recognized is 0.9311%.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

Issue proceeds (less transaction costs of NT\$165 thousand)	\$ 1,499,835
Equity components	<u>(35,396)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$1,464,589 thousand and financial liabilities at fair value through profit or loss - non-current have not been reviewed, the NT\$150 thousand)	1,464,439
Interest calculated at effective interest rate of 1.1542%	5,807
Gain on valuation of financial asset	<u>1,050</u>
The liability components as of June 30, 2022	<b><u>\$ 1,471,296</u></b>

4. To meet the needs of working capital and repayment for borrowings, the Company issued the domestic fourth unsecured convertible corporate bonds on November 16, 2021.

The issuance condition is as follows:

- (1) Total issuance: NT\$1,000,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.1542%
- (5) Book value at issuance: NT\$951,494 thousand
- (6) Duration: November 16, 2021 - November 16, 2026
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day after three months of issuance date (February 17, 2021) to the expiration date November 16, 2026, in accordance with the regulations on corporate bond conversion. The suspension period of conversion is as follows:

- A. During the book closure period, the transfer of ordinary shares is suspended in accordance with the law.
- B. The Company will negotiate with Taipei Exchange on the period from the 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.
- C. The date of capital reduction is cut off one day before the commencement of capital reduction.
- D. Other suspension periods of stock transfer by law.

(8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$221.1. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of June 30, 2022, the conversion price was adjusted to NT\$211.6.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(9) Redemption rights of the creditor:

30 days prior to the issuance of corporate bonds for three years (February 26, 2022), the bondholders may notify the Company in writing based on the regulations of corporate bonds conversion method to require the Company to redeem the convertible corporate bonds held by them in cash based on the nominal amount of the corporate bonds.

(10) The Company's redemption option:

From the day after the issuance of corporate bonds for 3 years (November 27, 2024) to 40 days before the maturity date (January 17, 2026), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount of the issuance, the Company may notify the bondholders in accordance with the regulations of conversion method and call back all the corporate bonds by cash at par value.

A. Repayment upon maturity of bonds:

Unless the bonds have been redeemed, repurchased, and written-off or the bondholder has exercised the conversion right, the issuer will repay the bonds in full cash on the maturity date according to the nominal amount of the bonds.

These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. As of June 30, 2022, the fair value of the embedded derivative financial products is NT\$2,400 thousand. As of June 30, 2022, the measured amount of non-derivative financial liabilities is NT\$957,437 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

Issue proceeds (less transaction costs of NT\$3,480 thousand)	\$ 1,001,520
Equity components	<u>(49,428)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$951,494 thousand and financial liabilities at fair value through profit or loss - non-current of NT\$598 thousand)	952,092
Interest calculated at effective interest rate of 1.1542%	5,943
Gain on financial commodity evaluation	<u>1,802</u>
The liability components as of June 30, 2022	<u><u>\$ 959,837</u></u>

5. The main conditions related to the issuance of unsecured convertible corporate bonds of subsidiaries are as follows:

- (1) Total issuance: NT\$700,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
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- (4) Effective interest rate: 0.5%
- (5) Duration: February 10, 2020 - February 10, 2023
- (6) Conversion period: The bondholders may, from the following day after three months from the date of issuance of the convertible corporate bonds to the expiration date, except for the period of ordinary shares are terminated from transferring by law, the period from the 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the cash capital increase to the record date of rights distribution of the issuer, or from the record date of the capital reduction to one day before the trading date starting to process the capital reduction for issuance of new shares, which is not allowed to request conversion, file a request at any time to convert the convertible corporate bonds held into the issuer's ordinary shares in accordance with the regulations through the trading securities firms, that will inform the Taiwan Depository & Clearing Corporation, that will inform the issuer's stock affairs agency.
- (7) Conversion price and adjustment:  
The conversion price at issue was NT\$104.1 and is changed to NT\$98.7 from September 14, 2021.
- (8) Redemption right:
- A. From the day following the expiration of three months from the issuance date to 40 days before the expiration of the issuance period, if the closing price of the ordinary shares of the issuer at the business premises of the securities firm exceeds the current conversion price by more than 30% (inclusive) for 30 consecutive business days, the issuer may redeem all the outstanding convertible corporate bonds in cash according to the face value of the bonds within the next 30 business days.
- B. From the day following the expiration of three months from the date of issuance to 40 days before the expiration of the issuance period, if the outstanding balance of the convertible corporate bonds is less than 10% of the total amount of the original issuance, the issuer may redeem all the outstanding convertible corporate bonds in cash at any time thereafter according to the face value of the bonds.
- C. If the bondholder fails to reply in writing to the agency of the issuer before the benchmark date of bond retirement specified in the "Bond Retirement Notice", the issuer will redeem all outstanding principal convertible corporate bonds in cash according to the face value of the bonds within five business days after the benchmark date of bond retirement.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
Subsidiaries (Continued)**

6. The main conditions related to the issuance of unsecured convertible corporate bonds of subsidiaries are as follows:

- (1) Total issuance: NT\$1,500,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.0255%
- (5) Duration: December 15, 2020 - December 15, 2023
- (6) Conversion period: from the day after the expiration of three months after the date of bond issuance to the maturity date, except for the period during which the transfer of ownership is suspended in accordance with the conversion measures or laws and regulations, the bondholders may request the subsidiary to convert into ordinary shares of the subsidiary. The rights and obligations of the ordinary shares after conversion are the same as those of the originally issued ordinary shares.
- (7) Conversion price and adjustment:

The conversion price of this convertible corporate bond is determined in accordance with the prescribed model set forth in the conversion regulations. In case of the Company's anti-dilution clause, the conversion price will be adjusted in accordance with the prescribed model set forth in the conversion regulations; subsequently, on the benchmark date of the regulation, the conversion price shall be re-set according to the setting mode specified in the conversion regulation. If it is higher than the conversion price before the re-setting in the current year, it shall not be adjusted.

- (8) Redemption right:
  - A. Redemption at maturity: After the issuance of this bond expires, the subsidiary will repay the principal at one time.
  - B. Early redemption: From the day following the issuance of the convertible corporate bonds for three months to 40 days before the expiration of the issuance period, when the closing price of the ordinary shares of the subsidiary exceeds the current conversion price by 30% for 30 consecutive business days, or from the day after the issuance of the convertible corporate bonds for three months to 40 days before the expiration of the issuance period, when the outstanding balance of the convertible corporate bonds is less than 10% of the total face value of the original issue, the subsidiary may redeem all its bonds in cash at any time thereafter according to the face value of the bonds.



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

C. According to the regulations of conversion method, all redeemed, repaid, or converted corporate bonds of all subsidiaries will be written-off, and all the rights and obligations attached to the corporate bonds will be extinguished and will not be issued.

(o) Employee benefits

1. Defined benefit plans

There were no major market fluctuations, significant reduction, liquidation or other one-time-only significant events in the previous fiscal year. Therefore, the Group measures and discloses the interim period pension costs based on the actuated amount on December 31, 2021 and 2020.

The details of recognized benefits (expenses) are as follows:

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
	<b>\$ 21,174</b>	<b>10,085</b>	<b>17,223</b>	<b>20,940</b>

2. Defined contribution plans

The pension expense under the defined contribution retirement funds of the Group were contributed to the Bureau of Labor Insurance or local authorities :

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
	<b>\$ 25,425</b>	<b>66,830</b>	<b>106,808</b>	<b>130,372</b>

(p) Income taxes

The details of the income tax expense of the Group are as follows:

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Income tax expense for the period	\$ 433,750	188,111	682,224	346,852
Deferred income tax expense	33,298	(15,214)	61,719	2,943
Income tax expense	<b>\$ 467,048</b>	<b>172,897</b>	<b>743,943</b>	<b>349,795</b>

There were no income tax expenses recognized under other comprehensive profits/losses of the Group for the six months ended June 30, 2022 and 2021.

The income tax returns of the Company, Ennoconn International, Goldtek Technology, Thecus Technology, CASWELL and MIC INC. through 2020 have been assessed by the tax authorities. The Company disagrees with the approved contents of 2015 and 2018, and is currently applying for review. However, the Company has assessed the relevant income tax based on the principle of prudence.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(q) Capital and other equity

Apart from the matters described in the following paragraphs, there were no major changes in the Group's capital and other equity for the six months ended June 30, 2022 and 2021. For relevant information, please refer to Note 6 (p) of the consolidated financial statements for year ended December 31, 2021.

1. Issuance of ordinary shares

On December 1, 2020, the Company's Board of Directors resolved to issue 3,540 thousand as a consideration exchange for the shares of its transferred subsidiary AIS Cayman, with a par value of NT\$10, with January 21, 2021 as the base date for the capital increase; on May 13, 2021, the Board resolved to issue 5,000 thousand with a par value of NT\$10, with December 30, 2021 as the base date for capital increase. The statutory registration process was completed. The paid-in capital after the change was \$1,018,120 thousand.

The Company passed a resolution on January 4, 2022 at the extraordinary general meeting of shareholders to pass the private placement of ordinary shares, and 4,880 thousand shares were privately offered at NT\$226.92 per share, and the base date for capital increase was January 11, 2022. The relevant statutory registration procedures have been completed, and the paid-in capital after the change is NT\$1,066,920 thousand.

On March 22, 2022, the Board of Directors of the Company resolved to cancel the treasury stock in accordance with Article 28-2 of the Securities and Exchange Act and to reduce the capital by NT\$6,550 thousand to eliminate 655 thousand shares as the buyback shares of NT\$233,608 thousand have not been transferred for five years. The capital reduction date was May 8, 2022, and the related legal registration procedures had been completed. The paid-in capital after the change was NT\$1,060,370 thousand.

2. Capital surplus

The components of the Company's capital reserve are as follows:

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Premium of issued shares	\$ 5,039,717	4,634,353	3,694,775
Issuance of new shares for other company's shares	1,372,670	1,372,670	1,372,670
Premium on conversion of convertible corporate bonds	1,797,651	1,797,651	1,797,651
Share options for convertible corporate bonds	396,757	454,831	446,546
Employee share options	-	767	-
Expired stock options	385,261	326,420	249,881
Changes in percentage of ownership in subsidiaries	308,030	279,088	72,774
	<b>\$ 9,300,086</b>	<b>8,865,780</b>	<b>7,634,297</b>

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

### 3. Retained earnings

In accordance with the Company's Articles of Incorporation, the Company shall, after the final settlement of each year's earnings, first complete tax contributions, make up for prior years' deficits and set aside 10% as legal reserve, except when the legal reserve has reached the level of total capital; the Company is required by law to set aside or reverse special reserve. In the case of unappropriated earnings for the same period, the Board of Directors shall propose a proposal for the distribution of earnings to the shareholders for resolution.

The Company will take into account the environment and growth of the Company and the distribution of earnings should take into account the Company's future capital expenditure budget and capital requirements, and pay cash dividends of not less than 10% of the dividends distributed in the current year.

#### (1) Special reserve

When the Company firstly adopted the IFRS recognized by FSC and selected applied exemption items under IFRS1 First-time Adoption of International Financial Reporting Standards, the unrealized revaluation appreciation, cumulative conversion adjustments (benefits) under the recorded shareholders' equity, and the recorded assets were classified as "investment real estate" on the conversion date, and the retained earnings are increased by taking the fair value on the conversion date as the recognized cost in accordance with the regulations. According to FSC No. 1010012865 order issued on April 6, 2012, the special surplus reserves at the same amount is recognized. When using, disposing or reclassifying relevant assets, the Company may reverse the proportion of the initial special surplus reserve to distribute the surplus. As of June 30, 2022 and 2021, the balance of such special reserve was NT\$1,768,490 thousand and NT\$1,010,924 thousand.

In accordance with the above order, when distributing the distributable surplus, the Company shall make up the difference between the net deduction of other shareholders' equity in the account in the current year and the balance of the special surplus reserve referred to in the preceding paragraph, and make up the special surplus reserve from the current profit and loss and the undistributed surplus in the previous period. If there is a subsequent reversal in the amount of other decreases in shareholders' equity, the reversal may be distributed in the form of a surplus.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(2) Earnings distribution

The Company resolved the earnings distribution proposal for the year ended December 31, 2021 and 2020 at the shareholders' meeting held on June 23, 2022 and August 3, 2021, and the amount related to the dividends distributed to the owner are as follows:

	2021		2020	
	Payout (NT\$)	Amount	Payout (NT\$)	Amount
Distributed to owners of ordinary shares:				
Cash	\$ 7	<u>742,259</u>	5	<u>480,785</u>

4. Treasury stock

As of June 30, 2022 and 2021, the treasury stock not canceled by the Company were 0 and 655 thousand shares, respectively. Treasury stock held by the Company shall not enjoy the rights of shareholders before being transferred in accordance with the Company Act.

5. Other equity (net after tax) and non-controlling interests

	Exchange differences on translation of foreign financial statements	Unrealized gain or loss on financial assets at FVTOCI	Non-controlling interests	Total
Balance as of January 1, 2022	\$ (1,673,323)	(95,167)	20,565,729	18,797,239
Net income for period	-	-	1,102,440	1,102,440
Exchange differences on translating the net assets of foreign operations	418,008	-	187,508	605,516
Share of associates accounted for using the equity method	18	13	(113)	(82)
Unrealized gain or loss on financial assets at FVTOCI	-	55,199	1,119	56,318
Cash dividends distributed by subsidiaries	-	-	(1,174,655)	(1,174,655)
Changes in percentage of ownership in subsidiaries	-	-	(28,942)	(28,942)
Non-controlling interests acquired through combinations	-	-	23,384	23,384
Effect of loss of control	-	-	(89,847)	(89,847)
Other changes	-	-	253,288	253,288
Balance as of June 30, 2022	<u>\$ (1,255,297)</u>	<u>(39,955)</u>	<u>20,839,911</u>	<u>19,544,659</u>
Balance as of January 1, 2021	\$ (934,258)	(76,666)	21,251,225	20,240,301
Net income for period	-	-	809,063	809,063
Exchange differences on translating the net assets of foreign operations	(486,870)	-	(592,897)	(1,079,767)
Share of associates accounted for using the equity method	(177)	(949)	(82)	(1,208)
Unrealized gain or loss on financial assets at FVTOCI	-	(1,513)	(1,005)	(2,518)
Cash dividends distributed by subsidiaries	-	-	(461,021)	(461,021)
Changes in percentage of ownership in subsidiaries	-	-	(9,437)	(9,437)
Other changes	-	-	(719,394)	(719,394)
Balance as of June 30, 2021	<u>\$ (1,421,305)</u>	<u>(79,128)</u>	<u>20,276,452</u>	<u>18,776,019</u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(r) Share-based payment

Apart from the matters described in the following paragraphs, there were no major changes in the Group's share-based payment for the six months ended June 30, 2022 and 2021. For relevant information, please refer to Note 6 (q) of the consolidated financial statements for the year ended December 31, 2021.

1. Caswell Inc. had no share-based payment transactions for the six months ended June 30, 2022. The share-based payment transactions for the six months ended June 30, 2021 were as follows:

	<b>Equity settlement Treasury shares transferred to employees</b>
Granting day	2021.1.6
Granting number	210 thousand shares
Contract period	-
Granting person	All employees
Vested conditions	Immediately vested

(1) Measurement parameters of fair value on the granting date

CASWELL, INC. adopts Black-Scholes option evaluation model to estimate the fair value of share-based payment on the granting day, which values are listed below:

	<b>January to June, 2021</b>	
	<b>Treasury shares transferred to employees</b>	
Fair value at the granting day (NT\$)	\$	122.00
Share price on the granting day (NT\$)		122.00
Execution price (NT\$)		85.02

The determination of fair value does not take into account the services and non-market performance conditions contained in the transaction.

(2) Information on treasury stock transfer regulations

Details of the above treasury share transfer regulations are as follows:

	(in thousand)	
	<b>January to June, 2021</b>	
	<b>Treasury shares transferred to employees</b>	
	<b>Weighted average performance price (NT\$)</b>	<b>Stock option quantity</b>
Outstanding shares as of January 1	\$ -	-
Granting number in the current period	85.02	210
Lost number in the current period	-	-
Executed number in the current period	(85.02)	(210)
Outstanding shares as of June 30	-	-
Exercisable options as of June 30	-	-

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(3) Employee expenses

Remuneration expenses recognized by employees of CASWELL, INC. for the transfer of treasury shares for the six months ended June 30, 2021 was NT\$7,764 thousand.

2. MIC INC. and ADAT (a subsidiary of MIC INC.) paid the share-based payment for the six months ended June 30, 2022 and 2021 as below:

Issuer	Category of agreements	Granting day	Number granted shares (in thousand shares)	Contract period	Vested conditions
MIC INC.	Employee stock options plan	September 11, 2015	3,956	6 years	2~4 service expired
ADAT		April 1, 2019	436	"	0~2 service expired
"		September 1, 2019	314	"	"
"		May 1, 2020	27	"	"
"		September 1, 2020	137	"	"

(1) The abovementioned share-based payment agreements are equity-settled share-based payment transactions.

(2) The details of the above share-based payment agreement are as follows:

MIC INC.:

	<u>January to June, 2021</u>	
	<u>Weighted average performance price (NT\$)</u>	<u>Stock option quantity</u>
Outstanding stock options as of January 1	\$ 15.20	169
Exercise of stock options in the current period	(15.20)	<u>(119)</u>
Outstanding stock options as of June 30	-	<u><b>50</b></u> (Note)

Note: the Company's employee stock option scheme expired on September 10, 2021.

ADAT:

	<u>January to June, 2022</u>		<u>January to June, 2021</u>	
	<u>Weighted average performance price (NT\$)</u>	<u>Stock option quantity</u>	<u>Weighted average performance price (NT\$)</u>	<u>Stock option quantity</u>
Outstanding stock options as of January 1	\$ 10.00	122	10.00	446
Granted in the period	10.00	11	-	-
Exercise of stock options in the current period	10.00	(15)	-	-
Forfeiture of stock options in the current period	-	<u>(6)</u>	-	<u>-</u>
Outstanding stock options as of June 30	10.00	<u><b>112</b></u>	10.00	<u><b>446</b></u>
Exercisable options as of June 30		<u><b>60</b></u>		<u><b>48</b></u>
Approved but not yet issued share options as of June 30		<u>-</u>		<u><b>40</b></u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(3) The maturity date and strike price of options outstanding on the balance sheet date are as follows:

Issuer	Approved issue date	Maturity Date	January to June, 2022	
			Number of Shares (thousand shares)	Performance price (NT\$)
ADAT	April 1, 2019	March 31, 2025	50	10.00
"	May 1, 2020	April 30, 2026	20	10.00
"	September 1, 2020	August 31, 2026	42	10.00

  

Issuer	Approved issue date	Maturity Date	January to June, 2021	
			Number of Shares (thousand shares)	Performance price (NT\$)
MIC INC.	September 11, 2015	September 10, 2021	50	15.20
ADAT	April 1, 2019	March 31, 2025	174	10.00
"	September 1, 2019	August 31, 2025	229	10.00
"	May 1, 2020	April 30, 2026	19	10.00
"	September 1, 2020	August 31, 2026	24	10.00

(4) MIC INC. and ADAT adopt Black-Scholes option evaluation model to estimate the fair value of share-based payment on the granting day as below:

Issuer	Category of agreements	Granting day	Share price (NT\$)	Performance price (NT\$)	Expected volatility	Expected duration	Expected dividends yield	Risk-free interest rate	Fair value per unit (NT\$)
MIC INC.	Employee stock options plan	September 11, 2015	\$ 19.60	19.60	34.91%	4.375 years	0%	0.81%	5.8326
ADAT	"	April 1, 2019	10.00	10.00	47.77%	3.550 years	0%	0.61%	2.4727
"	"	September 1, 2019	10.00	10.00	44.29%	3.550 years	0%	0.54%	2.7873
"	"	May 1, 2020	10.00	10.00	38.58%	3.550 years	0%	0.38%	10.4014
"	"	September 1, 2020	10.00	10.00	38.10%	3.550 years	0%	0.38%	9.9910

(5) MIC INC. did not pay any share-based payment for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021.

(6) ADAT paid NT\$45 thousand, NT\$203 thousand, NT\$89 thousand and NT\$404 thousand share-based payment for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021, respectively.

The Group adopts the Black-Scholes option pricing model to estimate the fair value of the share-based payment.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(s) Earnings per Share

The relevant calculations of the Company's basic earnings per share and diluted earnings per share for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021 are as follows:

1. Basic Earnings per Share

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
(1) Net profit attributable to the holders of ordinary share equity of the Company	<u>\$ 441,324</u>	<u>283,321</u>	<u>755,134</u>	<u>474,039</u>

(2) Weighted average outstanding ordinary shares

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Ordinary shares issued \$ as of January 1	101,812	93,272	101,812	93,272
Effects of treasury stock	(655)	(655)	(655)	(655)
Effect of capital increase on the issuance of new shares	<u>4,880</u>	<u>3,540</u>	<u>4,610</u>	<u>3,150</u>
Weighted average outstanding ordinary shares as of June 30	<u>\$ 106,037</u>	<u>96,157</u>	<u>105,767</u>	<u>95,767</u>
Basic earnings per share (NT\$)	<u>\$ 4.16</u>	<u>2.95</u>	<u>7.14</u>	<u>4.95</u>



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

2. Diluted Earnings per Share

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Net profit attributable to the holders of ordinary share equity of the Company (basic)	\$ 441,324	283,321	755,134	474,039
After tax interest expense and financial evaluation of convertible corporate bonds	<u>26,435</u>	<u>18,169</u>	<u>50,588</u>	<u>36,949</u>
Net profit attributable to the holders of ordinary share equity of the Company (diluted)	<u><b>\$ 467,759</b></u>	<u><b>301,490</b></u>	<u><b>805,722</b></u>	<u><b>510,988</b></u>
Weighted average number of outstanding ordinary shares (basic)	106,037	96,157	105,767	95,767
Effect of employ remuneration	56	37	204	138
Effect of conversion of convertible corporate bonds	<u>38,403</u>	<u>27,543</u>	<u>37,737</u>	<u>27,739</u>
Weighted average outstanding ordinary shares (diluted) as of June 30	<u><b>144,496</b></u>	<u><b>123,737</b></u>	<u><b>143,708</b></u>	<u><b>123,644</b></u>
Diluted earnings per share (NT\$)	<u><b>\$ 3.24</b></u>	<u><b>2.44</b></u>	<u><b>5.61</b></u>	<u><b>4.13</b></u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(t) Revenue from customer contracts

1. Description of revenue

The Group has the following revenues:

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Sales revenue of commodities	\$ 19,289,540	14,169,844	38,095,532	26,975,035
Service revenue	7,852	4,507,225	20,353	8,741,889
Project revenue	7,541,960	4,128,120	12,995,787	7,279,502
	<b><u>\$ 26,839,352</u></b>	<b><u>22,805,189</u></b>	<b><u>51,111,672</u></b>	<b><u>42,996,426</u></b>

2. Balance of contracts

	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Accounts receivable	<b><u>\$ 17,695,101</u></b>	<b><u>17,320,182</u></b>	<b><u>14,801,140</u></b>
Contract assets -construction contract	\$ 7,721,894	8,510,574	6,157,521
Contract assets -sales contract	305,773	513,642	387,947
Contract assets -labor service contract	790,736	520,795	633,076
Total	<b><u>\$ 8,818,403</u></b>	<b><u>9,545,011</u></b>	<b><u>7,178,544</u></b>
	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Contract liabilities -construction contract	\$ 4,930,546	3,643,508	2,868,771
Contract liabilities -sales contract	2,340,446	1,797,413	1,873,227
Contract liabilities -labor service contract	2,012,427	1,731,704	1,440,852
Contract liabilities -extended warranty service	407,362	509,719	489,206
Total	<b><u>\$ 9,690,781</u></b>	<b><u>7,682,344</u></b>	<b><u>6,672,056</u></b>

Please refer to Note 6 (b) for the disclosure of notes and accounts receivable and their impairment.

(u) Remuneration for employees, directors and supervisors

In accordance with the Company's Articles of Incorporation, no less than 2% of the

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

Company's annual profits shall be appropriated to the compensation of employees and no more than 2% to the compensation of directors and supervisors. However, where the Company has accumulated losses, the Company shall first reserve certain amount of the profit to recover the losses. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in the controlling and affiliated companies who met certain conditions.

The accrued amount of compensation of employees for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021 were NT\$11,639 thousand, NT\$8,208 thousand, NT\$23,552 thousand and NT\$16,572 thousand, respectively, and the estimate amount of compensation to directors and supervisors were NT\$765 thousand, NT\$765 thousand, NT\$1,530 thousand and NT\$1,530 thousand. The Company's net profit before tax for the period is estimated by multiplying the amount of the Company's net profit before issuing the compensation of employees, directors and supervisors by the proportion of the Company's compensation distribution to employees, directors and supervisors as provided in the Company's Articles of Incorporation, and is reported as operating costs or expenses for that period. The difference between accrual and actual payment, if any, is treated as the change in accounting estimate and recognized in profit or loss in the following year.

For the years ended December 31, 2021 and 2020, the Company provided its remuneration to employees amounted to NT\$36,000 thousand and NT\$24,000 thousand, respectively, and the remuneration to directors and supervisors both amounted to NT\$3,060 thousand, which was consistent with the actual status of the distribution. The information can be obtained on the TWSE MOPS website.

(v) Non-operating income and expenses

1. Other income

The Group has the following other income:

	<u>April to June, 2022</u>	<u>April to June, 2021</u>	<u>January to June, 2022</u>	<u>January to June, 2021</u>
Rental income	\$ 6,096	5,650	11,889	11,465
Dividend income	77	7,014	341	7,191
Total other income	<u>\$ 6,173</u>	<u>12,664</u>	<u>12,230</u>	<u>18,656</u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

2. Other gains and losses

The details of other gains and losses of the Group are as follows:

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Gains on disposal of property, plant and equipment	\$ 16,376	32,953	16,837	37,375
Gains on disposal of investments	37,228	-	43,172	-
Bond recovery loss	-	-	-	(2,189)
Gain (loss) on foreign exchange	257,292	(99,823)	415,846	(95,689)
Net (loss) gain of financial assets and liabilities	(71,544)	98,030	(183,435)	106,381
Estimated benefits of contingent consideration	32,593	-	358,710	-
Others	<u>267,653</u>	<u>82,217</u>	<u>312,397</u>	<u>303,285</u>
Other net gains and losses	<b><u>\$ 539,598</u></b>	<b><u>113,377</u></b>	<b><u>963,527</u></b>	<b><u>349,163</u></b>

3. Financial costs

The Group has the following financial costs:

	<b>April to June, 2022</b>	<b>April to June, 2021</b>	<b>January to June, 2022</b>	<b>January to June, 2021</b>
Interest on bank loans	\$ 97,632	96,312	189,127	185,970
Interest on lease liabilities	16,320	18,498	33,797	36,318
Accrued interest on corporate bonds payable	<u>22,922</u>	<u>27,007</u>	<u>46,840</u>	<u>56,504</u>
Net financial cost	<b><u>\$ 136,874</u></b>	<b><u>141,817</u></b>	<b><u>269,764</u></b>	<b><u>278,792</u></b>

(w) Financial instruments

1. Credit Risks

(1) The maximum credit risk exposure

The carrying amount of a financial asset represents the maximum amount of credit risk.

(2) Concentrations at credit risk

As of June 30, 2022, December 31, 2021 and June 30, 2021, the Group had no

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

concentrations at credit risk.

Please refer to Note 6 (b) for details of credit risk exposure information of notes receivable and accounts receivable.

Other financial assets measured at amortized cost include other receivables and certificates of deposit.

The above are financial assets with low credit risk, so the allowance loss in this period is measured according to the expected credit loss amount of 12 months.

**2. Liquidity Risks**

The contracts of financial liabilities are sorted by their maturity dates as follows. The estimated interests are included, but the effect of net value agreement is excluded.

	<u>Book value</u>	<u>Contract cash flow</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>More than 1 year</u>
<b>June 30, 2022</b>					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 25,470,577	(25,470,577)	(25,470,577)	-	-
Lease liability	3,425,296	(3,438,234)	(922,255)	(46,075)	(2,469,904)
Instruments with variable interest rates	17,518,202	(17,542,423)	(8,703,101)	(1,280,955)	(7,558,367)
Instruments with fixed interest rates	<u>8,765,728</u>	<u>(8,765,728)</u>	<u>-</u>	<u>(166,237)</u>	<u>(8,599,491)</u>
	<b><u>\$ 55,179,803</u></b>	<b><u>(55,216,962)</u></b>	<b><u>(35,095,933)</u></b>	<b><u>(1,493,267)</u></b>	<b><u>(18,627,762)</u></b>
<b>December 31, 2021</b>					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 26,346,522	(26,346,522)	(26,346,522)	-	-
Lease liability	3,460,678	(3,804,632)	(493,541)	(489,214)	(2,821,877)
Instruments with variable interest rates	17,321,978	(17,343,725)	(6,393,882)	(3,114,516)	(7,835,327)
Instruments with fixed interest rates	<u>10,104,770</u>	<u>(10,126,036)</u>	<u>-</u>	<u>(1,137,035)</u>	<u>(8,989,001)</u>
	<b><u>\$ 57,233,948</u></b>	<b><u>(57,620,915)</u></b>	<b><u>(33,233,945)</u></b>	<b><u>(4,740,765)</u></b>	<b><u>(19,646,205)</u></b>
<b>June 30, 2021</b>					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 21,381,899	(21,381,899)	(21,381,899)	-	-
Lease liability	3,366,384	(3,750,131)	(417,952)	(524,703)	(2,807,476)
Instruments with variable interest rates	18,986,389	(19,094,328)	(9,949,543)	(374,209)	(8,770,576)
Instruments with fixed interest rates	<u>8,285,931</u>	<u>(8,285,931)</u>	<u>(6,659,149)</u>	<u>-</u>	<u>(1,626,782)</u>
	<b><u>\$ 52,020,603</u></b>	<b><u>(52,512,289)</u></b>	<b><u>(38,408,543)</u></b>	<b><u>(898,912)</u></b>	<b><u>(13,204,834)</u></b>

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

The Group does not expect that the timing of the cash flows for the maturity analysis will occur significantly earlier, or that the actual amounts will be significantly different.

### 3. Market Risks

#### (1) Exchange Rate Risks

The Group's financial assets and liabilities exposed to significant foreign currency exchange rate risk are as follows:

	2022.6.30			2021.12.31			2021.6.30		
	Foreign currency	Rate	NTD	Foreign currency	Rate	NTD	Foreign currency	Rate	NTD
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 387,196	29.72(USD:NTD)	11,507,465	642,351	29.72(USD:NTD)	17,780,276	286,862	27.86(USD:NTD)	8,075,544
USD	80,077	0.9572(USD:EUR)	2,379,973	80,385	0.8838(USD:EUR)	2,225,106	56,478	0.8404(USD:EUR)	1,573,482
USD	34,106	6.6937(USD:RMB)	1,013,631	35,321	6.3779(USD:RMB)	978,589	46,340	6.4640(USD:RMB)	1,291,021
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	182,891	29.72(USD:NTD)	5,435,521	595,317	29.72(USD:NTD)	16,478,375	113,046	27.86(USD:NTD)	3,152,246
USD	75,415	0.9572(USD:EUR)	2,241,414	71,939	0.8838(USD:EUR)	1,991,316	56,208	0.8404(USD:EUR)	1,565,948
USD	59,423	6.6937(USD:RMB)	1,766,053	35,321	6.3779(USD:RMB)	978,589	24,000	6.4640(USD:RMB)	668,640

Note: the exchange rates of Euro and RMB against Taiwan dollar listed above are as follows:

	2022.6.30	2021.12.31	2021.6.30
EUR:NTD	31.05	31.32	33.15
RMB:NTD	4.440	4.344	4.310

The exchange rate risk of the Group mainly comes from foreign currency-denominated cash and cash equivalent, accounts receivable and other receivables, borrowings, accounts payable and other accounts payable, resulting into gains and losses of conversion of foreign currency when exchanging. As of June 30, 2022 and 2021, if NTD had depreciated or appreciated by 1% relative to USD held by the Company and all other factors remained constant, net income would have increased or decreased by NT\$54,581 thousand and NT\$54,724 thousand for the six months ended June 30, 2022 and 2021. The same basis is used for both periods of analysis.

As the Group transacts in various currencies, the exchange gains and losses from monetary items were disclosed by means of consolidation. The foreign currency

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

exchange gains and losses (including realized and unrealized) for the six months ended June 30, 2022 and 2021 were gains of NT\$415,846 thousand and losses of NT\$95,689 thousand, respectively.

**(2) Interest Rate Risks**

The interest rate exposure to the Group's financial assets and financial liabilities is described in the liquidity risk management of this note.

The following sensitivity analysis is based on the interest rate exposure of derivative and non-derivative instruments on the reporting date. For floating rate liabilities, the analysis method assumes that the amount of liabilities outstanding on the reporting date is outstanding throughout the year. The rate of change used by the Group when reporting interest rates to key management personnel is 1% increase or decrease in interest rates, which also represents the management's assessment of the reasonable range of possible changes in interest rates.

If the interest rate increased or decreased by 1%, and other variable were held constant, the Group's net income before tax for the six months ended June 30, 2022 and 2021 would have decreased or increased by NT\$175,182 thousand and NT\$189,864 thousand.

**(3) Other Price Risks**

Changes in price of equity securities at the reporting date (on the same basis for both periods and assuming no change in other factors) would have the following effects on the consolidated income statement:

<b>Securities price as of the reporting date</b>	<b>January to June, 2022</b>		<b>January to June, 2021</b>	
	<b>Other comprehensive income before tax</b>	<b>Profit after tax</b>	<b>Other comprehensive income before tax</b>	<b>Profit after tax</b>
Increased by 1%	<u>\$ 10,838</u>	<u>9,958</u>	<u>6,920</u>	<u>9,268</u>
Decreased by 1%	<u>\$ (10,838)</u>	<u>(9,958)</u>	<u>(6,920)</u>	<u>(9,268)</u>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

4. Information on fair value

(1) Classification of financial instruments and at fair value

The fair value of financial assets, liabilities and other hedging assets of the Group are measured at fair value through profit or loss on a recurring basis. The carrying amount and fair value of various types of financial assets and financial liabilities (including information on the level of fair value, but the book amount of financial instruments not measured at fair value is a reasonable approximation of fair value, and lease liabilities are not required to disclose fair value information according to regulations) are as follows:

	2022.6.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL					
Derivative financial assets	\$ 457	-	-	457	457
Investment in equity instruments					
- Publicly traded shares	104,139	104,139	-	-	104,139
- Non-TWSE/TPEX-listed and emerging stocks	677,396	-	-	677,396	677,396
- Fund beneficiary certificates	213,775	-	-	213,775	213,775
Subtotal	995,767	104,139	-	891,628	995,767
Financial assets at FVTOCI					
Investment in equity instruments					
- Publicly traded shares	230,092	230,092	-	-	230,092
- Non-publicly traded shares	853,704	-	-	853,704	853,704
Subtotal	1,083,796	230,092	-	853,704	1,083,796
Financial assets at amortized cost					
Cash and cash equivalents	13,925,677	-	-	-	-
Financial assets at amortized cost	23,130	-	-	-	-
Contract assets	8,818,403	-	-	-	-
Notes and accounts receivable (including related parties)	17,746,769	-	-	-	-
Other receivables	1,665,806	-	-	-	-
Refundable deposits	448,135	-	-	-	-
Subtotal	42,627,920	-	-	-	-
Total	<b>\$ 44,707,483</b>	<b>334,231</b>	<b>-</b>	<b>1,745,332</b>	<b>2,079,563</b>



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
Subsidiaries (Continued)**

	<b>2022.6.30</b>				
	<b>Book value</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial liabilities at FVTPL					
Derivative financial liabilities	\$ 1,211	-	1,211	-	1,211
Subtotal	1,211	-	1,211	-	1,211
Financial liabilities at amortized cost					
Bank loans	17,518,202	-	-	-	-
Contract liabilities	9,690,781	-	-	-	-
Notes and accounts payable (including related parties)	19,462,469	-	-	-	-
Other payables	6,008,108	-	-	-	-
Lease liability	3,425,296	-	-	-	-
Convertible corporate bonds	8,765,728	-	8,765,728	-	8,765,728
Subtotal	64,870,584	-	8,765,728	-	8,765,728
Total	<b>\$ 64,871,795</b>	<b>-</b>	<b>8,766,939</b>	<b>-</b>	<b>8,766,939</b>
	<b>2021.12.31</b>				
	<b>Book value</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at FVTPL					
Derivative financial assets	\$ 194,182	175,306	-	18,876	194,182
Investment in equity instruments					
- Publicly traded shares	26,290	22,224	-	4,066	26,290
- Non-TWSE/TPEX-listed and emerging stocks	769,260	-	-	769,260	769,260
- Fund beneficiary certificates	184,624	-	-	184,624	184,624
Subtotal	1,174,356	197,530	-	976,826	1,174,356
Financial assets at FVTOCI					
Investment in equity instruments					
- Non-publicly traded shares	926,755	-	-	926,755	926,755
Subtotal	926,755	-	-	926,755	926,755
Financial assets at amortized cost					
Cash and cash equivalents	17,522,321	-	-	-	-
Financial assets at amortized cost	864,112	-	-	-	-
Contract assets	9,545,011	-	-	-	-
Notes receivable and accounts receivable	17,380,353	-	-	-	-
Other receivables	1,145,262	-	-	-	-
Refundable deposits	340,854	-	-	-	-
Subtotal	46,797,913	-	-	-	-
Total	<b>\$ 48,899,024</b>	<b>197,530</b>	<b>-</b>	<b>1,903,581</b>	<b>2,101,111</b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

		<b>2021.12.31</b>				
		<b>Book value</b>	<b>Fair value</b>			<b>Total</b>
			<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial liabilities at FVTPL						
Derivative financial liabilities	\$	713	-	713	-	713
Subtotal		713	-	713	-	713
Financial liabilities at amortized cost						
Bank loans		17,321,978	-	-	-	-
Contract liabilities		7,151,404	-	-	-	-
Notes and accounts payable (including related parties)		21,165,091	-	-	-	-
Other payables		5,181,431	-	-	-	-
Lease liability		3,460,678	-	-	-	-
Convertible corporate bonds		10,104,770	-	10,104,770	-	10,104,770
Subtotal		64,385,352	-	10,104,770	-	10,104,770
<b>Total</b>		<b>\$ 64,386,065</b>	<b>-</b>	<b>10,105,483</b>	<b>-</b>	<b>10,105,483</b>
		<b>2021.6.30</b>				
		<b>Book value</b>	<b>Fair value</b>			<b>Total</b>
			<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at FVTPL						
Derivative financial assets	\$	2,479	-	679	1,800	2,479
Investment in equity instruments						
- Publicly traded shares		249,584	249,584	-	-	249,584
- Non-TWSE/TPEX-listed and emerging stocks		507,718	-	-	507,718	507,718
- Fund beneficiary certificates		164,239	557	-	163,682	164,239
Foreign corporate bonds / convertible corporate bonds		2,800	-	-	2,800	2,800
Subtotal		926,820	250,141	679	676,000	926,820
Financial assets at FVTOCI						
Investment in equity instruments						
- Non-publicly traded shares		692,008	-	-	692,008	692,008
Financial assets at amortized cost						
Cash and cash equivalents		14,412,844	-	-	-	-
Financial assets at amortized cost		1,509,791	-	-	-	-
Contract assets		7,178,544	-	-	-	-
Notes and accounts receivable (including related parties)		14,912,308	-	-	-	-
Other receivables		1,582,954	-	-	-	-
Refundable deposits		291,424	-	-	-	-
Subtotal		39,887,865	-	-	-	-
<b>Total</b>		<b>\$ 41,506,693</b>	<b>250,141</b>	<b>679</b>	<b>1,368,008</b>	<b>1,618,828</b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

	2021.6.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at FVTPL					
Derivative financial liabilities	\$ 2,351	-	2,351	-	2,351
Contingent consideration of business combination	1,054,610	-	-	1,054,610	1,054,610
Subtotal	1,056,961	-	2,351	1,054,610	1,056,961
Financial liabilities at amortized cost					
Bank loans	18,986,389	-	-	-	-
Contract liabilities	6,149,804	-	-	-	-
Notes and accounts payable (including related parties)	16,277,350	-	-	-	-
Other payables	4,767,968	-	-	-	-
Lease liability	3,366,384	-	-	-	-
Convertible corporate bonds	8,285,931	-	8,285,931	-	8,285,931
Subtotal	57,833,826	-	8,285,931	-	8,285,931
Total	<b>\$ 58,890,787</b>	<b>-</b>	<b>8,288,282</b>	<b>1,054,610</b>	<b>9,342,892</b>

(2) Fair value evaluation techniques for financial instruments not measured at fair value

The methods and assumptions used by the Company to estimate instruments not measured at fair value are as follows:

For financial assets and liabilities measured at amortized cost, if there is quotation information of transaction or market maker, the latest transaction price and quotation information shall be used as the basis for the evaluation of fair value. If without the market value available for reference, the evaluation method shall be used for estimation. Discounted cash flow is adopted to estimate the fair value based on the estimates and assumptions used in the evaluation method.

(3) Fair value evaluation techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

When a market is considered active, the quoted price in the market should be used as the fair value for the financial instrument. The market prices announced by TPEX are the basis for the fair value for equity instruments listed on TWSE/TPEX and debt instruments with open quotations in the active market.

If the public quotation of a financial instrument can be obtained from the exchange, broker, underwriter, industry association, pricing service institution or competent authority in a timely and frequent manner, and the price represents the actual and frequent fair market transactions, the financial instrument has an active market public quotation. If the above conditions are unavailable, this market is deemed as inactive. Generally speaking, a large bid-ask spread, a significant increase in bid-ask spread, or a small trading volume are indicators of an inactive market.

If the financial instruments held by the Group have an active market, their fair values are listed as follows by category and attribute:

- Listed redeemable corporate bonds, stocks, bills of exchange and corporate bonds listed on TWSE/TPEX are financial assets and financial liabilities with standard terms and conditions and trade on the active market, and their fair values are determined by reference to the market quotations respectively.

Except for the above-mentioned financial instruments with active market, the fair value of other financial instruments is obtained by using evaluation technique or referring to the quotation of the counterpart. The fair value obtained through the evaluation technique can be calculated by referring to the current fair value of other financial instruments with substantially similar conditions and characteristics, the discounted cash flow method, or other evaluation techniques, including using the model based on the market information available on the consolidated reporting date (for example, the TWSE yield curve) Reuters commercial promissory note interest rate (average quotation).

If the financial instruments held by the Group have no active market, their fair values are listed as follows by category and attribute:

- Equity instruments without public quotation: the fair value is estimated by using the discounted cash flow model. The main assumption is that the expected future cash flow of the investee is discounted at the rate of return reflecting the time value of money and investment risk.
- Equity instruments without public quotation: the fair value is estimated using the market comparable company method, and its main assumptions are measured based on the estimated pre-tax earnings before interest, depreciation and amortization of the investee and the earnings multiplier derived from the market quotation of comparable listed companies. The estimate has adjusted the discount impact of the lack of market liquidity of the equity securities.

#### B. Derivative financial instruments

It is evaluated based on the evaluation model widely accepted by market players, such as discount method and option pricing model. Forward foreign exchange contracts are usually evaluated based on the current forward exchange rate. Structured interest rate derivative financial instruments adopt the option evaluation model (e.g. Black-Scholes) or other evaluation models (e.g. Monte Carlo

simulation).

### C. Contingent consideration of business combination

The fair value is estimated by adopting the discounted cash flow method. The main assumption is to estimate the current value after considering the probability of occurrence based on the possible pre-tax earnings before interest, depreciation and amortization under various scenarios, and discounting at the risk adjusted discount rate.

#### (4) Transfer between level 1 and level 2

There was no transfer for the six months ended June 30, 2022 and 2021.

#### (5) Quantitative information of fair value measurement using significant unobservable input value (level 3)

The fair value measurement of the Group is classified into the third level, mainly including financial assets measured at fair value through profit or loss - equity securities investment, derivative financial instruments, private fund investment and financial assets measured at fair value through other comprehensive profit or loss - equity securities investment.

Most of the fair values of the Group are classified as level 3, with only a single significant unobservable input value, and only the equity instrument investment without active market has a complex significant unobservable input value. The significant unobservable inputs of equity instrument investment without active market are independent of each other, so there is no correlation.

The quantitative information of significant unobservable inputs is listed as follows:

<b>Item</b>	<b>Valuation technique</b>	<b>Significant unobservable input</b>	<b>Relationship between significant unobservable input and fair value</b>
Equity instrument investment without active market	Comparable companies in the market	· Lack of market liquidity discount (June 30, 2022, December 31, 2021 and June 30, 2021 were 15~25%)	·The higher the discount for lack of marketability, the lower the fair value

#### (x) Financial risk management

There were no significant changes in the objectives and policies of the Group's financial risk management comparing to those disclosed in Note 6 (w) of the consolidated financial statements for the year ended December 31, 2021.

(y) Capital management

The Group's capital management objectives, policies and procedures were consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2021. In addition, there were no significant changes in the aggregate quantitative information of capital management items comparing to the information disclosed in the consolidated financial statements for the year ended December 31, 2021. Please refer to Note 6 (x) of the consolidated financial statements for the year ended December 31, 2021 for relevant information.

(z) Investment and financing activities of non cash transactions

The Group had no non-cash transaction investment and financing activities for the six months ended June 30, 2022 and 2021.

**(7) Related Party Transactions**

(a) Name and relationship of related party

The related parties that transact with the Group within the coverage of this consolidated financial statements are below:

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Cloud Network Technology Singapore Pte. Ltd.	Associates
Competition Team Ireland Limited	Associates
Universal Field International Limited	Associates
Sanying Technology (Shenzhen) Co., Ltd.	Associates
Chung Hsin Electric & Machinery Manufacturing Corp.	Associates
WT Microelectronics Co., Ltd.	Associates
Taiwan Jusda International Logistics Co., Ltd.	Associates
First Special Material (Shenzhen) Holding Limited	Associates
Anpinda Precision Industry (Huizhou) Co., Ltd.	Associates
Everlasting Digital ESG Co., Ltd.	Associates
Macrotec Technology Corp.	Associates
Premier Image Technology (China) Ltd.	Associates
Iwei Venture Capital Company	Associates
Dongguan Oyu Precision Technology Co., Ltd.	Associates
Wuhan Jusda Supply Chain Management Co., Ltd.	Associates
HeNan FuChi Technology Co., Ltd.	Associates
HeNan YuZhan Technology Limited	Associates
Fortune International Corporation	Associates
Wechin Electronics Corp.	Associates
Poslab Electronic and Technology (Shenzhen) Corporation	Associates

Glory Technology Service Inc.	Associates
SERVTECH Co., Ltd.	Associates
Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	Associates

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Chongqing Fertile Plan Logistics Co., Ltd.	Associates
Chongqing Hongteng Technology Co., Ltd.	Associates
ChongQing FuGui Electronics Co., Ltd	Associates
Chongqing Jingmei Precision Electronics Co., Ltd.	Associates
Hong Kong Ennower Information Technology Co., Limited	Associates
Jincheng Sanying Precision Electronic Co., Ltd.	Associates
Jincheng Futaihua Precision Electronic Co., Ltd.	Associates
Shenzhen Kangni Intelligent Technology Co., Ltd.	Associates
Shenzhen Fertile Plan International Logistics Co., Ltd.	Associates
Shenzhen Fuhungchieh Technology Service Co., Ltd.	Associates
Shenzhen pictographic Technology Co., Ltd.	Associates
Shenzhen Hyper Power Information Technology Co., Ltd.	Associates
Shenzhen Fugui Precision Industrial Co., LTD.	Associates
Shenzhen FuTaiHong Precision Industry Co., Ltd.	Associates
Shenzhen Fulian Fugui Precision Industry Co., Ltd.	Associates
Foxconn Industrial Internet Co., Ltd.	Associates
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Associates
Fujin Precision Industry (Shenzhen) Co., Ltd.	Associates
Fujin Precision Industry (Jincheng) Co., Ltd.	Associates
Futaichieh Technology Development(Shenzhen) Co., Ltd.	Associates
Futaihua Industry (Shenzhen) Co., Ltd.	Associates
Futaihua Industry (Zhengzhou) Co., Ltd.	Associates
Fuding Precision Component (Shenzhen) Co., Ltd.	Associates
FIH (Hong Kong) Limited	Associates
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Associates
Fulian Technology (Shanxi) Co., Ltd. (previously known as Shanxi Yuding Precision Technology CO., Ltd.)	Associates
Fulian Technology (Wuhan) Co., Ltd. (previously known as Wuhan Yuzhan Precision Technology CO., Ltd.)	Associates
Fulian Technology (Jiyuan) Co., Ltd. (previously known as Futaihua Precision Electronics (Jiyuan) Co., Ltd.)	Associates
Fulian Technology (Lankao) Co., Ltd. (previously known as Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.)	Associates



**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its  
Subsidiaries (Continued)**

<b>Name of Related Party</b>	<b>Relationship with the Group</b>
Fulian Technology (Hebi) Co., Ltd. (previously known as Hebi Yuzhan Precision Technology Co., Ltd.)	Associates
Fulian Yuzhan Technology (Shenzhen) Co., Ltd. (previously known as Shenzhen Yuzhan Precision Technology Co., Ltd.)	Associates
Fulian Precision Electronics (Tianjin) Co., Ltd. (previously known as Hongfujin Precision Electronics (Tianjin) Co., Ltd.)	Associates
Fujun Precision Electronics (Chongqing) Co., Ltd.	Associates
Foxconn Global Network	Associates
RIGO GLOBAL CO., LTD.	Associates
Chiun Mai Communication Systems, Inc.	Associates
COILER CORPORATION	Associates
Arbor Technology Corporation	Associates
Forward Science Corp.	Associates
Hengyang futaihong precision industry Co., Ltd.	Associates
Ur Materials Industry (ShenZhen) Co., Ltd.	Associates
ProbeLeader Co., Ltd.	Associates
Hon Hai Precision Industry Co., Ltd.	Associates
Hong Fu Sheng Precision Electronics (Zhengzhou) Co., Ltd.	Associates
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Associates
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Associates
Hongfujin Precision Electronics (Henyang) Co., Ltd.	Associates
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Associates
Honfujin Precision Electronics (Yantai) Co., Ltd.	Associates
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Associates
Hon Young Semiconductor Corporation	Associates
ELECBAY Technology Ltd.	Associates
Lankao YuFu Precision Technology Co., Ltd.	Associates
LanKao YuDe Environment Material Technology Inc.	Associates
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Associates
KUNSHAN FUCHENGKE PRECISION ELECTRONICAL CO.,LTD.	Associates
Foxconn Electronic Industry Development (Kunshan), Co., Ltd.	Associates
Foxconn (KunShan) Computer Connector Co., Ltd.	Associates
Hong Zhun Precision Tooling (Kunshan) Co., Ltd.	Associates
Fuyu Energy Technology (Kunshan) Co., Ltd.	Associates

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

Name of Related Party	Relationship with the Group
Fuxiang Precision Industry (Kunshan) Co., Ltd.	Associates
Shenzhen Zhunxuntong Technology Co., Ltd.	Associates
Jiangsu Chunghsin Fine Mechanical Co., Ltd.	Associates
AIS Cayman Technology	Main management

(b) Significant transactions with related parties

1. Operating revenue

The Group has the following major sales with related parties:

Accounts Item	Category of related party /Name	April to June, 2022	April to June, 2021	January to June, 2022	January to June, 2021
Sales revenue	Associates:				
	Futaihua Industry (Shenzhen) Co., Ltd.	\$ 1,004	62,944	1,482	157,669
	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	-	396,753	26	423,154
	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	2,106	15,151	21,856	48,549
	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	-	36,327	42,776	83,366
	HeNan FuChi Technology Co., Ltd.	19,454	925	23,727	1,073
	Fulian Precision Electronics (Tianjin) Co., Ltd.	15,394	18,274	26,898	23,384
	Others	22,944	75,300	58,391	229,654
Project revenue	Associates	15,442	4,150	41,699	6,808
		<b>\$ 76,344</b>	<b>609,824</b>	<b>216,855</b>	<b>973,657</b>

The sales transaction price of the Group to the related parties is determined according to the agreement of both parties, and the collection policy is the payment term of 2 months.

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

### 2. Purchase and processing fees

The purchase of the Group from related parties is:

Category of related party /Name	April to June, 2022	April to June, 2021	January to June, 2022	January to June, 2021
Associates:				
Hon Hai Precision Industry Co., Ltd.	\$ 272	288,982	711	451,098
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	-	63,036	1	140,449
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	17,460	71,879	42,808	132,907
ELECBAY Technology Ltd.	5,896	59,753	7,713	106,139
Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	22,987	16,434	39,882	24,502
WT Microelectronics Co., Ltd.	12,827	24,379	24,291	29,368
Others	26,628	63,430	45,876	167,732
	<b>\$ 86,070</b>	<b>587,893</b>	<b>161,282</b>	<b>1,052,195</b>

The sales transaction price of the Group to the related parties according to the agreement of both parties, and the payment policy is 1 - 2 months of monthly settlement.

### 3. Accounts receivable from related parties

Details of accounts receivable from related parties of the Group are as follows:

Accounts Item	Category of related party /Name	2022.6.30	2021.12.31	2021.6.30
Accounts receivable - related parties				
Associates:				
	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	\$ 4,829	21,789	456,575
	Shenzhen Hyper Power Information Technology Co., Ltd.	32,366	50,760	30,007
	Hong Kong Ennower Information Technology Co., Limited	46,433	66,951	116,669
	HeNan FuChi Technology Co., Ltd.	70,971	146,329	1,205
	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	-	284,625	56,380
	Others	117,528	198,909	356,441
		<b>\$ 272,127</b>	<b>769,363</b>	<b>1,017,277</b>

Note: The accounts receivables due to purchase on behalf of others are included.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

Uncollected guarantees from outstanding accounts receivable from related parties  
Loss of allowance for accounts receivable from related parties for the six months ended June 30, 2022 and 2021 were NT\$0 thousand and NT\$34,539 thousand, respectively.

4. Accounts payable to related parties

Details of accounts payable to related parties of the Group are as follows:

<b>Accounts Item</b>	<b>Category of related party /Name</b>	<b>2022.6.30</b>	<b>2021.12.31</b>	<b>2021.6.30</b>
Accounts payable	Associates:			
	Hon Hai Precision Industry Co., Ltd.	\$ 68	382,837	292,224
	Dongguan Oyu Precision Technology Co., Ltd.	11,704	11,440	28,744
	Shenzhen pictographic Technology Co., Ltd.	-	28,282	270,744
	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	8,504	131,948	88,909
	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	-	26,600	167,155
	Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	18,215	10,548	16,679
	WT Microelectronics Co., Ltd.	11,500	23,546	7,170
	FIH (Hong Kong) Limited	7,817	30,907	17,536
	Others	10,485	63,234	47,515
		<b><u>\$ 68,293</u></b>	<b><u>709,342</u></b>	<b><u>936,676</u></b>
Expenses payable (classified under other accounts payables)	Associates	<b><u>\$ 15,489</u></b>	<b><u>79,561</u></b>	<b><u>350,198</u></b>

The balance of the outstanding payables to related parties is not guaranteed and will be settled in cash.

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

5. Endorsements and Guarantees

Category of related party /Name	January to June, 2022	January to June, 2021
Innovative Systems Integration Limited	\$ 133,170	835,800
Ennoconn International Investment Co., Ltd.	1,000,000	1,000,000
Dexatek Technology Ltd.	160,000	160,000
Thecus Technology Corp.	100,000	100,000
HighAim Technology Inc.	534,960	696,500
Highaim Technology Inc.	44,580	41,460
Kontron AG and its subsidiary	6,236,777	5,677,320
MIC INC. and its subsidiary	5,315,040	4,734,726
Ennoconn Hungary kft	952,976	-
POSLAB TECHNOLOGY CORPORATION	50,000	-
	<b><u>\$ 14,527,503</u></b>	<b><u>13,245,806</u></b>

6. Acquisition of financial assets

The Company issues new shares for the equity of transferred company AIS Cayman Technology, the transaction partners are shareholders of AIS Cayman, including related parties, non-related parties, of which related parties could exchange the Company's shares, calculated on the base date of share exchange (January 21, 2021), at an amount of NT\$279 million.

(c) Transactions with major managers

Remuneration for major managers include:

	April to June, 2022	April to June, 2021	January to June, 2022	January to June, 2021
Short-term employee benefits	\$ 98,569	78,551	170,241	137,934
Post-employment benefits	308	97	523	438
	<b><u>\$ 98,877</u></b>	<b><u>78,648</u></b>	<b><u>170,764</u></b>	<b><u>138,372</u></b>

Please refer to Note 6 (r) for the description of share-based payment.

**(8) Pledged Assets**

The carrying value of the assets pledged as collateral by the Group was as follows:

Name of Asset	Subject of pledge guarantee	2022.6.30	2021.12.31	2021.6.30
Pledged time deposit certificates (classified under financial assets at amortized cost)	Bank loans, tariff guarantee, performance guarantee and warranty guarantee	\$ 24,064	55,839	112,702
Pledged demand deposits (classified under other financial assets)	Bank loans and performance guarantee	37,333	22,219	11,593
Accounts receivable	Bank loans and performance guarantee	76,261	59,779	35,989
Inventories	Performance guarantee	22,525	16,400	-
Land	Bank loans	121,295	-	121,295
Buildings, net	Bank loans	742,329	895,930	880,304
Investment properties	Bank loans	51,375	51,656	38,727
Refundable deposits	Tender deposit, performance bond and warranty deposit	356,417	318,636	143,291
Others	Bank loans	-	-	203,902
		<b><u>\$ 1,431,599</u></b>	<b><u>1,420,459</u></b>	<b><u>1,547,803</u></b>

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

**(9) Significant Contingent Liabilities and Unrecognized Contract Commitments**

(a) Significant Unrecognized Contract Commitments :

Unrecognized contract commitments of the Group are as follows :

	2022.6.30	2021.12.31	2021.6.30
Acquisition of property, plant and equipment	\$ 541,160	-	-

**(10) Losses due to Major Disasters: None.**

**(11) Significant Events after the Balance Sheet Date**

At the Board of Directors' meeting held on August 10, 2022, Kontron AG approved the agreement with VINCI Energies S.A. for the sale of part of the IT service business of the Kontron Group, with an estimated profit of approximately EUR192 million for the disposal of Kontron AG.

**(12) Others**

(a) Summary of employee benefits, depreciation and amortization expenses by function for the current period:

By function By nature	April to June, 2022			April to June, 2021		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits expenses						
Wages and salaries	440,731	2,277,361	2,718,092	444,533	1,985,507	2,430,040
Labor insurance and National Health Insurance expense	25,003	988,253	1,013,256	27,076	907,812	934,888
Pension costs	24,208	22,391	46,599	38,113	38,802	76,915
Others Employee Benefits Expenses	73,362	87,336	160,698	34,960	45,734	80,694
Depreciation expenses	32,659	383,144	415,803	147,778	309,466	457,244
Amortization expenses	3,781	312,484	316,265	2,330	358,499	360,829

By function By nature	January to June, 2022			January to June, 2021		
	Operation costs	Operation expenses	Total	Operation costs	Operation expenses	Total
Employee benefits expenses						
Wages and salaries	85,417	5,444,825	5,530,242	778,608	4,962,385	5,740,993
Labor insurance and National Health Insurance expense	55,931	1,036,422	1,092,353	50,977	944,584	995,561
Pension costs	50,775	73,256	124,031	61,945	89,367	151,312
Others Employee Benefits Expenses	125,879	134,867	260,746	78,574	84,190	162,764
Depreciation expenses	216,504	672,108	888,612	294,754	600,976	895,730
Amortization expenses	6,657	618,396	625,053	5,146	702,318	707,464

**Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)**

(b) Seasonality of operation:

The Group's operation is not subject to seasonal or periodical fluctuations.

**(13) Supplementary Disclosures**

(a) Information on Significant Transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Group shall re-disclose the following information on major transactions for the six months ended June 30, 2022:

1. Loans to others: Please refer to Table 1.
  2. Provision of endorsements and guarantees to others: Please refer to Table 2.
  3. Holding of marketable securities at the end of the period (excluding equity of subsidiaries, associates and joint ventures): Please refer to Table 3.
  4. Acquisition or sale of the same security with the accumulated cost reaching NT\$300 million or 20% of paid-in capital or more: Please refer to Table 4.
  5. Acquisition of property reaching NT\$300 million or 20% of paid-in capital or more: Please refer to Table 5.
  6. Disposal of property reaching NT\$300 million or 20% of paid-in capital or more: None.
  7. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 6.
  8. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 7.
  9. Engaged in derivative transactions: None.
  10. Business relations and material transactions between parent company and subsidiaries: Please refer to Table 8.
- (b) Re-investment information (excluding investees in Mainland China): Please refer to Table 9.
- (c) Information on investments in mainland China : None.
1. Name, major businesses and related information about investees in Mainland China: Please refer to Table 9(1).
  2. Investment limit in Mainland China: Please refer to Table 9(2).
  3. Major transactions with investees in mainland China:
- (d) Information on Major Shareholders :

Name of Major Shareholder	Shares	Shares	Shareholdings (%)
Baoxin International Investments Ltd.		33,178,779	31.28%

**(14) Segment information**

Information reported to the chief operating decision maker by the Group for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services provided. The Group was mainly engaged in the manufacturing and sales of data storage, processing equipment and industrial motherboard, network communication and facility

## Notes to Consolidated Financial Statements of Ennoconn Technology Co., Ltd. and its Subsidiaries (Continued)

electromechanical system services for the six months ended June 30, 2022 and 2021.

(a) Segment revenue and results of operations

The Group shall report the segment revenues and operating results as follows:

		April to June, 2022						
		Sales of industrial computer hardware and software	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Total
Revenue:								
Revenue from external clients		2,030,889	10,383,853	1,255,429	11,823,579	790,078	555,524	26,839,352
Total earnings		<u>\$ 2,030,889</u>	<u>10,383,853</u>	<u>1,255,429</u>	<u>11,823,579</u>	<u>790,078</u>	<u>555,524</u>	<u>26,839,352</u>
<b>Profit and Loss of Reporting Segment</b>		<u>\$ 559,920</u>	<u>480,246</u>	<u>182,664</u>	<u>700,445</u>	<u>194,735</u>	<u>(558,236)</u>	<u>1,559,774</u>
		April to June, 2021						
		Sales of industrial computer hardware and software	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Total
Revenue:								
Revenue from external clients		741,842	11,679,367	1,177,998	8,127,419	4,326,921	(3,248,358)	22,805,189
Total earnings		<u>\$ 741,842</u>	<u>11,679,367</u>	<u>1,177,998</u>	<u>8,127,419</u>	<u>4,326,921</u>	<u>(3,248,358)</u>	<u>22,805,189</u>
<b>Profit and Loss of Reporting Segment</b>		<u>\$ 53,808</u>	<u>221,132</u>	<u>26,457</u>	<u>400,230</u>	<u>121,878</u>	<u>94,412</u>	<u>917,917</u>
		January to June, 2022						
		Sales of industrial computer hardware and software	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Total
Revenue:								
Revenue from external clients		4,160,979	20,751,802	2,382,320	21,491,469	3,357,328	(1,032,226)	51,111,672
Total earnings		<u>\$ 4,160,979</u>	<u>20,751,802</u>	<u>2,382,320</u>	<u>21,491,469</u>	<u>3,357,328</u>	<u>(1,032,226)</u>	<u>51,111,672</u>
<b>Profit and Loss of Reporting Segment</b>		<u>\$ 953,546</u>	<u>867,266</u>	<u>273,616</u>	<u>1,203,473</u>	<u>305,315</u>	<u>(1,001,699)</u>	<u>2,601,517</u>
		January to June, 2021						
		Sales of industrial computer hardware and software	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Total
Revenue:								
Revenue from external clients		2,363,988	22,994,900	2,547,871	14,804,352	6,987,738	(6,702,423)	42,996,426
Total earnings		<u>\$ 2,363,988</u>	<u>22,994,900</u>	<u>2,547,871</u>	<u>14,804,352</u>	<u>6,987,738</u>	<u>(6,702,423)</u>	<u>42,996,426</u>
<b>Profit and Loss of Reporting Segment</b>		<u>\$ 82,092</u>	<u>377,307</u>	<u>115,064</u>	<u>658,259</u>	<u>194,136</u>	<u>206,039</u>	<u>1,632,897</u>

(b) Segment assets and liabilities

The Group shall report the measured amount of segment assets / liabilities, which is not provided for operational decision-making, so the measured amount of assets / liabilities is not disclosed.



**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**FINANCING PROVIDED TO OTHERS**  
**For the six months ended June 30, 2022**

Table I

Unit: NT\$ thousand

Code (Note 1)	Grantor	Borrower	Financial statement account	Related Party (Y/N)	Maximum outstanding balance for period (Note 3)	Ending Balance (Note 3)	Actual amount used	Interest rate	Nature of financing (Note 2)	Amount of Transaction	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit
													Name	Value		
1	Ennoconn Technology Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	200,000	200,000	-	1.12%	2	-	Operating working fund	-	-	-	1,242,488	4,969,953
1	Caswell Inc.	Apligo	Other receivables - related parties	Yes	23,776	23,776	23,776	2.45%	2	-	Operating working fund	-	None	-	309,845	619,690
2	Caswell Inc.	Hawkeye Tech Co., Ltd.	Other receivables - related parties	Yes	50,000	50,000	-	1.6%	2	-	Operating working fund	-	None	-	309,845	619,690
2	KONTRON AG	S&T CEE Holding s.r.o., Slowakei	Other receivables - related parties	Yes	315,158	270,135	270,135	5%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	S&T Romania S.R.L., Romania	Other receivables - related parties	Yes	479,408	405,429	405,429	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	S&T Consulting Hungary Kft., Hungary	Other receivables - related parties	Yes	191,579	185,058	185,058	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	S&T Deutschland GmbH, Germany	Other receivables - related parties	Yes	46,575	15,525	15,525	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron electronics AG	Other receivables - related parties	Yes	55,735	54,027	54,027	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron America Inc.	Other receivables - related parties	Yes	139,163	65,765	65,765	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron electronics GmbH (DE)	Other receivables - related parties	Yes	392,006	384,244	384,244	1.5%、3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	S&T Services Bel LLC	Other receivables - related parties	Yes	2,380	2,070	2,070	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron Transportation GmbH	Other receivables - related parties	Yes	465,750	465,750	310,500	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron Europe GmbH	Other receivables - related parties	Yes	229,770	229,770	229,770	2%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486

Code (Note 1)	Grantor	Borrower	Financial statement account	Related Party (Y/N)	Maximum outstanding balance for period (Note 3)	Ending Balance (Note 3)	Actual amount used	Interest rate	Nature of financing (Note 2)	Amount of Transaction	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit
													Name	Value		
2	KONTRON AG	Kontron Modular Computers S.A.S.	Other receivables - related parties	Yes	139,725	139,725	139,725	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron Electronics Kft.	Other receivables - related parties	Yes	13,973	11,178	11,178	3%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
2	KONTRON AG	Kontron Austria GmbH	Other receivables - related parties	Yes	419,175	419,175	419,175	1.5%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
3	KONTRON AG	RTSoft, AO, Russia	Other receivables - related parties	Yes	163,177	163,177	163,177	8%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
4	KONTRON AG	RTSoft Smart Grid, Russia	Other receivables - related parties	Yes	14,408	14,408	14,408	8%	2	-	Operating working fund	-	None	-	1,336,622	5,346,486
5	Kontron Europe GmbH	KONTRON ASIA PACIFIC DESIGN SDN. BHD.	Other receivables - related parties	Yes	128,429	125,404	125,404	1.2%	2	-	Operating working fund	-	None	-	339,871	849,678
6	ISKRATEL.,d.o.o.	S&T AG, Austria	Other receivables - related parties	Yes	155,250	57,443	57,443	3%	2	-	Operating working fund	-	None	-	178,056	712,224
7	T-Paragon Die Casting Co., Ltd.	T-Paragon Die Casting (THAILAND) Co., Ltd.	Other receivables - related parties	Yes	14,860	-	-	2%	2	-	Operating working fund	-	None	-	34,605	86,513
8	Sunlit Precision Technology Co., Ltd.	T-lamma (Guangdong) Tech Co., Ltd.	Other receivables	Yes	53,060	34,110	34,110	2%	2	-	Operating working fund	-	None	-	92,004	230,009
9	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Other receivables	Yes	74,300	74,300	74,300	0.8%	2	-	Operating working fund	-	None	-	179,771	898,856
10	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	370,906	370,906	370,906	0.97%	2	-	Operating working fund	-	None	-	609,639	609,639
10	Nanjing Asiatek Inc.	Shenzhen Asiatek INC.	Other receivables - related parties	Yes	22,195	22,195	-	3.8%	2	-	Operating working capital	-	None	-	30,207	120,828
10	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Other receivables	Yes	64,458	38,636	38,636	4.37%	2	-	Operating working fund	-	None	-	3,190,000	3,190,000
11	Marketech International Corp.	Marketech International Sdn. Bhd.	Other receivables	Yes	83,475	29,720	26,748	4.37%	2	-	Operating working fund	-	None	-	3,190,000	3,190,000
11	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	237,760	237,760	133,740	4.366%-4.616%	2	-	Operating working fund	-	None	-	3,190,000	3,190,000

Code (Note 1)	Grantor	Borrower	Financial statement account	Related Party (Y/N)	Maximum outstanding balance for period (Note 3)	Ending Balance (Note 3)	Actual amount used	Interest rate	Nature of financing (Note 2)	Amount of Transaction	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit
													Name	Value		
12	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other receivables	Yes	52,404	26,633	26,633	4.35%	2	-	Operating working fund	-	None	-	296,632	296,632
13	MIC-Tech Electronics Engineering Corp.	Fuzhou Jiwei System Integrated Co., Ltd.	Other receivables	Yes	2,219	-	-	- %	2	-	Operating working fund	-	None	-	593,265	593,265
14	MIC-Tech (Shanghai) Corp.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Other receivables	Yes	13,101	-	-	- %	2	-	Operating working fund	-	None	-	574,576	574,576
15	Marketech Integrated Manufacturing Co., Ltd.	Marketech Integrated Construction Co., Ltd.	Other receivables	Yes	11,130	7,430	5,944	7%	2	-	Operating working fund	-	None	-	73,866	147,731
16	Marketech Co., Ltd.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	6,985	-	-	- %	2	-	Operating working fund	-	None	-	8,154	8,154

Note 1: (1) Fill in 0 for issuer.

(2) The investee company is coded in sequence starting from Arabic number 1 by company.

Note 2: The nature of the loans are as follows:

(1) Please fill in 1 for business interaction.

(2) Please fill in 2 if there is a need for short-term financing.

Note 3: Limit to loans is resolved by the Board of Directors.

**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**ENDORSEMENTS/GUARANTEES PROVIDED**  
**For the six months ended June 30, 2022**

Table II

Unit: NT\$ thousand

Code	Company name of endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement/guarantee of parent company to subsidiary	Endorsement of a subsidiary to the parent company	Endorsement for mainland China
		Company Name	Relationship										
0	Ennoconn Technology Co., Ltd.	Ennoconn Hungary kft	2	18,637,325	952,976	952,976	952,976	-	7.67%	24,849,767	Y	N	N
0	Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	2	18,637,325	1,000,000	1,000,000	-	-	8.05%	24,849,767	Y	N	N
0	Ennoconn Technology Co., Ltd.	POSLAB TECHNOLOGY CORPORATION	2	18,637,325	50,000	50,000	10,000	-	0.40%	24,849,767	Y	N	N
0	Ennoconn Technology Co., Ltd.	HIGHAIM TECHNOLOGY INC.	2	18,637,325	193,180	44,580	-	-	0.36%	24,849,767	Y	N	N
0	Ennoconn Technology Co., Ltd.	HighAim Technology Inc.	2	18,637,325	713,280	534,960	178,320	-	4.31%	24,849,767	Y	N	Y
0	Ennoconn Technology Co., Ltd.	Thecus Technology Corp.	2	18,637,325	100,000	100,000	75,000	-	0.80%	24,849,767	Y	N	N
0	Ennoconn Technology Co., Ltd.	Dexatek Technology Ltd.	2	18,637,325	160,000	160,000	80,000	-	1.29%	24,849,767	Y	N	N
	Ennoconn Technology Co., Ltd.	Subtotal				2,842,516							
1	KONTRON AG	S&T Slovakia s.r.o.	2	5,591,198	124,200	124,200	31,050	-	1.00%	11,182,395	Y	N	N
1	KONTRON AG	S&T Plus s.r.o.	2	5,591,198	6,370	6,276	-	-	0.05%	11,182,395	Y	N	N
1	KONTRON AG	S&T CZ s.r.o.	2	5,591,198	57,330	37,653	-	-	0.30%	11,182,395	Y	N	N
1	KONTRON AG	S&T Bulgaria e.o.o.d.	2	5,591,198	29,342	29,342	-	-	0.24%	11,182,395	Y	N	N
1	KONTRON AG	S&T Consulting Hungary Kft.	2	5,591,198	555,203	504,756	70,307	-	4.06%	11,182,395	Y	N	N
1	KONTRON AG	S&T Poland Sp.z.o.o.	2	5,591,198	346,108	330,995	-	-	2.66%	11,182,395	Y	N	N
1	KONTRON AG	S&T Deutschland GmbH	2	5,591,198	12,420	12,420	-	-	0.10%	11,182,395	Y	N	N
1	KONTRON AG	Kontron Europe GmbH	2	5,591,198	31,050	31,050	-	-	0.25%	11,182,395	Y	N	N
1	KONTRON AG	Kontron Public Transportation	2	5,591,198	117,236	117,236	-	-	0.94%	11,182,395	Y	N	N
1	KONTRON AG	Kontron Transportation Austria AG	2	5,591,198	1,251,657	1,107,833	206,793	-	8.92%	11,182,395	Y	N	N

Code	Company name of endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial affairs	Maximum amount of endorsement	Endorsement/guarantee of parent company to subsidiary	Endorsement of a subsidiary to the parent company	Endorsement for mainland China
		Company Name	Relationship										
1	KONTRON AG	Kontron AIS GmbH(AIS Automation Dresden GmbH)	2	5,591,198	24,840	24,840	-	-	0.20%	11,182,395	Y	N	N
1	KONTRON AG	S&T Crna Gora d.o.o.	2	5,591,198	9,453	9,453	-	-	0.08%	11,182,395	Y	N	N
1	KONTRON AG	S&T AG/ Kontron Transportation Austria AG/ S&T Smart Energy/Kontron s.r.o.	2	5,591,198	401,271	401,271	-	-	3.23%	11,182,395	Y	N	N
1	KONTRON AG	Kontron Transportation France	2	5,591,198	7,763	7,763	-	-	0.06%	11,182,395	Y	N	N
1	KONTRON AG	diverse / Factoring CEE	2	5,591,198	558,900	496,800	-	-	4.00%	11,182,395	Y	N	N
1	KONTRON AG	Factoring Kontron Europe / Kontron Modular Computer	2	5,591,198	1,055,700	1,055,700	138,173	-	8.50%	11,182,395	Y	N	N
1	KONTRON AG	Kontron America Inc	2	5,591,198	597,863	597,863	-	-	4.81%	11,182,395	Y	N	N
1	KONTRON AG	Kontron electronics GmbH	2	5,591,198	9,315	9,315	-	-	0.07%	11,182,395	Y	N	N
1	KONTRON AG	Kontron S&T AG	2	5,591,198	124,200	124,200	-	-	1.00%	11,182,395	Y	N	N
1	KONTRON AG	S&T MEDTECH SRL(GADA GROUP ROMANIA SRL)	2	5,591,198	108,675	108,675	73,992	-	0.87%	11,182,395	Y	N	N
1	KONTRON AG	S&T Romania SRL	2	5,591,198	394,328	393,883	294,691	-	3.17%	11,182,395	Y	N	N
1	KONTRON AG	diverse / Factoring DACH	2	5,591,198	589,950	589,950	19,965	-	4.75%	11,182,395	Y	N	N
1	KONTRON AG	RTSoft Project OOO	2	5,591,198	115,303	115,303	-	-	0.93%	11,182,395	Y	N	N
	KONTRON AG	Subtotal				6,236,777							
2	Nanjing Asiatek Inc.	Shenzhen Asiatek INC.	2	151,035	133,170	133,170	80,612	-	44.09%	302,069	Y	N	Y
3	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	2	3,987,500	1,380,349	1,059,333	689,647	-	13.28%	7,974,999	Y	N	Y
3	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	3,987,500	76,057	75,501	4,346	-	0.95%	7,974,999	Y	N	N
3	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	2	3,987,500	760,548	585,153	59,686	-	7.34%	7,974,999	Y	N	Y
3	Marketech International Corp.	MIC-Tech (Wuxi) Co., Ltd.	2	3,987,500	369,918	369,918	263,524	-	4.64%	7,974,999	Y	N	Y
3	Marketech International Corp.	Marketech International Sdn. Bhd.	2	3,987,500	166,950	59,440	18,144	-	0.75%	7,974,999	Y	N	N

Code	Company name of endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement/guarantee of parent company to subsidiary	Endorsement of a subsidiary to the parent company	Endorsement for mainland China
		Company Name	Relationship										
3	Marketch International Corp.	Ezoom Information, Inc.	2	3,987,500	25,000	25,000	12,800	-	0.31%	7,974,999	Y	N	N
3	Marketch International Corp.	Marketch International Corporation USA	2	3,987,500	1,430,940	1,430,940	1,287,131	-	17.94%	7,974,999	Y	N	N
3	Marketch International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	3,987,500	301,282	286,280	168,922	-	3.59%	7,974,999	Y	N	Y
3	Marketch International Corp.	Te Chang Construction Co., Ltd.	2	3,987,500	174,086	174,086	43,584	-	2.18%	7,974,999	N	N	N
4	MIC-Tech Electronics Engineering Corp.	MIC-Tech Viet Nam Co., Ltd.	2	2,224,743	433,906	430,489	430,489	-	62.97%	3,707,905	N	N	N
4	MIC-Tech Electronics Engineering Corp.	The Fourth Construction Co., Ltd. of China Electronics System Engineering	2	2,224,743	831,264	818,900	795,930	-	119.79%	3,707,905	N	N	Y
	Marketch International Corp.	Subtotal				5,315,040							

Note 1: The No. column is filled as below instructions:

- (1) Fill in 0 for issuer.
- (2) The investee companies are numbered in order starting from 1, and one company shall have an identical number.

Note 2: The relationship between the endorsement and the endorsed object is as follows:

- (1) A company with which it does business.
- (2) A company in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3) Companies that directly and indirectly hold more than 50% of the voting rights of the Company.
- (4) Companies directly or indirectly held by the Company for 90% and above of voting rights.
- (5) A company with contractual mutual-endorsement requirement for construction contracts.
- (6) A company that is endorsed and guaranteed by all contributing shareholders according to their shareholding ratio due to joint investment.
- (7) The performance guarantee and joint guarantee in the industry engaged in the pre-sale house sales contract in accordance with the consumer protection law.

Note 3: The total external endorsement and guarantee shall not exceed 150% of the Company's net worth in recent financial statements.

Note 4: The total endorsement and guarantee to a single company shall not exceed 200% of the Company's net worth in recent financial statements.

**Ennoconn Technology Co., Ltd. and Subsidiaries**

**Holding of marketable securities at the end of the period (excluding equity of subsidiaries, associates and joint ventures)**

**June 30, 2022**

Table III

Unit: thousand shares/NT\$ thousand

Holding company	Type and name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
				Number of shares/Units	Book value	Shareholding %	Fair value	
Ennoconn International Investment Co., Ltd.	Q.P.T.I Corporation	None	Unrealized gain on financial assets at FVTOCI-non-current	726	-	17%	-	
"	SERVTECH Co., Ltd.	None	"	85	-	4%	-	
"	Augentix Inc.	None	"	667	50,025	5%	50,025	
"	Gold Rain Enterprises Corp.	None	"	5,000	222,750	10%	222,750	
Taiwan Applied Module Corporation	SERVTECH Co., Ltd.	None	"	240	-	11%	-	
Goldtek Technology Co., Ltd.	Augentix Inc.	None	"	333	24,975	2%	24,975	
"	Ipevo Corporation	None	"	150	13,200	1%	13,200	
Sunlit Precision Technology Co., Ltd.	LINKA GROUP LIMITED	None	"	143	-	8%	-	
Techno Precision (Shenzhen) Co., Ltd.	T-lamma (Guangdong) Tech Co., Ltd.	None	"	9,408	34,224	16%	34,224	
APLIGO GmbH	Shares in Volksbank Karlsruhe	None	"	-	9	-%	9	
Caswell Inc.	ADVANIO TECHNOLOGY CO., LTD.	None	"	1,045	-	19%	-	
Dexatek Technology Ltd.	Eve Systems GmbH	None	"	53	84,587	19%	84,587	
SecureGuard GmbH	Real Invest Austria; Erste Immobilienfonds	None	"	-	7,342	-%	7,342	
				EURO	236		236	
Ennoconn (Foshan) Investment Co., Ltd.	Foshan Zhaoke Innovative Intelligent Industry Investment Fund Partnership	None	"	-	284,269	19%	284,269	
				RMB	64,107		64,107	
"	Guangdong Hongfu Xinghe Hongtu Venture Capital Fund Partnership	None	"	-	221,715	11%	221,715	
				RMB	50,000		50,000	
	Subtotal				943,096		943,096	

Holding company	Type and name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
				Number of shares/Units	Book value	Shareholding %	Fair value	
Diverse	Diverse	None	Other financial assets	-	49	-%	49	
Iskratel d.o.o.	Shares	None	"	EURO -	1,585		1,585	
Affair OOO	Shares	None	"	EURO -	4,931	-%	4,931	
AO IskraUralTel Yekaterinburg	Shares	None	"	EURO -	158,812		158,812	
				EURO -	9,192		9,192	
				EURO -	296		296	
				EURO -	24	-%	24	
				EURO	772		772	
	Subtotal				14,196		14,196	
Marketech International Corp.	Aerospace Industrial Development Corporation		Financial assets at FVTPL-Current	51	1,647	-%	1,647	
"	Lasertec Corporation		"	20	70,479	-%	70,479	
	Subtotal				72,126		72,126	
Marketech International Corp.	Chung Hsin Electric & Machinery Manufacturing Corp.	None	Financial assets at FVTPL-Non-Current	581	32,013	-%	32,013	
"	ProMOS Technologies Inc.	None	"	250	-	1%	-	
"	Taiwan Colour & Imaging Technology Corporation	None	"	1,700	-	12%	-	
"	Taiwan Puritic Corp.	None	"	5,087	328,276	8%	328,276	
"	Sopower Technology Corp.	None	"	189	-	1%	-	
"	VEEV Interactive Pte. Ltd.	None	"	840	-	6%	-	
"	Taiwan Intelligent Fiber Optic Network Co., Ltd.	None	"	3,868	20,515	1%	20,515	
"	Civil Tech Holdings Ltd.	None	"	336	-	1%	-	
"	ProbeLeader Co., Ltd.	Entities controlled	"	966	13,644	3%	13,644	
"	Top Green Energy Technologies Inc.	None	"	1,111	-	1%	-	
"	Zhi-Yuan Venture Capital Co., Ltd.	None	"	818	7,843	2%	7,843	
"	Innorich Venture Capital Corp.	None	"	1,000	6,942	2%	6,942	
"	Taiwan Foresight Co., Ltd.	None	"	380	3,414	2%	3,414	
"	Long Time Technology Co., Ltd.	None	"	346	13,226	-%	13,226	
"	Paradigm Venture Capital Company	None	"	77	1,111	4%	1,111	
"	Taiwan Specialty Chemicals Corporation	None	"	2,269	85,612	2%	85,612	
"	Atech Totalsolution Co., Ltd.	None	"	128	-	-%	-	
"	East Wind Life Sciences System Co., Ltd.	None	"	124	-	13%	-	



Holding company	Type and name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
				Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Ecoland Corporation	None	Financial assets at FVTPL-Non-Current	311	-	14%	-	
"	Radisen Co. Ltd	None	"	88	-	18%	-	
"	Foresight Energy Technologies Co., Ltd.	None	"	675	1,163	3%	1,163	
"	Wings Global Technology Inc.	None	"	750	8,567	19%	8,567	
"	Kcashin Technology Corporation	Entities controlled	"	643	365	19%	365	
"	Sum Capital Healthcare Investment Corp.	None	"	943	9,389	7%	9,389	
"	Forward Science Corp.	None	"	2,650	47,326	8%	47,326	
"	Mycropore Corporation	None	"	1,471	23,156	8%	23,156	
"	STEK Co., Ltd.	None	"	507	9,052	6%	9,052	
"	Sharpcon Optical Co., Ltd.	None	"	824	5,918	4%	5,918	
"	Everlasting Digital ESG Co., Ltd.	None	"	100	742	6%	742	
"	Artfil, Inc.	None	"	-	29,386	9%	29,386	
"	TAIWAN TRUEWIN TECHNOLOGY CO., LTD.	None	"	500	31,750	2%	31,750	
"	Mega Union Technology Incorporated	None	"	500	30,000	1%	30,000	
	Subtotal				709,410		709,410	
	Convertible corporate bonds:						-	
Marketech International Corp.	HALLYS CORPORATION	None	Financial assets at FVTPL-Non-Current	-	-	-	-	
"	Radisen Co. Ltd	None	"	-	-	-	-	
"	Kinestral Technologies, Inc.	None	"	-	-	-	-	
"	Nitride Solutions Inc.	None	"	-	-	-	-	
	Subtotal				-		-	

Holding company	Type and name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
				Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Preferred shares: Adant Technologies Inc.	None	Financial assets at FVTPL-Non-Current	175	-	-	-	
"	Kinestral Technologies, Inc.	None	"	502	-	-	-	
	Subtotal				-		-	
Goldtek Technology Co., Ltd.	Preferred shares: Cloudtalk Inc.	None	Unrealized gain on financial assets at FVTOCI-non-current	-	-	-	-	
"	EMBER TECHNOLOGIES, INC.	None	"	862	140,700	2%	140,700	
	Subtotal				140,700		140,700	
Ennoconn International Investment Co., Ltd.	Fund beneficiary certificates : Guotai Private Equity Smart Technology Co., Ltd	None	Financial assets at FVTPL-Non-Current	-	-	-	-	
Marketech International Corp.	Zhuo Yi II Investment Limited Partnership	None	"	-	14,701	-	14,701	
"	Vertex Growth(SG) LP	None	"	-	32,519	-	32,519	
"	Vertex Growth II(SG) LP	None	"	-	1,033	-	1,033	
Caswell Inc.	Zhuo Yi II Investment Limited Partnership	None	"	-	29,401	-	29,401	
Goldtek Technology Co., Ltd.	Zhuo Yi II Investment Limited Partnership	None	"	-	118,120	-	118,120	
	Subtotal				213,774		213,774	

Note 1: The above-mentioned securities were not restricted for use due to guarantees, pledges, or other agreements as of the end of December 2021.

Note 2: Please refer to attached Table 8 and 9 for information about investment in subsidiaries.

Note 3: It is preference shares.

**Ennoconn Technology Co., Ltd. and Subsidiaries**

**Acquisition or sale of the same security with the accumulated cost reaching NT\$300 million or 20% of paid-in capital or more**

**For the six months ended June 30, 2022**

Table IV

Unit: thousand shares/NT\$ thousand

The purchasing/ selling company	Type and name of securities	Ledger account	Counterparty	Relationship	Beginning of the period		Buy		Sell				End of the period	
					Shares	Amount	Shares	Amount	Shares	Selling price	Carrying amount of cost	Gain (loss) on disposal	Shares	Amount
Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	Long-term equity investment under equity method	Ennoconn International Investment Co., Ltd.	Subsidiary	720,635	7,010,000	100,000	1,000,000	-	-	-	-	820,635	8,010,000

Note: The ending amount includes evaluation profits/losses.

**Enmoconn Technology Co., Ltd. and Subsidiaries**  
**Acquisition of property reaching NT\$300 million or 20% of paid-in capital or more**  
**For the six months ended June 30, 2022**

Table V

Unit: NT\$ thousand

Acquisition of real estate company	Name of property	Date of occurrence	Transaction amount	Payment	Counterparty	Relationship	If the counterparty is a related party, the previous transfer of information				Reference for price determination	Purpose of acquisition and its use	Other agreed matters
							Owner	Relationship with the issuer	Date of transfer	Amount			
Caswell Inc.	Land and houses	2022.6.16	656,000	Note	Huaku Development Co., Ltd.	Not applicable	Not applicable	Not applicable	Not applicable	-	Market quotation and valuation report	The Group's business growth and development needs	None

Note: Payments were made in accordance with the progress of the project, and up to now, NT\$113,351 thousand (before tax) has been paid, which was recorded as other non-current assets.

**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more**  
**For the six months ended June 30, 2022**

Table VI

Unit: NT\$ thousand

Purchasing/selling company	Counterparty	Relationship	Transaction Status				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio of total purchase (sales)	Payment term	Unit price	Payment term	Balance	Ratio of total notes and accounts receivable (payable)	
Ennoconn Technology Co., Ltd.	Victor Plus Holdings Ltd.	Parent company to sub-subsidiary	Purchases	1,303,033	3.32 %	60 days monthly settlement	-	No significant discrepancy	(294,668)	(1.51) %	
Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Sales	(282,266)	(0.55) %	120 days monthly settlement	-	No significant discrepancy	54,300	0.31 %	
Victor Plus Holdings Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	210,852	0.54 %	60 days monthly settlement	-	No significant discrepancy	(274,851)	(1.41) %	
Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	1,700,244	4.33 %	120 days monthly settlement	-	No significant discrepancy	(140,012)	(0.72) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	359,439	0.91 %	120 days monthly settlement	-	No significant discrepancy	(324,954)	(1.67) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Purchases	306,468	0.78 %	90 days monthly settlement	-	No significant discrepancy	(173,854)	(0.89) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Purchases	120,155	0.31 %	90 days monthly settlement	-	No significant discrepancy	(102,491)	(0.53) %	
APLIGO GmbH	American Industrial Systems Inc.	Sub-subsidiary to sub-subsidiary	Sales	(170,621)	(0.33) %	O/A 60 Days	-	No significant discrepancy	39,873	0.22 %	

Purchasing/selling company	Counterparty	Relationship	Transaction Status				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio of total purchase (sales)	Payment term	Unit price	Payment term	Balance	Ratio of total notes and accounts receivable (payable)	
American Industrial Systems, Inc.	Apligo GmbH	Sub-subsidiary to sub-subsidiary	Purchases	170,653	0.43 %	O/A 60 Days	-	No significant discrepancy	(39,873)	(0.20) %	
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	255,724	0.50 %	60 days monthly settlement	-	No significant discrepancy	516,159	2.91 %	
Goldtek Technology (Shenzhen) Co., Ltd.	Goldtek Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	(255,724)	(0.65) %	60 days monthly settlement	-	No significant discrepancy	(516,159)	(2.65) %	
Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	252,529	0.64 %	60 days monthly settlement	-	No significant discrepancy	-	-	
Techno Precision (Shenzhen) Co., Ltd.	Sunlit Precision Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(252,529)	(0.49) %	60 days monthly settlement	-	No significant discrepancy	-	-	
Paragon Precision Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	103,884	0.26 %	60 days monthly settlement	-	No significant discrepancy	(249,930)	(1.28) %	
T-Paragon Metal (Shenzhen) Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(103,884)	(0.20) %	60 days monthly settlement	-	No significant discrepancy	244,291	1.38 %	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Sales	(176,165)	(0.34) %	T/T 120	-	No significant discrepancy	217,019	1.22 %	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Purchases	178,415	0.45 %	T/T 120	-	No significant discrepancy	(184,985)	(0.95) %	
MIC-Tech Global Corp.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Sales	(140,729)	(0.27) %	Note 2	-	No significant discrepancy	57,316	0.32 %	

Purchasing/selling company	Counterparty	Relationship	Transaction Status				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio of total purchase (sales)	Payment term	Unit price	Payment term	Balance	Ratio of total notes and accounts receivable (payable)	
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(477,251)	(0.93) %	90 days monthly settlement	-	No significant discrepancy	633,461	3.57 %	
Kontron Asia Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(271,059)	(0.53) %	90 days monthly settlement	-	No significant discrepancy	55,498	0.31 %	
Kontron Europe GmbH	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	389,721	0.99 %	120 days monthly settlement	-	No significant discrepancy	(176,992)	(0.91) %	
Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(302,814)	(0.59) %	90 days monthly settlement	-	No significant discrepancy	178,431	1.01 %	
Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(228,603)	(0.45) %	90 days monthly settlement	-	No significant discrepancy	34,578	0.19 %	
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(142,222)	(0.28) %	90 days monthly settlement	-	No significant discrepancy	123,195	0.69 %	
Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales	(125,439)	(0.25) %	90 days monthly settlement	-	No significant discrepancy	151,007	0.85 %	
Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(118,675)	(0.23) %	90 days monthly settlement	-	No significant discrepancy	105,189	0.59 %	

Note 1: All transactions related to consolidated entities have been written off when preparing the consolidated financial statements.

Note 2: There is no significant difference from normal transactions.

**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more**  
**June 30, 2022**

Table VII

Unit: NT\$ thousand

Accounts receivable from companies	Name of counterparty	Relationship	Balance due from related party	Turnover rate	Overdue receivables from related parties		Recovery amount of receivables from related parties after the balance sheet date	Allowance for loss recognized
					Amount	Treatment		
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	516,159	(1.97)%	-	-	154,693	-
Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	145,662	(1.25)%	-	-	6,817	-
T-Paragon Metal (Shenzhen) Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	249,930	0.78%	-	-	3,044	-
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	217,019	-%	-	-	-	-
Marketech International Corp.	MIC-Tech Viet Nam Co.,Ltd.	Sub-subsidiary to sub-subsidiary	135,136	Note 2	-	-	-	-
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	633,461	-%	-	-	-	-
Kontron AG	S&T Romania srl.	Sub-subsidiary to sub-subsidiary	442,747	-%	-	-	-	-
Kontron AG	S&T CEE Holding s.r.o.	Sub-subsidiary to sub-subsidiary	274,833	-%	-	-	-	-
Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	2,011,352	-%	-	-	-	-
Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	425,537	-%	-	-	-	-
Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	319,704	-%	-	-	-	-
Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	182,760	-%	-	-	-	-
Kontron AG	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	102,477	-%	-	-	-	-
Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	186,560	-%	-	-	-	-
Kontron AG	RT Soft	Sub-subsidiary to sub-subsidiary	145,018	-%	-	-	-	-
Iskratek d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	255,760	-%	-	-	-	-
Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	138,841	-%	-	-	-	-
Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	143,501	-%	-	-	-	-
Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	390,910	-%	-	-	-	-



Accounts receivable from companies	Name of counterparty	Relationship	Balance due from related party	Turnover rate	Overdue receivables from related parties		Recovery amount of receivables from related parties after the balance sheet date	Allowance for loss recognized
					Amount	Treatment		
Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	105,189	-%	-	-	-	-
Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	1,273,050	-%	-	-	-	-
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	1,281,727	-%	-	-	-	-
Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	178,431	-%	-	-	-	-
Kontron AG	S&T Consulting Hungary Kft.	Sub-subsidiary to sub-subsidiary	123,176	-%	-	-	-	-
Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	151,007	-%	-	-	-	-
S&T CEE Holding s.r.o.	Iskratel d.o.o.	Sub-subsidiary to sub-subsidiary	1,304,100	-%	-	-	-	-
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	227,821	-%	-	-	-	-
Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	256,210	-%	-	-	-	-

Note 1: All transactions related to consolidated entities have been written off when preparing the consolidated financial statements.

Note 2: Other receivables arising from the the financing, therefore not applicable.

**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Written-off major transactions between parent and subsidiaries and between subsidiaries**  
**For the six months ended June 30, 2022**

Table VIII

Unit: NT\$ thousand

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			
				Ledger account	Amount	Transaction Terms	% to Consolidated Sales Revenue or Total Assets (Note 3)
0	Ennoconn Technology Co., Ltd.	Victor Plus Holdings Ltd.	Parent company to sub-subsidiary	Cost of goods purchased	1,303,033	General terms and conditions	2.55%
0	Ennoconn Technology Co., Ltd.	Victor Plus Holdings Ltd.	Parent company to sub-subsidiary	Accounts payable- related parties	294,668	General terms and conditions	0.29%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Sales revenue	282,266	General terms and conditions	0.55%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Accounts receivable - related parties	54,300	General terms and conditions	0.05%
0	Ennoconn Technology Co., Ltd.	Taiwan Applied Module Corporation	Parent company to sub-subsidiary	Other receivables - related parties	77,002	General terms and conditions	0.08%
0	Ennoconn Technology Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Parent company to sub-subsidiary	Other receivables - related parties	66,913	General terms and conditions	0.07%
0	Ennoconn Technology Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Parent company to sub-subsidiary	Other operating income	44,355	General terms and conditions	0.09%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Other operating income	140,902	General terms and conditions	0.28%
0	Ennoconn Technology Co., Ltd.	Kontron America Inc.	Parent company to sub-subsidiary	Sales revenue	64,591	General terms and conditions	0.13%
0	Ennoconn Technology Co., Ltd.	Kontron Canada Inc.	Parent company to sub-subsidiary	Sales revenue	38,896	General terms and conditions	0.08%
1	Shenzhen Asiatek INC.	HighAim Technology Inc.	Sub-subsidiary to sub-subsidiary	Other operating income	5,781	General terms and conditions	0.01%
2	Caswell Inc.	Caswell Americas Inc.	Subsidiary company to sub-subsidiary	Sales revenue	74,239	General terms and conditions	0.15%
2	Caswell Inc.	CASO, inc.	Subsidiary company to sub-subsidiary	Sales revenue	112,520	General terms and conditions	0.22%
2	Caswell Inc.	Beijing Caswell Ltd.	Subsidiary company to sub-subsidiary	Sales revenue	56,564	General terms and conditions	0.11%
2	Caswell Inc.	Apligo GmbH	Subsidiary company to sub-subsidiary	Sales revenue	2,607	General terms and conditions	0.01%
2	Caswell Inc.	Caswell Americas Inc.	Subsidiary company to sub-subsidiary	Accounts receivable - related parties	37,566	General terms and conditions	0.04%
2	Caswell Inc.	CASO, inc.	Subsidiary company to sub-subsidiary	Accounts receivable - related parties	50,334	General terms and conditions	0.05%
2	Caswell Inc.	Beijing Caswell Ltd.	Subsidiary company to sub-subsidiary	Accounts receivable - related parties	58,554	General terms and conditions	0.06%

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			% to Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger account	Amount	Transaction Terms	
2	Caswell Inc.	Thecus Technology Corp.	Subsidiary company to sub-subsidiary	Sales revenue	17,139	General terms and conditions	0.03%
2	Caswell Inc.	Victor Plus Holdings Ltd.	Subsidiary company to sub-subsidiary	Cost of goods purchased	31,556	General terms and conditions	0.06%
3	Hawkeye Tech Co., Ltd.	Caswell Inc.	Sub-subsidiary company to subsidiary	Sales revenue	3,074	General terms and conditions	0.01%
4	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable	516,159	General terms and conditions	0.51%
4	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	(255,724)	General terms and conditions	(0.50)%
5	Goldtek Technology (Shenzhen) Co., Ltd.	Goldtek Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	36,848	General terms and conditions	0.07%
6	Sunlit Precision (Shenzhen) Co., Ltd.	Sunlit Precision Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	252,529	General terms and conditions	0.49%
7	Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable	145,662	General terms and conditions	0.14%
7	Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	91,214	General terms and conditions	0.18%
8	T-Paragon Metal (Shenzhen) Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable	249,930	General terms and conditions	0.24%
8	T-Paragon Metal (Shenzhen) Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	103,884	General terms and conditions	0.20%
9	Dexatek Technology Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Sales revenue	5,168	General terms and conditions	0.01%
10	Thecus Technology Corp.	Caso Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	19,539	General terms and conditions	0.04%
11	HighAim Technology INC.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	8,952	General terms and conditions	0.02%
12	American Industrial Systems Inc.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Sales revenue	13,140	General terms and conditions	0.03%
13	Vecow Co., Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Other operating income	68,729	General terms and conditions	0.13%
14	Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Other operating income	1,692,858	General terms and conditions	3.31%
14	Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	359,439	General terms and conditions	0.70%
15	Apligo GmbH	American Industrial Systems Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	170,621	General terms and conditions	0.33%

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			
				Ledger account	Amount	Transaction Terms	% to Consolidated Sales Revenue or Total Assets (Note 3)
16	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	21,095	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.04%
16	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	5,729	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.01%
16	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	8,171	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.01%
16	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	39,057	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.04%
16	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	7,862	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.02%
16	Marketech International Corp.	Marketech International Sdn. Bhd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	26,992	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.03%
16	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	135,136	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.13%
16	Marketech International Corp.	MIC-Tech Global Corp.	Sub-subsidiary to sub-subsidiary	Advance payment-related parties	20,841	Subject to the transaction contract	0.04%
16	Marketech International Corp.	Marketech Netherlands B.V.	Sub-subsidiary to sub-subsidiary	Advance payment-related parties	7,524	Subject to the transaction contract	0.01%
16	Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	6,608	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.01%
17	Ezoom Information, Inc.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from labor service contracts	32,017	The sales of labor services refers to a certain sales profit agreed with related parties.	0.06%

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			
				Ledger account	Amount	Transaction Terms	% to Consolidated Sales Revenue or Total Assets (Note 3)
17	Ezoom Information, Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	8,164	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.01%
18	MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	140,729	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.28%
19	MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	57,316	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.06%
20	Spiro Technology Systems Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	7,651	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.01%
20	Spiro Technology Systems Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	50,511	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.10%
21	Marketch Netherlands B.V.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	9,003	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.02%
22	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	26,633	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.03%
22	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Sub-subsidiary to sub-subsidiary	Advance payment-related parties	7,407	Subject to the transaction contract	0.01%
23	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	9,208	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.01%

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			
				Ledger account	Amount	Transaction Terms	% to Consolidated Sales Revenue or Total Assets (Note 3)
23	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	40,713	The project price of the Group to related parties and non related parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about 2 to 3 months after the project acceptance.	0.08%
24	Marketech Integrated Manufacturing Co., Ltd.	Marketech Integrated Construction Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	5,799	Depending on the conditions of the contract or individual agreement, the payment will be collected about 2-3 months after the transaction is confirmed	0.01%
25	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Sales revenue	97,791	General terms and conditions	0.19%
25	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	69,406	General terms and conditions	0.07%
25	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	186,354	General terms and conditions	0.18%
26	Kontron AG	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	36,712	General terms and conditions	0.04%
26	Kontron AG	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	65,765	General terms and conditions	0.06%
26	Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	6,362	General terms and conditions	0.01%
26	Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	419,175	General terms and conditions	0.41%
26	Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	1,273,050	General terms and conditions	1.25%
26	Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	6,666	General terms and conditions	0.01%
26	Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	384,244	General terms and conditions	0.38%

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			% to Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger account	Amount	Transaction Terms	
26	Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	30,362	General terms and conditions	0.03%
26	Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	1,980,990	General terms and conditions	1.94%
26	Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	139,725	General terms and conditions	0.14%
26	Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	9,204	General terms and conditions	0.01%
26	Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	310,500	General terms and conditions	0.30%
26	Kontron AG	RT Soft	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	7,143	General terms and conditions	0.01%
26	Kontron AG	RT Soft	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	137,876	General terms and conditions	0.13%
26	Kontron AG	S&T CEE Holding s.r.o.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	270,135	General terms and conditions	0.26%
26	Kontron AG	S&T Consulting Hungary Kft.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	(61,882)	General terms and conditions	(0.06)%
26	Kontron AG	S&T Consulting Hungary Kft.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	185,058	General terms and conditions	0.18%
26	Kontron AG	S&T Romania srl.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	37,318	General terms and conditions	0.04%
26	Kontron AG	S&T Romania srl.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	405,429	General terms and conditions	0.40%
27	Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	125,439	General terms and conditions	0.25%
27	Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	151,007	General terms and conditions	0.15%
27	Kontron Asia Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	271,059	General terms and conditions	0.53%
28	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	302,780	General terms and conditions	0.59%
28	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	178,431	General terms and conditions	0.17%
29	Kontron Austria GmbH	Kontron Electronics AG	Sub-subsidiary to sub-subsidiary	Sales revenue	98,349	General terms and conditions	0.19%
29	Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	228,603	General terms and conditions	0.45%

No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			
				Ledger account	Amount	Transaction Terms	% to Consolidated Sales Revenue or Total Assets (Note 3)
30	Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	1,281,727	General terms and conditions	1.25%
31	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	142,222	General terms and conditions	0.28%
31	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	123,195	General terms and conditions	0.12%
31	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	104,626	General terms and conditions	0.10%
32	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	477,251	General terms and conditions	0.93%
32	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	633,461	General terms and conditions	0.62%
32	Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	13,437	General terms and conditions	0.01%
32	Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	125,404	General terms and conditions	0.12%
32	Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	21,300	General terms and conditions	0.02%
32	Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	161,460	General terms and conditions	0.16%
32	Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	118,648	General terms and conditions	0.23%
32	Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	105,189	General terms and conditions	0.10%
32	Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	99,889	General terms and conditions	0.20%
33	Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	8,090	General terms and conditions	0.01%
33	Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	178,470	General terms and conditions	0.17%
34	Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	105,674	General terms and conditions	0.10%
35	Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	256,210	General terms and conditions	0.25%



No. (Note 1)	Company Name	Counterparty	Relationship with trader (Note 2)	Situations of Transactions			
				Ledger account	Amount	Transaction Terms	% to Consolidated Sales Revenue or Total Assets (Note 3)
36	S&T CEE Holding s.r.o.	Iskratel d.o.o.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	1,304,100	General terms and conditions	1.28%
37	Victor Plus Holdings Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Cost of goods purchased	210,852	General terms and conditions	0.41%

Note 1: The business information between the parent company and the subsidiary shall be indicated in the code column, respectively, and the code shall be filled in a way as follows:

(1) Fill in 0 for parent company.

(2) The subsidiary is coded in sequence starting from Arabic numeral 1 according to the Company type.

Note 2: For calculation on the ratio of transaction amount to consolidated total revenue or total assets, ending balance to consolidated total assets is used to calculate for those belongs to accounts on the balance sheet; mid-term cumulative balance to consolidated total revenue is used to calculate for those belongs to accounts on the income statement.

Note 3: All transactions herein refer to transactions which consolidated revenue or total assets reach 0.01%.

**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Re-investment information (excluding investees in mainland China)**  
**For the six months ended June 30, 2022**

Table IX

Unit: NT\$ thousand

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Ennoconn Technology Co., Ltd.	Innovative Systems Integration Limited	Hong Kong	Professional investment	1,906,129	1,785,425	518,216,530	100.00%	2,112,379	(56,102)	(56,102)	
Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	Taiwan	Professional investment	8,010,000	7,010,000	820,635,000	100.00%	9,928,933	455,121	455,121	
Ennoconn Technology Co., Ltd.	Caswell Inc.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	1,031,800	1,031,800	20,000,000	27.33%	1,085,498	197,615	44,487	
Ennoconn Technology Co., Ltd.	Ennoconn Investment Holdings Co.,Ltd	Samoa	Professional investment	7,113,779	6,625,485	239,360,000	100.00%	8,207,216	174,046	174,046	
Ennoconn Technology Co., Ltd.	AIS Cayman Twchnology	Cayman Islands	Professional investment	230,586	230,586	4,028,217	37.64%	335,884	110,532	41,609	
Innovative Systems Integration Limited	ENGA Technology Co., Ltd.	Hong Kong	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	104,263	118,482	3,500,000	100.00%	106,756	(134)	(134)	
Innovative Systems Integration Limited	Victor Plus Holdings Ltd.	Seychelles	Import and export trading	-	-	500,000	100.00%	13,179	255	255	
Ennoconn Investment Holdings Co.,Ltd	AIS Cayman Technology	Cayman Islands	Professional investment	283,336	263,887	6,672,469	62.36%	597,249	110,532	68,923	
Ennoconn Investment Holdings Co.,Ltd	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	5,275,941	4,913,797	16,835,008	26.46%	7,344,613	765,631	170,069	
Ennoconn Investment Holdings Co.,Ltd	Ennoconn Hungary Kft.	Hungary	Manufacturing and marketing of industrial computers	161,557	271	3,000,000	100.00%	152,445	(8,803)	(8,803)	
AIS Cayman Technology	American Industrial Systems Inc.	USA	Human-machine interface and industry 4.0 and other related products	44,580	41,520	1,500,000	100.00%	336,730	73,080	73,080	
AIS Cayman Technology	Vecow Co., Ltd.	Taiwan	Manufacturing, processing, trading, import and export of communication machinery and equipment, electronic equipment and electronic devices	95,976	89,389	5,000,000	100.00%	344,516	38,861	38,861	
AIS Cayman Technology Group	Gemini Data Inc.	USA	Big Data Software	121,852	-	44,144,955	10.60%	121,852	-	-	
Ennoconn International Investment Co., Ltd.	Goldtek Technology Co., Ltd.	Taiwan	Wholesale and retail of telecommunications control RF equipment input and information software	492,221	492,221	17,022,831	56.74%	1,044,359	117,792	66,839	
Ennoconn International Investment Co., Ltd.	Caswell Inc.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	149,500	149,500	3,250,000	4.44%	145,305	197,615	7,227	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Ennoconn International Investment Co., Ltd.	EnnoMech Precision (Cayman) Co., Ltd.	Cayman Islands	Professional investment	448,861	448,861	13,800,000	100.00%	606,096	7,428	7,428	
Ennoconn International Investment Co., Ltd.	Taiwan Applied Module Corporation	Taiwan	Research, design and sales of mobile payment, electronic signature and information security products	95,029	95,029	10,400,000	100.00%	(55,816)	(9,795)	(10,400)	
Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	102,000	102,000	10,200,000	60.00%	(4,698)	(574)	(835)	
Ennoconn International Investment Co., Ltd.	Dexatek Technology Ltd.	Taiwan	Multimedia product R&D and design and manufacturing business	236,862	236,862	12,600,000	56.36%	307,125	56,886	28,436	
Ennoconn International Investment Co., Ltd.	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	7,523	7,523	750,000	1.18%	411,514	765,631	7,577	
Ennoconn International Investment Co., Ltd.	Marketech International Corp.	Taiwan	High tech industry plant services and process system planning integration service	4,924,648	4,924,648	83,468,613	42.80%	5,666,171	858,554	357,699	
Ennoconn International Investment Co., Ltd.	POSLAB TECHNOLOGY CORPORATION	Taiwan	Manufacturing, wholesale and sales of electronic and its peripheral equipment	132,317	132,317	9,100,000	70.00%	119,646	(9,016)	(6,311)	
Ennoconn International Investment Co., Ltd.	RIGO GLOBAL CO., LTD.	Taiwan	Manufacturing, wholesale and sales of electronic and its peripheral equipment	32,000	32,000	1,066,667	26.23%	30,023	(3,343)	(877)	
Ennoconn International Investment Co., Ltd.	Renown Information Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	29,600	24,000	2,960,000	37.14%	3,678	(1,791)	(433)	
Ennoconn International Investment Co., Ltd.	Arbor Technology Corporation	Taiwan	R&D, assembly, installation, processing, and manufacturing of industrial host control board interface cards	296,000	-	16,000,000	17.69%	303,163	34,825	8,648	
Ennoconn International Investment Co., Ltd.	Ennowell Co., Ltd.	Taiwan	Smart building system integration, energy management services and cloud services	9,000	-	900,000	30.00%	9,001	2	1	
EnnoMech Precision (Cayman) Co., Ltd.	HighAim Technology INC.	Samoa	Professional investment	332,247	309,441	3,382,500	67.65%	405,359	12,511	8,463	
EnnoMech Precision (Cayman) Co., Ltd.	DOMINATE UNITED ENTERPRISE LTD.	Samoa	Professional investment	62,412	581,280	2,100,000	100.00%	63,845	20	20	
EnnoMech Precision (Cayman) Co., Ltd.	ENNOMECH PRECISION CO., LTD.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	10,000	10,000	1,000,000	100.00%	27,920	(910)	(910)	
HighAim Technology INC.	FUNOLOGY INVESTMENT INC.	Samoa	Import and export trading	27	25	1,000	100.00%	12,787	2,254	2,254	
HighAim Technology INC.	ANDRIX INTERNATIONAL LIMITED	Anquila	Import and export trading	30	28	900	100.00%	11,471	890	890	
Caswell Ltd.	CASO Inc.	Japan	Netcom product selling	27,062	27,062	2,000	99.00%	86,499	15,682	15,525	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Caswell Ltd.	Caswell International investment Co., Ltd.	Samoa	Overseas investments	101,135	101,135	3,206,000	100.00%	205,942	(4,921)	(4,921)	
Caswell Ltd.	Caswell Americas, Inc	U.S.A.	Netcom product selling	92,460	92,460	3,000,000	100.00%	59,939	2,154	2,154	
Caswell Ltd.	APLIGO GmbH	Germany	Hub and SI Service	60,275	60,275	24,000	66.67%	65,187	2,776	1,737	
Caswell Ltd.	Hawkeye Tech Co., Ltd.	Taiwan	Computer and peripheral commodity wholesale	602,041	602,041	9,097,000	60.64%	483,356	23,767	12,680	
Thecus Technology Corp.	Thecus USA., Inc.	U.S.A.	Network storage device	23,367	23,367	750,000	100.00%	5,217	(110)	(110)	
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Samoa	Professional investment	713,280	713,280	24,000,000	100.00%	393,527	(5,780)	(5,780)	
Goldtek Technology Co., Ltd.	NATIONGATE INTEGRATION (M) SDN.	Malaysia	Manufacturing of plastic products and other electronic application components	4,072	-	600,000	60.00%	4,098	(54)	1	
Keenest Electronic Corp.	Sunlit Precision Technology Co., Ltd.	Hong Kong	Metal stamping and casting industry	303,513	303,513	7,500,000	40.30%	200,784	15,704	6,239	
Sunlit Precision Technology Co., Ltd.	Paragon Precision Casting Co., Ltd.	Hong Kong	Finance/Logistics	28,425	28,425	7,500,000	50.00%	86,513	16,681	8,341	
Paragon Precision Casting Co., Ltd.	T-Paragon Industrial (THAILAND) Co., Ltd.	Thailand	Metal stamping and casting industry	135,905	135,905	159,888,000	100.00%	129,408	9,145	9,145	
Taiwan Applied Module Corporation	Hua Qun Venture Management Corporation	Taiwan	General investment and investment consultancy	400	400	40,000	40.00%	273	(127)	(51)	
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting of automation supply system business in semiconductor industry	233,306	233,306	10,085,678	100.00%	(50,335)	(5,291)	(5,291)	
Marketech International Corp.	Market Go Profits Ltd.	British Virgin Islands	Share holding and reinvestment business	1,328,547	1,328,547	41,069,104	100.00%	1,922,071	206,206	206,206	
Marketech International Corp.	MIC-Tech Global Corp.	Republic of Korea	General international trade	19,147	19,147	131,560	100.00%	15,332	4,028	4,028	
Marketech International Corp.	Headquarter International Ltd.	British Virgin Islands	Share holding and reinvestment business	42,475	42,475	1,289,367	100.00%	36,146	(96)	(96)	
Marketech International Corp.	Tiger United Finance Ltd.	British Virgin Islands	Share holding and reinvestment business	46,475	46,475	1,410,367	100.00%	33,741	35	35	
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Singapore	Contracting of mechanical and electrical installation and other engineering business	21,804	21,804	937,533	100.00%	(2,014)	(1,887)	(1,887)	
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Design, manufacture, assembly and other services of automatic production machinery, equipment and components.	478,985	478,985	1,535,600	100.00%	184,664	(12,566)	(12,566)	
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trade, installation and maintenance of various factory machinery and equipment and peripheral consumables; consultancy services and software execution services related to the installation of computer hardware	131,060	131,060	-	100.00%	113,066	(16,799)	(16,799)	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Marketech International Corp.	Marketech Co., Ltd.	Vietnam	Professional engineering contracting and related maintenance services; trading and repair of tools and machines, trading of cosmetics and daily necessities; software production, development, implementation and programming services; providing installation services for industrial machinery and equipment	72,596	72,596	-	100.00%	10,192	(3,531)	(3,531)	
Marketech International Corp.	Ezoom Information, Inc.	Taiwan	R&D, trading, consulting and other services of information system software and hardware applications	225,737	225,737	23,000,000	100.00%	73,542	(20,046)	(20,046)	
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Professional engineering contracting and related maintenance services; medical equipment sales	79,247	79,247	12,242,750	100.00%	49,636	(4,595)	(4,595)	
Marketech International Corp.	Marketech International Corporation USA	USA	Engineering professional contracting and related maintenance services	110,309	110,309	3,750,000	100.00%	219,926	111,047	111,047	
Marketech International Corp.	Spiro Technology Systems Inc.	USA	General international trade	54,074	54,074	1,000,000	100.00%	81,058	25,898	25,898	
Marketech International Corp.	ADAT Technology Co., Ltd.	Taiwan	Development, application and service of information software, supply of electronic information and trading of equipment	64,119	64,119	4,205,940	25.64%	18,682	(31,280)	(8,027)	
Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment and spare parts	38,042	38,042	1,199,000	99.92%	34,134	2,290	2,290	
Marketech International Corp.	Marketech Netherlands B.V.	Netherlands	International trade business and technical services of machinery, equipment and components	40,510	31,253	1,200,000	100.00%	9,031	(3,585)	(3,585)	
Marketech International Corp.	Glory Technology Service Inc.	Taiwan	Trading and installation services of information and communication devices	42,714	42,714	5,968,371	29.24%	66,062	2,470	722	
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Panel equipment and material sales	2,000	2,000	200,000	20.00%	1,811	(17)	(3)	
Marketech International Corp.	Smart Health Corp.	Taiwan	Smart medical consulting services and investment	500	500	50,000	100.00%	398	(20)	(20)	
Marketech International Corp.	Vertex Corporation	Taiwan	Trading of equipment used in 5G wireless communication private network (micro base station and core network) and IoT intelligent control gateway; maintaining the DMP cloud object management platform and providing integration services of software management platform, vertical domain IT and communication system CT	50,000	50,000	5,000,000	61.35%	41,926	(5,141)	(3,154)	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	Republic of Korea	R&D, sales and professional technical services of medical devices and components; general international trade and import and export business.	22,822	8,321	2,000,000	100.00%	14,377	(6,532)	(6,532)	
Marketech International Corp.	Marketech International Corp. Japan	Japan	General international trade	2,302	-	990	100.00%	2,147	(14)	(14)	
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman	Share holding and reinvestment business	1,323,049	1,323,049	40,966,604	100.00%	1,920,721	206,220	-	
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Share holding and reinvestment business	19,342	19,342	63,500	97.69%	(2,716)	(1,855)	-	
MIC-Tech Ventures Asia Pacific Inc.	Ruscky H.K. Limited	Hong Kong	Share holding and reinvestment business	34,551	34,551	833,000	100.00%	7,091	(14,916)	-	
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Share holding and reinvestment business	31,422	31,422	2,337,608	100.00%	3,365	(20)	-	
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Share holding and reinvestment business	132,282	132,282	5,400,000	60.00%	30,240	(1,445)	-	
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Share holding and reinvestment business	8,990	8,990	303,000	31.43%	(3,974)	(2,978)	-	
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Share holding and reinvestment business	45,985	45,985	500,000	27.78%	7,363	(4,624)	-	
Ruscky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment and spare parts	32	32	1,000	0.08%	30	2,290	-	
Kontron AG, Austria	S&T CEE Holding s.r.o., Slovakia	Bratislava, SK	IT Services	237,700	(167,393)	1,881,565	100.00%	1,650,233	1,035,184	1,035,184	
S&T CEE Holding s.r.o., Slovakia	S&T CZ s.r.o., Czech Republic	Prague, CZ	IT Services	254,208	256,419	49,500,000	99.00%	208,567	3,980	3,940	
S&T CEE Holding s.r.o., Slovakia	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	14,629	14,756	9,900,000	99.00%	78,108	21,825	21,607	
S&T CEE Holding s.r.o., Slovakia	S&T Services Polska Sp.z.o.o., Poland	Warsaw, PL	IT Services	82,325	83,040	2,120	100.00%	74,894	6,330	6,330	
S&T CEE Holding s.r.o., Slovakia	S&T Crna Gora d.o.o., Montenegro	Podgoriza, ME	IT Services	1,028	1,037	25,000	100.00%	35,456	3,412	3,412	
S&T CEE Holding s.r.o., Slovakia	S&T Bulgaria e.o.o.d., Bulgaria	Sofia, BG	IoT Solutions Europe	39,463	39,806	13,126	100.00%	82,540	(5,899)	(5,899)	
S&T CEE Holding s.r.o., Slovakia	S&T Poland Sp.z.o.o., Poland	Warsaw, PL	IT Services	-	-	26,974	100.00%	478,181	53,129	53,129	
Iskratec d.o.o.	S&T Slovenija d.d., Slovenia	Ljubljana, SL	IT Services	1,304,100	485,970	31,410	100.00%	322,632	23,221	23,221	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
S&T Slovenija d.d., Slovenia	S&T Hrvatska d.o.o., Croatia	Zagreb, HR	IT Services	33,971	34,267	221,300	100.00%	469,026	20,612	20,612	
S&T Slovenija d.d., Slovenia	S&T Macedonia d.o.o.e.l., Macedonia	Skopje, MK	IT Services	2,653	2,676	568,000	100.00%	141,327	6,144	6,144	
Kontron AG, Austria	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	2,847	2,872	100,000	1.00%	789	21,825	218	
Kontron AG, Austria	S&T CZ s.r.o., Czech Republic	Prague, CZ	IT Services	1,907	1,923	500,000	1.00%	2,107	3,980	40	
Kontron AG, Austria	S&T Romania S.R.L., Romania	Bucharest, RO	IT Services	100,201	101,073	2,461	31.00%	76,199	17,253	5,360	
Kontron AG, Austria	S&T Serbia d.o.o., Serbia	Belgrade, RS	IT Services	110,624	111,586	8,786	100.00%	107,224	16,675	16,675	
Kontron AG, Austria	S&T Albania Sh.p.k., Albania	Tirana, AL	IT Services	8,745	8,821	100	100.00%	30,028	6,095	6,095	
Kontron AG, Austria	S&T Mold srl., Moldova	Chisinau, MD	IT Services	55,890	56,376	578,898	51.00%	150,732	(1,389)	(708)	
S&T Mold srl., Moldova	S&T IT Technologie S.R.L., Moldova	Chisinau, MD	IT Services	76	76	50,000	100.00%	5,557	5,418	5,418	
Kontron AG, Austria	S&T Consulting Hungary Kft., Hungary	Budapest, HU	IT Services	370,944	374,169	100,000	100.00%	188,898	(9,606)	(9,606)	
S&T Consulting Hungary Kft., Hungary	S&T Services Kft., Hungary	Budapest, HU	IT Services	112,629	113,608	268,000	100.00%	62,251	(7,504)	(7,504)	
Kontron AG, Austria	S&T Deutschland GmbH, Germany	Mendig, DE	IT Services	294,205	266,227	25,000	100.00%	382,950	29,884	29,884	
Kontron S&T AG, Germany	Kontron Asia Inc., Taiwan	Taipei, TW	IoT Solutions Europe	86,850	87,605	13,000	100.00%	115,767	32,029	32,029	
Kontron AG, Austria	computer betting company gmbh, Austria	Linz, AT	IoT Solutions Europe	1,171,757	1,181,946	36,336	100.00%	373,898	222,546	222,546	
computer betting company gmbh, Austria	S&T Romania S.R.L., Romania	Bucharest, RO	IT Services	52,467	52,923	5,460	69.00%	169,051	17,253	11,892	
computer betting company gmbh, Austria	S&T Slovakia s.r.o., Slovakia	Bratislava, SK	IT Services	-	218,323	-	- %	-	-	-	
Kontron AG, Austria	SecureGUARD GmbH, Austria	Linz, AT	IoT Solutions Europe	73,620	74,260	92,460	69.00%	35,179	6,035	4,164	
Kontron Europe GmbH, Germany	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IoT Solutions Europe	2,193	2,212	3,634	10.00%	32,533	11,962	1,196	
Kontron AG, Austria	Amanox Solutions AG; Switzerland	Bern, CH	IT Services	483,694	487,900	105,000	100.00%	202,561	13,884	13,884	
Kontron AG, Austria	hamcos IT Service GmbH, Germany	Sigmaringen, DE	IT Services	55,958	56,445	98,000	49.00%	28,163	(2,944)	(1,443)	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Kontron Austria GmbH, Austria	Kontron Electronics AG, Switzerland	Rotkreuz, CH	IoT Solutions Europe	-	-	1,000	100.00%	(86,211)	(10,612)	(10,612)	
Kontron AG, Austria	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IoT Solutions Europe	228,055	230,039	32,702	90.00%	292,797	11,962	10,766	
Kontron AG, Austria	Kontron Technologies GmbH (former S&T Technologies GmbH), Austria	Linz, AT	IoT Solutions Europe	384,352	387,694	35,000	100.00%	336,440	(8,105)	(8,105)	
Kontron AG, Austria	S&T MEDTECH SRL (former GADA GROUP ROMANIA SRL), Romania	Bucharest, RO	IoT Solutions Europe	362,504	365,656	105,000	100.00%	275,013	(15,137)	(15,137)	
Kontron AG, Austria	S&T Services Bel LLC	Minsk, BYN	IT Services	16,712	16,857	113,267	100.00%	10,812	(3,523)	(3,523)	
Kontron Europe GmbH, Germany	Kontron electronics GmbH, Germany	Grosbettingen, DE	IoT Solutions Europe	598,070	603,270	102,150	100.00%	634,527	(6,652)	(6,652)	
Kontron electronics GmbH, Germany	Kontron Electronics Kft.	Kapoly, HU	IoT Solutions Europe	4,502	4,541	3,000,000	100.00%	73,792	15,614	15,614	
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Ismaning, DE	IoT Solutions Europe	6,501,086	6,557,617	23,600,000	100.00%	3,398,711	127,589	127,589	
Kontron Europe GmbH, Germany	Kontron America Inc.	SAN DIEGO / USA	IoT Solutions America	783,157	557,191	2,036,040	100.00%	381,493	(86,201)	(86,201)	
Kontron Europe GmbH, Germany	Kontron Canada Inc.	BOISBRIAND / CANADA	IoT Solutions America	1,869,605	1,885,863	50,000,200	100.00%	1,095,519	(28,568)	(28,568)	
Kontron Europe GmbH, Germany	Kontron Asia Pacific Design Sdn. Bhd.	PENANG / MALAYSIA	IoT Solutions Europe	157,464	158,833	44,581,102	100.00%	(118,438)	(5,338)	(5,338)	
Kontron Europe GmbH, Germany	Kontron Technology Beijing Co. Ltd.	BEIJING / CHINA	IoT Solutions Europe	28,512	28,760	15,398,961	100.00%	431,653	5,729	5,729	
Kontron Europe GmbH, Germany	Kontron Modular Computers S.A.S.	Toulon / France	IoT Solutions Europe	160,165	161,557	344,503	100.00%	169,024	(1,789)	(1,789)	
Kontron Europe GmbH, Germany	Kontron UK Ltd.	Chichester / UK	IoT Solutions Europe	53,147	53,609	172,550	100.00%	143,350	20,249	20,249	
AO IskraUralTel Yekaterinburg	Affair OOO, Russia	Moscow, RU	IoT Solutions Europe	107,420	183,848	4,800,000	48.00%	113,071	350	168	
Affair OOO, Russia	RTSoft Project OOO, Russia	Moscow, RU	IoT Solutions Europe	9,192	207,828	372,500	19.50%	-	(33,688)	(25,098)	
Kontron AG, Austria	Kontron Transportation GmbH	Vienna, AT	IoT Solutions Europe	338,504	341,447	10,000,000	100.00%	558,979	196,599	196,599	
Kontron Transportation Austria AG	Kapsch CarrierCom Sp. z o.o.	Warsaw, PL	IoT Solutions Europe	-	-	100,000	100.00%	(39,265)	650	650	



Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Kontron Transportation Austria AG	Kontron Transportation Espana SL (former Kapsch CarrierCom Espana, S.L.U.)	Madrid, Spain	IoT Solutions Europe	-	-	250,000	100.00%	8,448	(827)	(827)	
Kontron Transportation Austria AG	Kontron Transportation Portugal Unipessoal LDA (former Kapsch CarrierCom - Unipessoal LDA Co., Ltd)	Lisboa, Portugal	IoT Solutions Europe	-	-	5,000	100.00%	38,056	109	109	
Kontron Asia Inc.	Kontron Transportation Taiwan Co. Ltd. (former Kapsch CarrierCom Taiwan Co., Ltd)	Taipei, TW	IoT Solutions Europe	-	-	50,000,000	100.00%	8,946	5,641	5,641	
Kontron Transportation Austria AG	Kontron Transportation s.r.o.	Prague, CZ	IoT Solutions Europe	-	-	30,400,000	100.00%	143,729	76,240	76,240	
Kontron Transportation Austria AG	Kontron Transportation Hungary Kft.	Budapest, HU	IoT Solutions Europe	-	-	67,000,000	100.00%	(10,608)	20,568	20,568	
Kontron Transportation Austria AG	Kapsch CarrierCom Saudi Arabia LLC	Riyadh, SA	IoT Solutions Europe	-	-	475,000	95.00%	5,498	-	-	
Kontron Transportation France S.A.S.	Kontron Transportation Saudi for Construction LLC	Riyadh, SA	IoT Solutions Europe	-	-	25,000	5.00%	289	-	-	
Kontron Transportation Austria AG	Kontron Transportation Deutschland GmbH (former Kapsch CarrierCom Deutschland GmbH)	Neu-Isenburg, GE	IoT Solutions Europe	-	-	25,000	100.00%	(73,637)	33,099	33,099	
Kontron Transportation Austria AG	Kontron Transportation France S.A.S	Paris, FR	IoT Solutions Europe	-	-	8,600,000	100.00%	4,912	(66,637)	(66,637)	
Kontron Transportation Austria AG	Kontron Transportation UK Ltd.	Harrow, UK	IoT Solutions Europe	-	-	415,950	100.00%	82,555	698	698	
Kontron AG, Austria	Kontron Public Transportation (former: Kontron Transportation Belgium NV)	Diegem, BE	IoT Solutions Europe	-	-	11,318,887	99.97%	(66,323)	(11,048)	(11,045)	
Kontron AG, Austria	Kontron AIS GmbH	Dresden, Germany	IoT Solutions Europe	409,087	412,644	51,000	100.00%	368,486	1,222	1,222	
Kontron AG, Austria	Kontron Beteiligungs GmbH	Augsburg, DE	IoT Solutions Europe	6,525,020	6,581,759	25,001	100.00%	6,509,860	(1)	(1)	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Profit or loss of the investee for period	Recognized investment profit or loss for period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Kontron AG, Austria	CITYCOMP Service GmbH	Ostfilden, DE	IoT Solutions Europe	527,869	532,460	255,900	100.00%	606,028	19,169	19,169	
Kontron AG, Austria	FinTel Holding d.o.o. & co k.d., holdin?ka dru?ba	Kranj, SI	IoT Solutions Europe	-	938,578	-	100.00%	-	(4)	(4)	
Kontron AG, Austria	FinTel holding d.o.o.	Kranj, SI	IoT Solutions Europe	-	957,131	-	100.00%	-	(4)	(4)	
Kontron AG, Austria	Iskratel d.o.o.	Kranj, SI	IoT Solutions Europe	1,879,366	67,861	109,275	100.00%	1,780,561	(83,804)	(83,804)	
Iskratel d.o.o.	ITS Skopje	Skopje, MK	IoT Solutions Europe	12,317	12,424	309,200	100.00%	2,850	(1,855)	(1,855)	
ITS Skopje	ITS Softver d.o.o	Skopje, MK	IoT Solutions Europe	156	157	309,000	100.00%	6,275	(1,027)	(1,027)	
Iskratel d.o.o.	IskraCom	Almaty, KZ	IoT Solutions Europe	-	-	15,365,000	100.00%	5,405	4,114	4,114	
Iskratel d.o.o.	OOO Iskratel Tashkent	Tashkent, UZ	IoT Solutions Europe	59	60	8,798,207	76.00%	9,665	2,571	1,954	
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Yekaterinburg, RU	IoT Solutions Europe	35,117	35,422	760,000	48.00%	258,660	1,744	1,744	
Iskratel d.o.o.	Iskratel Ukraine LTD	Kiew, UA	IoT Solutions Europe	5,589	5,638	10,938,820	100.00%	(1,931)	(8,353)	(8,353)	
S&T Deutschland GmbH, Germany	Axino Solutions GmbH	Aachen, DE	IT Services	-	52,801	-	- %	-	-	-	
CITYCOMP Service GmbH	PSB IT-Service GmbH	Ober-Morlen, DE	IT Services	-	-	255,646	100.00%	6,155	10,056	10,056	
Kontron AG, Austria	S&T Austria GmbH	Wien, AT	IT Services	1,087	1,096	35,000	100.00%	923	(108)	(108)	
S&T Romania srl.	Enterprise Concept S.R.L	Bukarest, RO	IT Services	-	78,300	-	100.00%	-	138	138	
Iskratel d.o.o.	BeeIN d.o.o.	Kranj, SI	IoT Solutions Europe	311	235	10,000	100.00%	(21,423)	(5,224)	(4,562)	
Affair OOO, Russia	RTSoft, AO	Moscow, RU	IoT Solutions Europe	238,167	-	1,000,000	100.00%	175,586	(15,829)	(15,829)	
RTSoft, AO	RTSoft Training Center	Kranj, SI	IoT Solutions Europe	21,739	-	-	100.00%	2,099	73	73	

Note 1: It is calculated according to the investee's financial statements audited by the certified public accountant and the investor's shareholding ratio in the same period.

Note 2: The investment profit or loss recognized for period includes the amortization of the difference between the investment cost and net worth of shareholding.

Note 3: Due to the adjustment of the organizational structure in 2020 , Kontron AG has been merged and eliminated or dissolved and liquidated.

Note 4: Kontron AG, Austria previously held 100% ofKontron S&T AG, Germany directly. Due to the adjustment of the organizational structure, it indirectly held Kontron S&T AG,Germany through the establishment of Kontron Beteijigungs GmbH.

**Ennoconn Technology Co., Ltd. and Subsidiaries**  
**Information on Investments in Mainland China**  
**For the six months ended June 30, 2022**

Table X

Unit: NT\$ thousand

(I) Name, major businesses and related information about investees in Mainland China:

Name of the investee in mainland China	Primary Business	Paid-in Capital	Investment method	Accumulated investment amount remitted out of Taiwan at the beginning of the period	The amount of investment remitted or repatriated for period		Accumulated investment amount remitted out of Taiwan at the end of the period	Profit or loss of the investee for period	The Company's shareholding ratio of direct or indirect investment	Investment profit or loss recognized for period	Carrying amount of the investment at the end of the period	Repatriated investment income by end of period
					Remitted	Repatriated						
Nanjing Asiatek Inc.	Engage in the research, development and sales of software and hardware products, and provide installation, commissioning and technical consultation	89,368	(2)	30,866	-	-	30,866	35,159	100.00%	35,159	301,681	-
ShenZhen AsiaTek Co.Ltd	Engage in R&D, production and sales of electronic materials required for software and hardware products	135,303	(3)	-	-	-	-	(7,669)	25.00%	(5,368)	47,397	-
Shenzhen Pictographic Co., Ltd.	Sales of mechanical equipment and accessories, molds, etc.	66,600	(3)	-	-	-	-	(6,984)	-%	(1,397)	-	-
Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	516,728	(2)	290,329	-	-	290,329	(7)	100.00%	(7)	297,646	-
Ennoconn (Suzhou) Technology Co., Ltd.	R&D, production and sales of industrial computers	893,682	(2)	893,682	-	-	893,682	(112,400)	100.00%	(112,400)	784,887	-
Ennoconn (Kunshan) Technology Co., Ltd.	Intelligent technology development and hardware sales	17,299	(3)	-	-	-	-	(4,266)	70.00%	(2,986)	7,735	-
Ennoconn Investment Co., Ltd.	Professional investment	595,788	(2)	595,788	-	-	595,788	18,836	100.00%	18,836	608,856	-
Beijing Caswell Ltd.	Production of electronic monitoring products and network communication products.	112,936	(3)	92,608	-	-	92,608	(6,003)	26.05%	(1,564)	(141)	-
HighAim Technology Inc.	Design, development and production of various molds, servers and communication equipment.	445,800	(2)	322,254	-	-	322,254	(1,206)	67.65%	(816)	378,673	-
Kunshan Lidingcheng Intelligent Equipment Co., Ltd.	Leasing, sales and after-sales service of intelligent machines, equipment and their accessories.	4,440	(3)	-	-	-	-	(82)	67.65%	(55)	(3,501)	-
HighAim Technology (Shenzhen) Inc.	Automatic fixtures, inspection tools and molds	-	(3)	-	-	-	-	(1,632)	67.65%	(1,104)	(444)	-
Goldtek Technology (Shenzhen) Co., Ltd.	R&D, wholesale and processing of electronic products and intelligent home security system equipment.	386,360	(2)	386,360	-	-	386,360	(11,243)	56.74%	(6,379)	18,521	-
Techno Hardware (ShenZhen) Co., Ltd.	Stamping / assembly	87,170	(2)	-	-	-	-	5,140	22.87%	1,176	(8,539)	-
T-Paragon Hardware (ShenZhen) Co., Ltd.	Zinc / aluminum alloy die casting	18,950	(2)	-	-	-	-	(2,549)	11.43%	(291)	16,209	-
Shenzhen Shengrong Plastic Co., Ltd	Plastic, metal mold manufacturing, production and marketing	35,520	(2)	-	-	-	-	(1,405)	16.00%	(225)	5,775	-

Name of the investee in mainland China	Primary Business	Paid-in Capital	Investment method	Accumulated investment amount remitted out of Taiwan at the beginning of the period	The amount of investment remitted or repatriated for period		Accumulated investment amount remitted out of Taiwan at the end of the period	Profit or loss of the investee for period	The Company's shareholding ratio of direct or indirect investment	Investment profit or loss recognized for period	Carrying amount of the investment at the end of the period	Repatriated investment income by end of period
					Remitted	Repatriated						
T-MAXX Technology Co., Ltd.	Intelligent home security system equipment	11,370	(2)	-	-	-	-	(92)	22.87%	(21)	2,484	-
Goldtek Technology Trade (Shenzhen) Co., Ltd.	Sales of electronic products and electronic special materials	2,220	(2)	-	-	-	-	(12)	56.74%	(7)	1,253	-
MIC-Tech (Wuxi) Co., Ltd.	Design, manufacturing, installation and maintenance services of semiconductor components and crystal special equipment, electronic components special equipment and environmental pollution prevention and control equipment; assembly of special packaging equipment and refrigeration equipment; barbecue oven assembly	757,860	(2)	609,260	-	-	609,260	21,340	42.80%	9,134	34,350	-
MIC-Tech (Shanghai) Corp.	Semiconductor production, maintenance of semiconductor equipment, testing equipment and consumables, wholesale, commission agency, import and export of power generation boilers and other related supporting businesses; warehousing and distribution business focusing on chemical and boiler products	244,923	(2)	14,860	-	-	14,860	63,926	42.80%	27,360	307,398	-
Fuzhou Jiwei System Integrated Co., Ltd.	Dust-free room and power system equipment, piping system equipment installation and related supporting services	8,916	(2)	8,916	-	-	8,916	2,207	42.80%	945	10	-
Shanghai Maohua Electronics Engineering Co., Ltd.	Design, installation, debugging and technical services of pesticide control and regeneration, pipeline system and related facilities for semiconductor manufacturing industry, equipment maintenance for semiconductor manufacturing industry, and technical consultation of electronic and medical devices	17,832	(2)	17,921	-	-	17,921	(17,101)	37.24%	(6,368)	1,885	-
MIC-Tech Electronics Engineering Corp.	Mechanical and electrical installation, engineering construction general contracting, electrical engineering professional contracting, chemical petroleum equipment pipeline installation, pipeline professional contracting and post-engineering warranty services, relevant engineering and technical consulting services	523,637	(2)	253,214	-	-	253,214	122,274	42.80%	52,333	317,397	-
Integrated Manufacturing & Services Co., Ltd.	Development and production of special equipment for solar cell production, manufacturing of key parts such as optical engine, light source, projection screen, high-definition projection tube, and micro display projection equipment module for large screen color projection display, manufacturing of new electronic components, cleaning and regeneration services.	208,040	(2)	115,908	-	-	115,908	(1,445)	25.68%	(371)	12,624	-

Name of the investee in mainland China	Primary Business	Paid-in Capital	Investment method	Accumulated investment amount remitted out of Taiwan at the beginning of the period	The amount of investment remitted or repatriated for period		Accumulated investment amount remitted out of Taiwan at the end of the period	Profit or loss of the investee for period	The Company's shareholding ratio of direct or indirect investment	Investment recognized for period	Carrying amount of the investment at the end of the period	Repatriated investment income by end of period
					Remitted	Repatriated						
MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency, import & export of chemical products (excluding hazardous chemicals, precursor chemicals and special chemicals), semiconductors, testing equipment and consumables, solar energy equipment consumables, boilers for power generation, mechanical equipment and accessories, and other related supporting business	44,580	(2)	44,580	-	-	44,580	15,893	42.80%	6,802	33,182	-
Macrotec Technology (Shanghai) Co. Ltd.	Wholesale, commission agency, import & export of electronic products, food, textiles, daily necessities, cosmetics, valve switches, instruments and meters, metal products, mechanical and electrical equipment and related supporting business; international trade, entrepot trade, trade between enterprises in the bonded area and trade agents in the area	28,439	(2)	8,938	-	-	8,938	(2,978)	13.45%	(401)	(1,703)	-
Fortune International Corporation	R&D, design, manufacturing, sales, installation and maintenance services of semiconductor-related components, equipment and materials; semiconductor-related R&D, technology transfer, technical consultation, technical services, supply chain management services, import & export of all kinds of commodities and technologies for self-operation and agency	35,664	(2)	14,860	-	-	14,860	(4,650)	11.89%	(553)	1,031	-

(II) Investment quota in mainland China:

<b>Company Name</b>	<b>Accumulated outward remittance for investment from Taiwan to mainland China - end of the period</b>	<b>Investment amount approved by the Investment Commission of the Ministry of Economic Affairs</b>	<b>Investment quota in mainland China in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs</b>
Ennoconn Technology Co., Ltd.	1,806,489	2,781,305	7,454,930
Goldtek Technology Co., Ltd.	689,939	689,939	1,078,627
Caswell Inc.	92,608	92,608	1,859,071
Ennoconn International Investment Co., Ltd.	322,254	322,254	5,957,360
Marketech International Corp.	1,164,720	1,941,220	4,846,360

Note 1: Investment methods are divided into below three types with remark by type only:

- (1) Direct investment in mainland China.
- (2) Reinvestment in mainland China through companies in the third region (please specify the investment company in the third region).
- (3) Other methods.

Note 2: The column of investment profit or loss recognized for period:

- (1) If the company is in preparation status without investment profit or loss, it shall be remarked.
- (2) Recognized basis of investment profit or loss includes below three types and shall be remarked.
  - A. The financial statements audited by international accounting firms in cooperation with Republic of China accounting firms.
  - B. The financial statements had been audited by the parent company's certified public accountant in Taiwan.
  - C. Others.

Note 3: The conversion rate is the spot average exchange rate of the Bank of Taiwan on June 30, 2022.

Note 4: It is a non-material associate, and its financial statements not audited by certified public accountants shall not have a significant impact.