

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

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

For the Nine Months Ended September 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:

Foreword

We have reviewed the accompanying consolidated balance sheets of Ennoconn Corporation and its subsidiaries (the “Group”) as of September 30, 2022, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2022, and the consolidated changes in equity and cash flows for the nine months ended September 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 for Qualified Conclusion

As stated in Note 4(b) to the consolidated financial statements, a part of its insignificant subsidiaries has been included 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 September 30, 2022, these subsidiaries had total assets of NT\$3,458,964, representing 3.09% of the consolidated total assets, and total liabilities of NT\$1,977,439, representing 2.58% of the consolidated total liabilities, and they realized comprehensive profit (loss) of NT\$134,481 thousand and NT\$197,997 thousand for the three months and nine months ended September 30, 2022, respectively,

**Reviewed only, not audited in accordance with the generally accepted auditing standards as of
September 30, 2022 and 2021**

Ennoconn Technology Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

September 30, 2022, December 31, 2021 and September 30, 2021

Unit: NT\$1,000

Assets	2022.9.30		2021.12.31		2021.9.30			Liabilities and Equity	2022.9.30		2021.12.31		2021.9.30	
	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current Liabilities						
1100 Cash and cash equivalents (Notes 6(a) and (w))	\$ 14,010,212	13	17,522,321	17	13,138,602	14	2100 Short-term loans (Notes 6(l) and (w))	\$ 14,637,308	13	9,476,954	9	9,732,963	10	
1110 Financial assets measured at fair value through profit and loss - current (Note 6(w))	66,735	-	189,816	-	258,240	-	2120 Financial liabilities measured at fair value through profit and loss - current (Note 6(w))	7,188	-	713	-	316,487	-	
1136 Financial assets measured at amortized cost - current (Note 6(w))	148,649	-	864,112	1	1,144,969	1	2130 Contract liabilities - current (Notes 6(t) and (w))	9,882,831	9	7,151,404	7	6,480,342	7	
1140 Contract assets - current (Notes 6(t) and (w))	10,638,604	9	9,538,944	10	8,240,452	9	2150 Notes payable (Note 6(w))	2,101,949	2	1,721,962	2	1,707,363	2	
1150 Notes receivable, net (Notes 6(b), (t), and (w))	88,185	-	60,171	-	168,874	-	2160 Notes payable - related parties (Notes 6(w) and 7)	14,744	-	15,218	-	5,904	-	
1170 Accounts receivable, net (Notes 6(b), (t), and (w))	19,856,484	18	16,550,819	16	14,596,714	15	2180 Accounts payable (Note 6(w))	19,666,273	18	18,718,569	19	15,035,162	16	
1180 Accounts receivable - related parties, net (Notes 6(b), (t),(w), and 7)	152,825	-	769,363	1	754,209	1	2200 Accounts payable - related parties (Notes 6(w) and 7)	91,140	-	709,342	1	603,597	1	
130X Inventories (Note 6(c))	24,535,438	22	15,971,415	16	16,471,125	17	2230 Other payables - related parties (Notes 6(w) and 7)	4,767,036	4	5,181,431	5	4,668,677	5	
1470 Other current assets (Note 6(k))	6,416,154	6	4,917,814	5	5,161,060	6	2250 Current income tax liabilities	633,499	-	454,685	-	292,747	-	
Total Current Assets	75,913,286	68	66,384,775	66	59,934,245	63	2280 Provisions for liabilities - current	877,632	1	992,243	1	1,034,165	1	
Non-Current Assets:							2280 Lease liabilities - current (Note 6(w))	1,220,791	1	974,736	1	896,203	1	
1510 Financial assets measured at fair value through profit and loss - non-current (Note 6(w))	1,066,576	1	984,540	1	743,663	1	2321 Corporate bonds matured or exercised redemption rights within one year or one operating cycle (Notes 6(n) and (w))	166,815	-	1,137,035	1	6,681,839	7	
1517 Financial assets measured at fair value through other comprehensive income - non current (Note 6(w))	1,058,522	1	926,755	1	941,125	1	2322 Long-term loans matured within one year or one operating cycle (Notes 6(m) and (w))	1,365,398	1	11,926	-	931,986	1	
1550 Investments accounted for using equity method (Note 6(d))	536,521	-	128,693	-	439,238	1	2399 Other current liabilities	1,072,760	1	768,632	1	460,983	1	
1600 Property, plant, and equipment (Note 6(i))	6,624,377	6	6,697,993	7	6,711,415	7	Total Current Liabilities	56,505,364	50	47,314,850	47	48,848,418	52	
1760 Investment properties, net	51,109	-	51,656	-	51,881	-	Non-current Liabilities:							
1755 Right-of-use assets	3,466,774	3	2,977,436	3	2,840,418	3	2500 Financial liabilities measured at fair value through profit and loss - non-current (Note 6(w))	-	-	-	-	696,280	1	
1805 Goodwill (Note 6(j))	13,897,508	12	13,285,999	13	13,398,291	14	2530 Corporate bonds payable (Notes 6(n) and (w))	8,621,167	8	8,967,735	9	3,096,247	3	
1821 Other intangible assets (Note 6(j))	6,203,519	6	6,374,149	6	6,495,752	7	2540 Long-term loans (Notes 6(m) and (w))	6,584,740	6	7,833,098	8	8,213,531	9	
1840 Deferred tax assets	1,589,728	2	1,564,709	2	1,677,746	2	2550 Provisions for liabilities - non-current	477,171	-	485,942	-	552,116	1	
1960 Advance payment for investment (Note 6(k))	31,750	-	27,680	-	37,208	-	2570 Deferred tax liabilities	685,852	1	535,929	1	541,369	-	
1990 Other non-current assets (Note 6(k))	1,519,370	1	1,221,508	1	1,217,195	1	2580 Lease liabilities - non-current (Note 6(w))	2,673,059	2	2,485,942	2	2,378,198	2	
Total Non-current Assets	36,045,754	32	34,241,118	34	34,553,932	37	2640 Net defined benefit liabilities - non-current (Note 6(o))	476,765	-	475,690	1	516,523	-	
							2670 Other non-current liabilities	563,364	1	1,156,520	1	697,895	1	
							Total Non-current Liabilities	20,082,118	18	21,940,856	22	16,692,159	17	
							Total Liabilities	76,587,482	68	69,255,706	69	65,540,577	69	
							Equity attributable to owners of parent (Notes 6(q) and (r)):							
							3110 Share capital	1,060,370	1	1,018,120	1	968,120	1	
							3200 Capital surplus	9,295,161	8	8,865,780	9	7,671,689	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	1,430,823	1	1,157,171	1	647,623	1	
							Total retained earnings	4,011,834	4	2,922,656	3	2,413,108	3	
							3400 Other equity	(782,364)	(1)	(1,768,490)	(2)	(1,641,851)	(2)	
							3500 Treasury stock	-	-	(233,608)	-	(233,608)	-	
							Total equity attributable to owners of parent	13,585,001	12	10,804,458	11	9,177,458	10	
							36XX Non-controlling equity (Note 6(h))	21,786,557	20	20,565,729	20	19,770,142	21	
							Total Equity	35,371,558	32	31,370,187	31	28,947,600	31	
Total Assets	\$ 111,959,040	100	100,625,893	100	94,488,177	100	Total Liabilities and Equity	\$ 111,959,040	100	100,625,893	100	94,488,177	100	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

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 and nine months ended September 30, 2022 and 2021

Unit: NT\$1,000

	July to September, 2022		July to September, 2021		January to September, 2022		January to September, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
4100 Sales revenue, net (Notes 6(t) and 7)	\$ 32,160,890	100	23,413,689	100	83,272,562	100	66,410,115	100
5000 Operating costs (Notes 6(c), (i), (j), (o), (u) and 7)	26,248,143	82	18,370,690	78	66,782,636	80	51,467,614	77
5900 Gross profit	5,912,747	18	5,042,999	22	16,489,926	20	14,942,501	23
Operating expenses (Notes 6(b), (i), (j), (o) and (u)):								
6100 Selling Expenses	865,108	2	839,720	4	2,448,109	3	2,485,786	4
6200 General and administrative expenses	1,600,765	5	1,139,289	5	4,176,986	5	3,518,642	5
6300 Research and development expense	2,170,836	7	2,166,983	9	6,618,623	8	6,446,578	10
6450 Expected credit losses (reversal gains)	63,378	-	(1,926)	-	168,352	-	68,505	-
Total operating expenses	4,700,087	14	4,144,066	18	13,412,070	16	12,519,511	19
6900 Net operating profit	1,212,660	4	898,933	4	3,077,856	4	2,422,990	4
Non-operating income and expenses (Notes 6(d), (g) and (v)):								
7100 Interest income	18,054	-	11,434	-	43,738	-	40,539	-
7190 Other income	16,701	-	7,472	-	28,931	-	26,128	-
7020 Other gains and losses	752,276	2	264,130	1	1,715,803	2	613,293	1
7050 Financial costs	(137,116)	-	(134,919)	-	(406,880)	(1)	(413,711)	(1)
7060 Share of profit or loss of associates accounted for using the equity method	20,569	-	(2,783)	-	25,213	-	(12,075)	-
Total non-operating income and expenses	670,484	2	145,334	1	1,406,805	1	254,174	-
Net profit before tax	1,883,144	6	1,044,267	5	4,484,661	5	2,677,164	4
7950 Less: Income tax expense (Note 6(p))	467,939	1	179,441	1	1,211,882	1	529,236	1
Net income for period	1,415,205	5	864,826	4	3,272,779	4	2,147,928	3
8300 Other comprehensive income:								
8310 Items that will not be reclassified to profit or loss								
8316 Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(30,589)	-	(38)	-	25,729	-	(2,556)	-
8320 Share of other comprehensive income of associates accounted for using the equity method	519	-	27	-	532	-	(922)	-
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
Total of components of other comprehensive income that will not be reclassified to profit or loss	(30,070)	-	(11)	-	26,261	-	(3,478)	-
8360 Components of other comprehensive income that will be reclassified subsequently to profit or loss								
8361 Exchange differences on translation of foreign financial statements	754,663	2	(366,719)	(2)	1,360,179	2	(1,446,486)	(2)
8370 Share of other comprehensive income of associates accounted for using the equity method	2,338	-	(15)	-	2,243	-	(274)	-
8399 Less: Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
Total of components of other comprehensive income that will be reclassified subsequently to profit or loss	757,001	2	(366,734)	(2)	1,362,422	2	(1,446,760)	(2)
8300 Other comprehensive income for period	726,931	2	(366,745)	(2)	1,388,683	2	(1,450,238)	(2)
Total comprehensive income for period	\$ 2,142,136	7	498,081	2	4,661,462	6	697,690	1
Net income attributable to:								
Owners of parent	\$ 652,155	2	356,004	2	1,407,289	2	830,043	1
Non-controlling interests	763,050	3	508,822	2	1,865,490	2	1,317,885	2
	\$ 1,415,205	5	864,826	4	3,272,779	4	2,147,928	3
Total comprehensive income attributable to:								
Owners of parent	\$ 1,165,043	4	214,586	1	2,393,415	3	199,116	-
Non-controlling interests	977,093	3	283,495	1	2,268,047	3	498,574	1
	\$ 2,142,136	7	498,081	2	4,661,462	6	697,690	1
9750 Basic earnings per share (Unit: NT\$) (Note 6(s))	\$ 6.15		3.70		13.29		8.66	
9850 Diluted earnings per share (Unit: NT\$) (Note 6(s))	\$ 4.66		2.98		10.28		7.13	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

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 nine months ended September 30, 2022 and 2021

Unit: NT\$1,000

	Equity attributable to owners of parent						Other equity interest				Non-controlling interests	Total equity	
	Retained earnings						Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at FVTOCI	Total	Treasury stock			Total equity attributable to owners of parent
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total							
Balance as of January 1, 2021	\$ 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	-	-	-	-	830,043	830,043	-	-	-	-	830,043	1,317,885	2,147,928
Other comprehensive income for period	-	-	-	-	-	-	(628,468)	(2,459)	(630,927)	-	(630,927)	(819,311)	(1,450,238)
Total comprehensive income for period	-	-	-	-	830,043	830,043	(628,468)	(2,459)	(630,927)	-	199,116	498,574	697,690
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)
Convertible corporate bonds converted to ordinary shares	-	35,396	-	-	-	-	-	-	-	-	35,396	-	35,396
Changes in ownership interests in subsidiaries	-	11,433	-	-	-	-	-	-	-	-	11,433	(11,433)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,104,757)	(1,104,757)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(863,467)	(863,467)
Issuance of new shares for other company's shares	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614	-	223,614
Balance as of September 30, 2021	\$ 968,120	7,671,689	754,561	1,010,924	647,623	2,413,108	(1,562,726)	(79,125)	(1,641,851)	(233,608)	9,177,458	19,770,142	28,947,600
Balance as of January 1, 2022	\$ 1,018,120	8,865,780	754,561	1,010,924	1,157,171	2,922,656	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,458	20,565,729	31,370,187
Net income for period	-	-	-	-	1,407,289	1,407,289	-	-	-	-	1,407,289	1,865,490	3,272,779
Other comprehensive income for period	-	-	-	-	-	-	963,775	22,351	986,126	-	986,126	402,557	1,388,683
Total comprehensive income for period	-	-	-	-	1,407,289	1,407,289	963,775	22,351	986,126	-	2,393,415	2,268,047	4,661,462
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	-	-	-
Change in associates accounted for using the equity method	-	7,387	-	-	-	-	-	-	-	-	7,387	-	7,387
Changes in ownership interests in subsidiaries	-	16,630	-	-	-	-	-	-	-	-	16,630	(16,630)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,178,913)	(1,178,913)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	148,324	148,324
Balance as of September 30, 2022	\$ 1,060,370	9,295,161	812,521	1,768,490	1,430,823	4,011,834	(709,548)	(72,816)	(782,364)	-	13,585,001	21,786,557	35,371,558

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

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 nine months ended September 30, 2022 and 2021

Unit: NT\$1,000

	<u>January to September, 2022</u>	<u>January to September, 2021</u>
Cash flows of operating activities:		
Net profit before income tax	\$ 4,484,661	2,677,164
Adjustments:		
Adjustments for:		
Depreciation expenses	1,312,132	1,307,322
Amortization expenses	922,377	1,050,985
Expected credit losses	168,352	68,505
Net losses (gains) from financial assets and liabilities at fair value through profit or loss	194,501	(174,325)
Interest expenses	406,880	413,711
Interest income	(43,738)	(40,539)
Dividend income	(13,704)	(9,094)
Share-based payment compensation	133	8,370
Share of (profits) losses of associates accounted for using the equity method	(25,213)	12,075
Gain on disposal and scrap of property, plant and equipment	(16,279)	(40,403)
(Gains) losses on disposal of investments	(43,172)	2,401
Losses on lease modification	133	-
Inventory losses from market declines	63,916	116,842
Unrealized (gains) losses on foreign exchange	(80,095)	23,174
Bond recovery loss	-	2,189
Losses on inventory scrap	23,503	140,804
Total adjustments to reconcile profit (loss)	2,869,726	2,882,017
Changes in operating assets and liabilities:		
Financial assets mandatorily classified as at fair value through profit or loss	-	(43,072)
Contract assets	(1,099,660)	(2,065,590)
Notes and accounts receivable	(3,439,827)	(470,930)
Inventories	(8,849,283)	(3,882,732)
Other current assets	(1,566,543)	(165,767)
Contract liabilities	2,731,427	259,636
Notes payable (including related parties)	379,513	555,017
Accounts payable (including related parties)	1,062,655	339,085
Other payables	(268,871)	(1,292,339)
Provisions for liabilities	(125,264)	(503,520)
Other current liabilities	366,415	41,826
Other liabilities	(592,332)	53,771
Total adjustments	(8,532,044)	(4,292,598)
Cash used in operations	(4,047,383)	(1,615,434)
Interest received	43,738	39,650
Interest paid	(345,229)	(323,580)
Income taxes paid	(921,136)	(893,014)
Net cash used in operating activities	(5,270,010)	(2,792,378)

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

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 nine months ended September 30, 2022 and 2021

Unit: NT\$1,000

	January to September, 2022	January to September, 2021
Cash flows of investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	\$ (119,539)	(393,766)
Disposal of financial assets measured at fair value through other comprehensive income	-	71,285
Proceeds from disposal of financial assets at amortized cost	715,463	1,157,398
Acquisition of financial assets at fair value through profit or loss designated on initial recognition	(207,913)	-
Disposal of financial assets at fair value through profit or loss designated on initial recognition	29,699	-
Return of capital from financial assets at FVTPL	19,244	-
Acquisition of investments accounted for using the equity method	(305,000)	-
Disposal of investments accounted for using the equity method	30,883	-
Increase in prepayments for investments	(4,070)	-
Acquisition of subsidiaries (after deduction of cash obtained)	(152,688)	(13,106)
Disposal of subsidiaries	45,441	(115,721)
Return of capital from financial assets at FVTPL	-	1,957
Acquisition of property, plant, and equipment	(759,350)	(1,100,681)
Proceeds from disposal of property, plant, and equipment	150,723	119,433
Acquisition of intangible assets	(705,750)	(670,988)
(Increase) decrease in other non-current assets	(287,241)	59,330
Dividends received	13,704	9,094
Net cash outflow from investment activities	<u>(1,536,394)</u>	<u>(875,765)</u>
Cash flows of financing activities:		
Increase in short-term loans	5,241,793	887,159
Proceeds from issuance of convertible corporate bonds	-	1,500,000
Repayments of corporate bonds payable	(1,139,508)	(218,531)
Proceeds from long-term loans	105,114	1,771,021
Repayments of long-term loans	-	(689,873)
Repayments of lease principal	(496,293)	(633,520)
Distribution of cash dividends	(742,259)	-
Capital increase by cash	1,105,370	-
Cash dividends paid to non-controlling interests	(1,178,913)	(1,104,757)
Change in non-controlling interests	(27,580)	(660,516)
Net cash flows generated from financing activities	<u>2,867,724</u>	<u>850,983</u>
Effect of exchange rate changes on cash and cash equivalents	426,571	(590)
Net decrease in cash and cash equivalents	(3,512,109)	(2,817,750)
Cash and cash equivalents at the beginning of the period	<u>17,522,321</u>	<u>15,956,352</u>
Cash and cash equivalents at the end of the period	<u>\$ 14,010,212</u>	<u>13,138,602</u>

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

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 Nine Months Ended September 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 of business operations 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, and manufacturing and sales of industrial motherboards.

The Company's initial public offering was conducted on November 21, 2012. On December 18 of the same year, its emerging stocks were traded on the Taipei Exchange (TPEX) and its stocks were listed by 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 November 10, 2022.

(3) Application of New and Amended Standards and Interpretations

(a) 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 adopts the amendments to the International Financial Reporting Standards (IFRS) from January 1, 2022, which did not result in significant changes on the consolidated financial reports.

- 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) Impact of not adopting IFRSs recognized by the FSC: The Group adopts the amendments to the International Financial Reporting Standards (IFRS) from January 1, 2023, which did not result in significant changes on the consolidated financial reports.

- 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 IFRSs issued by the IASB but not yet endorsed by the FSC
The impact of IFRSs issued by the 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 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
- Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”
- Amendments to IFRS 16 “Rules in a Sale and Leaseback Transaction”

(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

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

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 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.

(b) Basis for 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
			2022.9.30	2021.12.31	2021.9.30	
The Company	Innovative Systems Integration Limited (Innovation Systems)	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 Systems	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 Systems	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%	

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
			2022.9.30	2021.12.31	2021.9.30	
Innovation Systems	Ennoconn (Suzhou) Technology Co., Ltd. (Suzhou Ennoconn)	R&D, production, and sales of industrial computers	100.00%	100.00%	100.00%	
Innovation Systems	Sheng-Li-Jia Holdings Co., Ltd. (Sheng-Li-Jia)	Import and export trading	100.00%	100.00%	100.00%	
Innovation Systems	Hua-En Investment Co., Ltd. (Hua-En)	Professional investment	100.00%	100.00%	100.00%	
Innovation Systems 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)	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
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	Marketch International Corp. and its subsidiary (MIC Inc.)	High-tech industry plant services and process system planning integration service	42.80%	44.04%	44.55%	Note 6

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
			2022.9.30	2021.12.31	2021.9.30	
Ennoconn International	Poslab Technology Co. (Poslab)	Manufacturing, wholesale and sales of electronic and 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%	27.64%	Note 8
AIS Cayman	American Industrial Systems Inc. (AIS)	Human-machine interface, 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	Design, development	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
			2022.9.30	2021.12.31	2021.9.30	
	subsidiary	and production of various molds, servers and communication equipment.				
HighAim	Andrix International LTD.	Import and export trading	100.00%	100.00%	100.00%	
HighAim	Funology Investment Inc.	Import and export trading	100.00%	100.00%	100.00%	
Thecus Technology	Thecus USA., 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%	40.00%	Note 10

- Note 1. Incorporated in December 2021 and included in the consolidated financial statements.
- Note 2. The shareholding ratio of the Company and Ennoconn International was 27.33% and 4.44% respectively. The Group has acquired 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 Asiatek increased investments in Shenzhen Asiatek in October 2021, increasing the shareholding ratio. However, the shareholding ratio has decreased due to no participation in the capital increase of Shenzhen Asiatek in January 2022. In addition, Nanjing Asiatek disposed of a 45% equity interest 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 from 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 from 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, renamed 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.
- Note 9. In September 2021, EnnoMech Cayman transferred 80,000 non-controlling shares, with an amount of US\$336,000, increasing 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.

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

2. Subsidiaries excluded from consolidated financial statements: None.

(c) 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.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with 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 forecast 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 the asset or liability is recovered or settled, and recognized directly in equity or other comprehensive income as tax expense.

(e) 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 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 value at the acquisition date or on

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

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.

(5) 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

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Cash on hand	\$ 45,735	34,944	24,192
Demand deposits and check deposits	13,271,450	17,213,071	10,967,195
Time deposits	<u>693,027</u>	<u>274,306</u>	<u>2,147,215</u>
Cash and cash equivalents listed on the consolidated statement of cash flow	<u>\$ 14,010,212</u>	<u>17,522,321</u>	<u>13,138,602</u>

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

(b) Notes receivable and accounts receivable

	2022.9.30	2021.12.31	2021.9.30
Notes receivable	\$ 88,185	60,171	168,874
Accounts receivable	20,908,641	17,448,314	15,636,403
Accounts receivable - related parties	152,825	769,363	756,349
Less: Allowance for loss	(1,052,157)	(897,495)	(1,041,829)
	\$ 20,097,494	17,380,353	15,519,797

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:

	2022.9.30	
	Carrying amount of accounts and notes receivable	Weighted average expected credit loss rate
		Expected credit loss during the allowance
	\$ 15,890,373	0.12%
1–30 days past due	1,686,074	0.55%
31–150 days past due	1,690,452	1.87%
151–270 days past due	517,843	11.18%
271–365 days past due	215,010	12.21%
1–2 years past due	565,732	57.19%
Over 2 years past due	584,167	100%
	\$ 21,149,651	1,052,157

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

	12/31/2021		
	Carrying amount of accounts receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
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
	<u>\$ 18,277,848</u>		<u>897,495</u>
	9/30/2021		
	Carrying amount of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
Not past due	\$ 12,659,251	0.15%	18,555
1–30 days past due	1,064,843	0.50%	5,330
31–150 days past due	1,078,764	2.30%	24,763
151–270 days past due	406,245	20.52%	83,346
271–365 days past due	161,979	22.82%	36,960
1–2 years past due	616,408	54.03%	333,029
Over 2 years past due	574,136	94.03%	539,846
	<u>\$ 16,561,626</u>		<u>1,041,829</u>

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

	January to September, 2022	January to September, 2021
Beginning Balance	\$ 897,495	1,086,892
Impairment losses recognized	168,352	68,505
Write-off due to being unrecoverable this year	(39,941)	(83,753)
Profit/loss from foreign currency translation	25,774	(29,815)
Acquisition through combinations	477	-
Ending Balance	<u>\$ 1,052,157</u>	<u>1,041,829</u>

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

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

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

(c) Inventories

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Raw materials	\$ 16,479,342	9,931,443	9,930,943
Raw materials in transit	274,477	100,419	137,607
Work in progress	2,074,891	1,437,202	1,753,978
Semi-finished products	1,157,936	931,012	755,439
Finished products	2,932,483	2,868,430	2,596,931
Stock in hand	3,281,986	2,364,534	2,735,170
Less: Allowance for inventory losses from market declines	<u>(1,665,677)</u>	<u>(1,661,625)</u>	<u>(1,438,943)</u>
	<u>\$ 24,535,438</u>	<u>15,971,415</u>	<u>16,471,125</u>

The inventory related expenses and losses (gains) recognized by the Group for the three months and nine months ended September 30, 2022 and 2021 were NT\$(59,194) thousand, NT\$79,545 thousand, NT\$87,419 thousand, and NT\$257,646 thousand, respectively, under the operating costs, and the details are as below:

	<u>July to September, 2022</u>	<u>July to September, 2021</u>	<u>January to September, 2022</u>	<u>January to September, 2021</u>
Inventory (recovery gains) losses from market declines	\$ (62,458)	114,145	63,916	116,842
Losses (gains) on inventory scrap	<u>3,264</u>	<u>(34,600)</u>	<u>23,503</u>	<u>140,804</u>
Total	<u>\$ (59,194)</u>	<u>79,545</u>	<u>87,419</u>	<u>257,646</u>

Inventory costs recognized as operating costs and expenses for the three months and nine months ended September 30, 2022 and 2021 were NT\$26,307,337 thousand, NT\$18,291,145 thousand, NT\$66,695,217 thousand, and NT\$51,209,968 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:

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Associates	<u>\$ 536,521</u>	<u>128,693</u>	<u>439,238</u>

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

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 17.11%, 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.

On April 2, 2022, the Group disposed of a 20% equity interest in Shenzhen Pictographic Technology Co., Ltd. and lost its significant influence, for a consideration of NT\$30,883 thousand (CNY7,000 thousand). The gains on disposal of NT\$1,652 thousand were 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:

	2022.9.30	2021.12.31	2021.9.30
Ending summary carrying amount of equity of individual insignificant affiliated enterprises	\$ 536,521	128,693	439,238
		January to September, 2022	January to September, 2021
Shares attributable to the Group:			
Net income for period	\$ 25,213	(12,075)	(12,075)
Other comprehensive income	2,775	(1,196)	(1,196)
Total comprehensive income	\$ 27,988	(13,271)	(13,271)

As of September 30, 2022 and 2021, the affiliated enterprises for which the Group adopts the equity method did not provide pledges, make guarantees, or become subject to restrictive circumstances.

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

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 have 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 were reviewed by the independent auditors.

(e) Business Combination

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

	Main operating activities	Acquisition date	Proportion purchased	Fair value of transfer consideration
HC Solutions GmbH	IoT industry	2021.01.01	100.00%	46,056
Axino Solutions GmbH	Information technology services	2021.04.01	100.00%	22,167
PSB IT-Service GmbH	Information technology services	2021.07.01	100.00%	-
CNP GmbH/CNT GmbH	Information services	2022.01.01	100.00%	14,641 (Note)
Renown Information Technology Corp.	Information software services	2022.05.27	59.20%	10,000
LUCOM GmbH	IoT industry	2022.09.01	100.00%	155,750(Note)

Note: consolidation by merger.

The main categories of transfer consideration, asset acquisition, and liability assumption 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 nine months ended September 30, 2022:

	CNP GmbH/CNT GmbH	Renown Information	LUCOM GmbH
Transfer consideration			
Cash	\$ 14,641	10,000	155,750

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

For the nine months ended September 30, 2021:

	HC Solutions GmbH	Axino Solutions GmbH	PSB IT-Service
Transfer consideration			
Cash	\$ 42,016	6,464	-
Contingent consideration agreement	4,040	15,703	-
	\$ 46,056	22,167	-

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

For the nine months ended September 30, 2022:

	CNP GmbH/ CNT GmbH	Renown Information	LUCOM GmbH
Cash and cash equivalents	\$ -	25,354	2,349
Notes and accounts receivable	-	13,219	6,460
Inventories	-	11,244	27,725
Other current assets	-	6,449	2,560
Property, plant, and equipment	917	1,094	204
Right-of-use assets	10,961	-	6,639
Intangible assets	8,307	6,031	23,557
Deferred tax assets	-	-	1,656
Accounts payable	-	-	(6,867)
Lease liabilities - current	(1,978)	-	-
Other payables	(406)	(25,940)	(2,852)
Deferred tax liabilities	(2,492)	-	(7,303)
Lease liabilities - non-current	(8,984)	-	(4,510)
Other current liabilities	-	(251)	(6,505)
	\$ 6,325	37,200	43,113

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

For the nine months ended September 30, 2021:

	HC Solutions GmbH	Axino Solutions GmbH	PSB IT-Service GmbH
Cash and cash equivalents	\$ 4,782	30,477	115
Notes and accounts receivable	11,078	26,403	18,251
Other receivables	621	11,633	34,571
Inventories	816	-	8,892
Prepayments	-	4,482	12,437
Contract assets - current	16,202	27,198	-
Property, plant, and equipment	1,865	843	3,543
Others	217	-	-
Right-of-use assets	-	3,241	407
Intangible assets	14,643	25,242	51
Deferred tax assets	-	-	566
Other non-current assets	2,108	-	-
Notes and accounts payable	(12,473)	(48,129)	(32,291)
Lease liabilities - current	-	(1,840)	(219)
Provisions for liabilities - current	(6,438)	(9,398)	(391)
Contract liabilities - current	(8,537)	(43,039)	(71,536)
Other payables	(303)	(20,165)	(10,525)
Current income tax liabilities	(4,831)	(8,502)	-
Other current liabilities	(11,428)	(29,815)	(22,960)
Contract liabilities - non-current	-	-	(36,522)
Deferred tax liabilities	(3,709)	-	-
Lease liabilities - non-current	-	(1,401)	(188)
Provisions for liabilities - non-current	(12,777)	-	-
Other non-current liabilities	(1,802)	-	-
	<u>\$ (9,966)</u>	<u>(32,770)</u>	<u>(95,799)</u>

The original accounting treatment for the acquisition of assets has not been reviewed, the companies' assets on the balance sheet date are only provisional. At the date of issuance of this consolidated financial statement, 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.

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

3. Goodwill

Goodwill generated from the acquisition:

For the nine months ended September 30, 2022:

	<u>CNP GmbH/ CNT GmbH</u>	<u>Renown Information</u>	<u>LUCOM GmbH</u>
Transfer consideration	\$ 14,641	10,000	155,750
Less: fair value of identifiable net assets (liabilities) acquired	6,325	37,200	43,113
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>\$ 8,316</u>	<u>7,577</u>	<u>112,637</u>

For the nine months ended September 30, 2021:

	<u>HC Solutions GmbH</u>	<u>Axino Solutions GmbH</u>	<u>PSB IT-Service GmbH</u>
Transfer consideration	\$ 46,056	22,167	-
Less: fair value of identifiable net assets (liabilities) acquired	(9,966)	(32,770)	(95,799)
Goodwill arising on acquisition	<u>\$ 56,022</u>	<u>54,937</u>	<u>95,799</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.

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

For the nine months ended September 30, 2022:

	<u>Renown Information</u>
Operating revenue	<u>\$ 7,633</u>
Net income (loss) for period	<u>\$ (1,044)</u>

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

For the nine months ended September 30, 2021:

	HC Solutions GmbH	Axino Solutions GmbH	PSB IT-Service GmbH
Operating revenue	\$ 179,321	159,921	62,459
Net income (loss) for period	\$ 11,570	52,609	(6,881)

(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 nine months ended September 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, and 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 nine months ended September 30, 2021, resulting in the share held by the Company and Ennoconn International being reduced from 31.91% to 31.77%.

In January 2022, Nanjing Asiatek did not subscribe Shenzhen Aisatek's capital increase by its shareholding ratio, from 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 nine months ended September 30, 2022 and 2021, resulting in Ennoconn International shares reducing from 44.04% to 42.80%, and from 44.59% to 44.55%, respectively.

Kontron AG exercised the treasury stock repurchase for the nine months ended September 30, 2021, resulting in EIH and Ennoconn International's consolidated shareholding increasing from 27.22% to 27.64%.

Kontron AG increased its investment in its subsidiary for the nine months ended September 30, 2022 and 2021, respectively, changing its shareholding ratio.

As the above transactions, except for the disposal of a 45% equity interest of Nanjing 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 nine months ended September 30, 2022:

	<u>MIC Tech</u>	<u>Kontron AG</u>	<u>Shenzhen Asiatek</u>
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.	<u>22,058</u>	<u>(3,756)</u>	<u>(1,672)</u>
Difference in equity transactions	<u>\$ 22,058</u>	<u>(3,756)</u>	<u>(1,672)</u>

For the nine months ended September 30, 2021:

	<u>MIC Tech</u>	<u>Kontron AG</u>	<u>Caswell</u>	<u>AIS Cayman</u>
Cash consideration received (paid)	\$ -	(640,453)	-	(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.	<u>(1,731)</u>	<u>646,223</u>	<u>7,394</u>	<u>223,614</u>
Difference in equity transactions	<u>\$ (1,731)</u>	<u>5,770</u>	<u>7,394</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 are 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\$121,142 thousand. The gain on disposal of NT\$67,787 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\$407 thousand. The loss on disposal of NT\$34,508 thousand was included in other gains and losses in the consolidated statement of comprehensive income.

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

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	\$ 45,625	30,483
Notes and accounts receivable	576,026	31,963
Inventories	195,445	41,365
Other current assets	82,480	30,006
Property, plant, and equipment	203,457	-
Deferred tax assets	-	5,116
Goodwill	-	14,485
Intangible assets	-	80,895
Short-term loans	(80,143)	(1,295)
Accounts payable	(772,846)	-
Other payables	-	(166,878)
Other current liabilities	(77,676)	-
Other non-current liabilities	-	(4,063)
Deferred tax liabilities	-	(283)
	\$ 172,368	61,794

During the three months ended September 30, 2021, the Group disposed of S&T IT Service S.R.L company and lost its control for a consideration of NT\$2,424 thousand. The loss on disposal of NT\$2,401 thousand was included in other gains and losses in the consolidated statement of comprehensive income.

The details of the carrying amounts of assets and liabilities of S&T IT Service S.R.L disposed during the three months ended September 30, 2021 were as follows:

	S&T IT Service S.R.L
Cash and cash equivalents	\$ 118,145
Payable	(113,320)
	\$ 4,825

(h) Subsidiary with significant non-controlling interests

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

Name of subsidiary	Country of main business premises/registrati on	Proportion of ownership interests and voting rights of non-controlling interests		
		2022.9.30	2021.12.31	2021.9.30
Caswell, Inc.	Taiwan	68.23%	68.23%	68.23%
Kontron AG	Austria	72.36%	72.36%	72.36%
MIC Inc.	Taiwan	57.20%	55.96%	55.45%

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

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

	2022.9.30	2021.12.31	2021.9.30
Current assets	\$ 4,794,800	4,357,648	4,295,680
Non-current assets	702,177	598,297	1,027,003
Current liabilities	(1,951,866)	(1,446,133)	(1,456,104)
Non-current liabilities	(102,902)	(283,411)	(290,693)
Net assets	<u>\$ 3,442,209</u>	<u>3,226,401</u>	<u>3,575,886</u>
Ending carrying amount of non-controlling interests	<u>\$ 2,518,189</u>	<u>2,400,879</u>	<u>2,362,377</u>

	January to September, 2022	January to September, 2021
Operating revenue	<u>\$ 3,725,510</u>	<u>3,416,802</u>
Net income for period	\$ 353,570	116,001
Other comprehensive income	8,616	(19,802)
Total comprehensive income	<u>\$ 362,186</u>	<u>96,199</u>
Current net profit (loss) attributable to non-controlling interests	<u>\$ 210,886</u>	<u>81,545</u>
Total comprehensive profit and loss attributable to non-controlling interests	<u>\$ 217,183</u>	<u>67,277</u>

	January to September, 2022	January to September, 2021
Cash flows of operating activities	\$ 196,601	249,788
Cash flows of investing activities	(150,007)	(39,450)
Cash flows of financing activities	(121,788)	(16,417)
Effect of exchange rate changes on cash	8,888	(17,575)
Increase in cash and cash equivalents	<u>\$ (66,306)</u>	<u>176,346</u>
Dividends paid on non-controlling interests	<u>\$ 99,878</u>	<u>181,835</u>

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

2. Financial information of Kontron AG and its subsidiary

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Current assets	\$ 24,271,827	26,092,951	23,353,580
Non-current assets	16,339,931	16,255,863	22,988,394
Current liabilities	(17,622,252)	(18,187,780)	(14,984,576)
Non-current liabilities	(9,148,551)	(10,904,440)	(11,807,766)
Net assets	<u>\$ 13,840,955</u>	<u>13,256,594</u>	<u>19,549,632</u>
Ending carrying amount of non-controlling interests	<u>\$ 12,361,623</u>	<u>12,094,778</u>	<u>12,035,496</u>

	<u>January to September, 2022</u>	<u>January to September, 2021</u>
Operating revenue	<u>\$ 31,774,575</u>	<u>30,688,294</u>
Net income for period	1,007,772	832,812
Other comprehensive income	368,246	196,884
Total comprehensive income	<u>\$ 1,376,018</u>	<u>1,029,696</u>
Current net profit (loss) attributable to non-controlling interests	<u>\$ 593,325</u>	<u>603,888</u>
Total comprehensive profit and loss attributable to non-controlling interests	<u>\$ 860,802</u>	<u>753,032</u>

	<u>January to September, 2022</u>	<u>January to September, 2021</u>
Cash flows of operating activities	\$ (1,614,341)	(19,166)
Cash flows of investing activities	(413,378)	(36,326)
Cash flows of financing activities	(1,380,785)	(10,831)
Effect of exchange rate changes on cash	129,730	2,992
Increase in cash and cash equivalents	<u>\$ (3,278,774)</u>	<u>(63,331)</u>
Dividends paid on non-controlling interests	<u>\$ 502,818</u>	<u>461,021</u>

3. Summary financial information of MIC Inc. and its subsidiary

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Current assets	\$ 29,530,701	22,945,728	20,093,138
Non-current assets	5,362,495	4,914,806	6,888,319
Current liabilities	(23,277,295)	(17,612,523)	(15,094,558)
Non-current liabilities	(2,667,489)	(2,445,871)	(2,912,889)
Net assets	<u>\$ 8,948,412</u>	<u>7,802,140</u>	<u>8,974,010</u>
Ending carrying amount of non-controlling interests	<u>\$ 5,199,349</u>	<u>4,487,298</u>	<u>3,778,592</u>

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

	January to September, 2022	January to September, 2021
Operating revenue	<u>\$ 35,735,058</u>	<u>22,949,015</u>
Net income for period	\$ 1,638,876	993,128
Other comprehensive income	128,146	(109,949)
Total comprehensive income	<u>\$ 1,767,022</u>	<u>883,179</u>
Current net profit (loss) attributable to non-controlling interests	<u>\$ 896,593</u>	<u>538,865</u>
Total comprehensive profit and loss attributable to non-controlling interests	<u>\$ 970,406</u>	<u>477,734</u>
	January to September, 2022	January to September, 2021
Cash flows of operating activities	\$ (318,321)	(1,269,662)
Cash flows of investing activities	(48,663)	(456,270)
Cash flows of financing activities	710,892	1,578,870
Effect of exchange rate changes on cash	204,212	(41,307)
Decrease in cash and cash equivalents	<u>\$ 548,120</u>	<u>(188,369)</u>
Dividends paid on non-controlling interests	<u>\$ 496,151</u>	<u>363,344</u>

(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:

	Land	Houses and buildings	Machinery and equipment	Leasehold improvements	Other equipment	Total
Cost:						
Balance as of January 1, 2022	\$ 592,113	6,004,696	3,526,732	56,363	769,179	10,949,083
Additions	-	66,745	398,511	2,522	291,572	759,350
Acquisition through business combinations	-	472	976	86	3,280	4,814
Disposal	(34,376)	(132,021)	(466,564)	-	(58,045)	(691,006)
Reclassification	35,275	(102,618)	154,118	(3,833)	(68,930)	14,012
Effects of exchange rate changes	4,407	54,166	108,498	13,220	21,317	201,608
Balance as of September 30, 2022	<u>\$ 597,419</u>	<u>5,891,440</u>	<u>3,722,271</u>	<u>68,358</u>	<u>958,373</u>	<u>11,237,861</u>
Balance as of January 1, 2021	\$ 626,395	6,838,304	5,538,002	97,303	803,508	13,903,512
Additions	9,962	283,115	622,423	26,025	148,491	1,090,016
Acquisition through business combinations	-	1,193	30,735	-	-	31,928

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

	<u>Land</u>	<u>Houses and buildings</u>	<u>Machinery and equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Total</u>
Disposal	(22,381)	(10,362)	(200,179)	(6,455)	(23,306)	(262,683)
Reclassification	(16,710)	25,138	134,519	13,297	(173,292)	(17,048)
Effects of exchange rate changes	(4,969)	(378,306)	(315,261)	(851)	(20,391)	(719,778)
Balance as of September 30, 2021	<u>\$ 592,297</u>	<u>6,759,082</u>	<u>5,810,239</u>	<u>129,319</u>	<u>735,010</u>	<u>14,025,947</u>
Depreciation:						
Balance as of January 1, 2022	\$ -	1,881,964	1,894,118	29,668	445,340	4,251,090
Depreciation of the current year	-	178,454	324,038	8,860	98,308	609,660
Acquisition through business combinations	-	-	104	86	2,409	2,599
Disposal	-	(52,535)	(269,752)	-	(30,818)	(353,105)
Reclassification	-	(149,491)	126,279	(10,616)	6,607	(27,221)
Effects of exchange rate changes	-	26,094	103,782	286	299	130,461
Balance as of September 30, 2022	<u>\$ -</u>	<u>1,884,486</u>	<u>2,178,569</u>	<u>28,284</u>	<u>522,145</u>	<u>4,613,484</u>
Balance as of January 1, 2021	\$ -	2,601,757	4,148,346	32,044	397,763	7,179,910
Depreciation of the current year	-	182,751	369,758	14,921	75,330	642,760
Acquisition through business combinations	-	1,129	24,548	-	-	25,677
Disposal	-	(2,519)	(157,707)	(3,644)	(19,783)	(183,653)
Reclassification	-	(3,512)	-	13,297	-	9,785
Effects of exchange rate changes	-	(124,794)	(231,327)	280	(4,106)	(359,947)
Balance as of September 30, 2021	<u>\$ -</u>	<u>2,654,812</u>	<u>4,153,618</u>	<u>56,898</u>	<u>449,204</u>	<u>7,314,532</u>
Book value:						
December 31 2021	<u>\$ 592,113</u>	<u>4,122,732</u>	<u>1,632,614</u>	<u>26,695</u>	<u>323,839</u>	<u>6,697,993</u>
September 30, 2022	<u>\$ 597,419</u>	<u>4,006,954</u>	<u>1,543,702</u>	<u>40,074</u>	<u>436,228</u>	<u>6,624,377</u>
September 30, 2021	<u>\$ 592,297</u>	<u>4,104,270</u>	<u>1,656,621</u>	<u>72,421</u>	<u>285,806</u>	<u>6,711,415</u>

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

(j) Intangible assets

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

	<u>Goodwill</u>	<u>Trademarks</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	-	-	-	702,541	-	3,209	705,750
Acquisition through business combinations	128,530	2,547	-	10,252	-	29,317	170,646
Disposal	(14,485)	-	-	(107,381)	-	(11,840)	(133,706)
Reclassification	-	-	(3,000)	24	-	(36,291)	(39,267)
Effects of exchange rate changes	506,437	8,731	-	471,328	(3,252)	61,297	1,044,541
Balance as of September 30, 2022	\$ 13,968,316	2,176,464	618,691	6,031,015	1,961,479	2,572,859	27,328,824
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	595,860	-	32,215	670,988
Acquired through business combinations	206,758	-	-	7,207	-	38,548	252,513
Disposal	-	(32,921)	-	(89,147)	-	(607)	(122,675)
Effects of exchange rate changes	(597,475)	(157,930)	(652)	(176,904)	(146,289)	(177,022)	(1,256,272)
Balance as of September 30, 2021	\$ 13,459,688	2,268,410	635,530	4,776,762	2,018,912	2,465,369	25,624,671
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	-	64,272	46,357	428,510	174,102	209,136	922,377
Acquired through business combinations	-	-	-	4,221	-	-	4,221
Disposal	-	-	-	(26,486)	-	(11,840)	(38,326)
Reclassification	-	-	(3,000)	-	-	3,000	-
Effects of exchange rate changes	8,973	5,462	-	355,302	(1,114)	50,190	418,813
Balance as of September 30, 2022	\$ 70,808	697,062	421,734	2,968,723	1,183,247	1,886,223	7,227,797
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	-	78,871	43,800	486,449	185,149	256,716	1,050,985
Acquired through business combinations	-	-	-	5,819	-	-	5,819
Disposal	-	(31,674)	-	(73,039)	-	(583)	(105,296)
Effects of exchange rate changes	(1,389)	(34,690)	(652)	(29,484)	(62,639)	(108,835)	(237,689)
Balance as of September 30, 2021	\$ 61,397	645,708	401,541	2,071,696	977,550	1,572,736	5,730,628
Book value:							
December 31 2021	\$ 13,285,999	1,537,858	243,314	2,747,075	954,472	891,430	19,660,148
September 30, 2022	\$ 13,897,508	1,479,402	196,957	3,062,292	778,232	686,636	20,101,027
September 30, 2021	\$ 13,398,291	1,622,702	233,989	2,705,066	1,041,362	892,633	19,894,043

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

1. Intangible assets with indefinite useful lives

Some trademark rights from business combinations can have their legal lives extended by application at very little cost. The Group is expected to continue to apply for extending the legal lives of these and to produce these series of products. Therefore, it is expected that the trademark rights will continue to generate net cash inflow, and thus they are regarded as intangible assets with indefinite useful lives.

2. Guarantee

As of September 30, 2022, December 31, 2021, and September 30, 2021, the Group had no intangible assets used as pledged guarantees.

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

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Other receivables	\$ 1,677,946	1,145,262	1,454,203
Current income tax assets	147,356	92,251	33,420
Prepayments	1,540,599	1,360,349	3,103,160
Other financial assets	52,639	42,119	14,457
Refundable deposits	647,547	340,854	315,556
Prepayments for equipment	18,183	16,210	22,565
Contract assets-non-current	6,092	6,067	-
Others	3,845,162	3,136,210	1,434,894
	<u>\$ 7,935,524</u>	<u>6,139,322</u>	<u>6,378,255</u>
Current	\$ 6,416,154	4,917,814	5,161,060
Non-current	1,519,370	1,221,508	1,217,195
	<u>\$ 7,935,524</u>	<u>6,139,322</u>	<u>6,378,255</u>

1. Other financial assets

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

	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Unsecured bank borrowings	\$ 13,822,819	8,534,442	8,650,178
Guaranteed bank loan	814,489	942,512	1,082,785
	<u>\$ 14,637,308</u>	<u>9,476,954</u>	<u>9,732,963</u>
Unused quota	<u>\$ 24,156,231</u>	<u>19,411,317</u>	<u>19,010,914</u>
Interest Rate	<u>0.25%~13.8%</u>	<u>0.25%~5.50%</u>	<u>0.50%~8.00%</u>

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

1. Issuance and repayment of loans

The Group's new amount of short-term loans from January 1 to September 30, 2022 was NT\$5,241,793 thousand, the loan interest rate was 1.19%–13.8%, and the maturity date was October 11, 2022 to March 24, 2023. 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

	2022.9.30		
	Interest rate (%)	Maturity year	Amount
Unsecured bank borrowings	1.00%~1.74%	112~120	\$ 6,858,375
Guaranteed bank loan	0.44%~1.78%	120~127	<u>1,091,763</u>
Subtotal			7,950,138
Less: Those maturing within one year			<u>(1,365,398)</u>
Total			<u>\$ 6,584,740</u>
	2021.12.31		
	Interest rate (%)	Maturity year	Amount
Unsecured bank borrowings	1.00%~1.44%	112~124	\$ 6,893,258
Guaranteed bank loan	0.44%~1.50%	120~127	<u>951,766</u>
Subtotal			7,845,024
Less: Those maturing within one year			<u>(11,926)</u>
Total			<u>\$ 7,833,098</u>
	2021.9.30		
	Interest rate (%)	Maturity year	Amount
Unsecured bank borrowings	0.81%~2.45%	120	\$ 7,579,278
Guaranteed bank loan	0.39%~3.99%	127	<u>1,566,239</u>
Subtotal			9,145,517
Less: Those maturing within one year			<u>(931,986)</u>
Total			<u>\$ 8,213,531</u>

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

(n) Corporate bonds payable

The Group has the following balance of corporate bonds payable:

	2022.9.30	2021.12.31	2021.9.30
The 3 rd domestic unsecured convertible bonds	\$ 5,544,887	5,497,329	5,481,620
The 4 th domestic unsecured convertible bonds	959,815	952,683	-
The 1 st overseas unsecured convertible bonds	-	1,137,035	1,200,219
The 1 st privately placed unsecured convertible bonds	1,472,151	1,466,888	1,465,134
Unsecured convertible corporate bonds of subsidiaries	811,129	1,050,835	1,631,113
Less: Those maturing or able to have redemption rights exercised within one year	<u>(166,815)</u>	<u>(1,137,035)</u>	<u>(6,681,839)</u>
Ending balance of corporate bonds payable	<u>\$ 8,621,167</u>	<u>8,967,735</u>	<u>3,096,247</u>

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 ordinary shares of the Company from the day following the expiration of three months from the 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:

- 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

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

thousand)	
Equity components	(320,141)
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— NT\$9,592 thousand—have not been reviewed)	5,687,007
Interest calculated at effective interest rate of 1.1542%	229,889
Gain on financial commodity evaluation	(10,719)
Corporate bonds converted into ordinary shares	(362,417)
Liability components as of September 30, 2022	\$ 5,543,760

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 status is as follows:

- (1) Total issuance amount: US\$200,000 thousand. The fixed exchange rate of \$31.653 will be converted into the New Taiwan dollar equivalent of the US dollar value 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: 3/10/2017–3/10/2022
- (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 day following the expiration of 30 days from the issuance date (April 10, 2017) 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

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

price shall be adjusted under Article 13 of the Company's regulations on issuance and conversion of foreign unsecured 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 creditors:

From two years (March 10, 2019) to four 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 two years (March 10, 2019) of issuance of the corporate bonds, if on 20 trading days of 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 issuing company may redeem all the outstanding bonds in advance at the early redemption price of the issuing company.

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 September 30, 2022, their 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 of 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 with exercised redemption rights	<u>(6,239,758)</u>
Liability components as of September 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 status is 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: 9/2/2021–9/2/2026
- (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 day following the expiration of three months from the 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 period of 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.

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

- (8) Conversion price and adjustment:
The conversion price at the time of initial issuance is set at NT\$220.7. In the event of an increase in the shares of the Company's privately issued ordinary shares, 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 September 30, 2022, the conversion price was adjusted to NT\$205.6.
- (9) Redemption rights of creditors:
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 three 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 by 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 September 30, 2022, the fair value of the embedded derivative financial products was NT\$3,300 thousand. As of September 30, 2022, the measured amount of non-derivative financial liabilities was NT\$1,472,151 thousand at amortized cost, and its effective interest rate initially recognized was 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 of NT\$150 thousand)	1,464,439
Interest calculated at effective interest rate of 1.1542%	7,562
Gain on valuation of financial assets	<u>3,450</u>
Liability components as of September 30, 2022	<u><u>\$ 1,475,451</u></u>

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: 11/16/2021–11/16/2026
- (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 ordinary shares of the Company From the day following the expiration of three months from the 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.

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

(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 September 30, 2022, the conversion price was adjusted to NT\$211.6.

(9) Redemption rights of creditors:

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 three 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 by 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 September 30, 2022, the fair value of the embedded derivative financial products were NT\$4,800 thousand. As of September 30, 2022, the measured amount of non-derivative financial liabilities is NT\$959,815 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

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

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%	8,321
Gain on financial commodity evaluation	<u>4,202</u>
Liability components as of September 30, 2022	<u><u>\$ 964,615</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%
 - (4) Effective interest rate: 0.5%
 - (5) Duration: 2/10/2020–2/10/2023
 - (6) Conversion period: The bondholders may, from the day following the expiration of three months from the issuance date of the convertible corporate bonds to the expiration date, except for the period when ordinary shares are ceased 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 dividends, 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, at which point conversion may not be requested, file a request at any time to convert the convertible corporate bonds held into the issuer's ordinary shares in accordance with regulation through trading securities firms, and will inform the Taiwan Depository & Clearing Corporation and 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.

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

- (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 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 issuance date 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 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.
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: 12/15/2020–12/15/2023
 - (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:
 - (8) The conversion price of this convertible corporate bond is determined in

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

accordance with the prescribed model set forth in the conversion regulations. In case of the Company's anti-dilution clause coming into effect, 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.

- (9) 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 expiration of three months from the issuance date of the convertible corporate bonds 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 following the expiration of three months from the issuance date of the convertible corporate bonds 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.
 - C. According to the regulations on 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 reductions, liquidations, 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:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
\$	12,660	9,026	29,883	29,966

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

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:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
	\$ 65,719	81,323	172,527	211,695

(p) Income taxes

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

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Income tax expenses for the period	\$ 439,055	270,360	1,121,279	617,212
Deferred income tax expenses	28,884	(90,919)	90,603	(87,976)
Income tax expenses	\$ 467,939	179,441	1,211,882	529,236

There were no income tax expenses recognized under other comprehensive profits/losses of the Group for the nine months ended September 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 through 2015 to 2018, and is currently processing administrative litigations. However, the Company has assessed the relevant income tax based on the principle of prudence.

(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 nine months ended September 30, 2022 and 2021. For relevant information, please refer to Note 6(p) 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)

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, and 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. A total of 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:

	2022.9.30	2021.12.31	2021.9.30
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	481,942
Employee share options	-	767	-
Expired stock options	385,261	326,420	249,881
Changes in percentage of ownership in subsidiaries and associates	303,105	279,088	74,770
	\$ 9,295,161	8,865,780	7,671,689

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 put forward 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 September 30, 2022 and 2021, the balance of such special reserve was NT\$1,768,490 thousand and NT\$1,010,924 thousand, respectively.

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><u>742,259</u></u>	5	<u><u>480,785</u></u>

4. Treasury stock

As of September 30, 2022 and 2021, the treasury stock not canceled and held by the Company was 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-control ling interests	Total
Balance as of January 1, 2022	\$ (1,673,323)	(95,167)	20,565,729	18,797,239
Net income for period	-	-	1,865,490	1,865,490
Exchange differences on translating the net assets of foreign operations	961,886	-	398,293	1,360,179
Share of associates accounted for using the equity method	1,889	532	354	2,775
Unrealized gain or loss on financial assets at FVTOCI	-	21,819	3,910	25,729
Cash dividends distributed by subsidiaries	-	-	(1,178,913)	(1,178,913)
Changes in percentage of ownership in subsidiaries	-	-	(16,630)	(16,630)
Non-controlling interests acquired through combinations	-	-	23,384	23,384
Effect of loss of control	-	-	(89,722)	(89,722)
Other changes	-	-	214,662	214,662
Balance as of September 30, 2022	<u><u>\$ (709,548)</u></u>	<u><u>(72,816)</u></u>	<u><u>21,786,557</u></u>	<u><u>21,004,193</u></u>
Balance as of January 1, 2021	\$ (934,258)	(76,666)	21,251,225	20,240,301
Net income for period	-	-	1,317,885	1,317,885
Exchange differences on translating the net assets of foreign operations	(628,277)	-	(818,209)	(1,446,486)
Share of associates accounted for using the equity method	(191)	(922)	(83)	(1,196)
Unrealized gain or loss on financial assets at FVTOCI	-	(1,537)	(1,019)	(2,556)

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

	Exchange differences on translation of foreign financial statements	Unrealized gain or loss on financial assets at FVTOCI	Non-control ling interests	Total
Cash dividends distributed by subsidiaries	-	-	(1,104,757)	(1,104,757)
Increase in non-controlling interests from establishment of subsidiaries	-	-	600	600
Changes in percentage of ownership in subsidiaries	-	-	(11,433)	(11,433)
Other changes	-	-	(864,067)	(864,067)
Balance as of September 30, 2021	<u>\$ (1,562,726)</u>	<u>(79,125)</u>	<u>19,770,142</u>	<u>18,128,291</u>

(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 nine months ended September 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.

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

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

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

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

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

	January to September, 2021
	Treasury shares transferred to employees
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 thousands)

	January to September, 2021	
	Treasury shares transferred to employees	
	Weighted average performance price (NT\$)	Stock option quantity
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 September 30	-	-
Exercisable options as of September 30	-	-

- (3) Employee expenses

Remuneration expenses recognized by employees of Caswell, Inc. for the transfer of treasury shares for the nine months ended September 30, 2021 was NT\$7,764 thousand.

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

2. MIC Inc. and ADAT (a subsidiary of MIC Inc.) paid the share-based payment for the nine months ended September 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 years, service expired
ADAT		April 1, 2019	436	"	0–2 years, 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 agreements are as follows:

MIC Inc.:

	January to September, 2021	
	Weighted average performance price (NT\$)	Stock option quantity
Outstanding stock options as of January 1	\$ 15.20	169
Exercise of stock options in the current period	(15.11)	(169)
Outstanding stock options as of September 30	-	(Note)

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

ADAT:

	January to September, 2022		January to September, 2021	
	Weighted average performance price (NT\$)	Stock option quantity	Weighted average performance price (NT\$)	Stock option quantity
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	-	(6)	-	-

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

	January to September, 2022		January to September, 2021	
	Weighted average performance price (NT\$)	Stock option quantity	Weighted average performance price (NT\$)	Stock option quantity
Outstanding stock options as of September 30	10.00	<u>112</u>	10.00	<u>446</u>
Exercisable options as of September 30		<u>60</u>		<u>48</u>
Approved but not yet issued share options as of September 30		<u>-</u>		<u>40</u>

- (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 September, 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 September, 2021	
			Number of shares (thousand shares)	Performance price (NT\$)
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 the 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

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

(5) MIC Inc. did not pay any share-based payments for the three months and nine months ended September 30, 2022 and 2021.

(6) ADAT paid NT\$44 thousand, NT\$202 thousand, NT\$133 thousand and NT\$606 thousand in share-based payments for the three months and nine months ended September 30, 2022 and 2021, respectively.

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

(s) Earnings per Share

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

1. Basic Earnings per Share

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
(1) Net profit attributable to the holders of ordinary share equity of the Company	<u>\$ 652,155</u>	<u>356,004</u>	<u>1,407,289</u>	<u>830,043</u>

(1) Weighted average outstanding ordinary shares

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Ordinary shares issued as of January 1	101,81	93,27	101,81	93,27
Effects of treasury stock	(655)	(655)	(655)	(655)
Effects of capital increase on the issuance of new shares	<u>\$ 4,88</u>	<u>3,54</u>	<u>4,70</u>	<u>3,28</u>
Weighted average outstanding ordinary shares as of September 30	<u><u>106,03</u></u>	<u><u>96,15</u></u>	<u><u>105,85</u></u>	<u><u>95,89</u></u>
Basic earnings per share (NT\$)	<u>\$ 6.1</u>	<u>3.7</u>	<u>13.2</u>	<u>8.6</u>

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

2. Diluted earnings per share

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Net profit	\$ 652,155	356,004	1,407,289	830,043
attributable to the holders of ordinary share equity of the Company (basic)				
After tax interest expense and financial evaluation of convertible corporate bonds	20,761	18,589	71,349	56,875
Net profit	\$ 672,916	374,593	1,478,638	886,918
attributable to the holders of ordinary share equity of the Company (diluted)				
Weighted average number of outstanding ordinary shares (basic)	106,037	96,157	105,858	95,898
Effect of employee remuneration	68	44	250	166
Effect of conversion of convertible corporate bonds	38,403	29,668	37,786	28,371
Weighted average outstanding ordinary shares (diluted) as of September 30	144,508	125,869	143,894	124,435
Diluted earnings per share (NT\$)	\$ 4.66	2.98	10.28	7.13

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:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Commodity sales revenue	\$ 23,792,972	14,479,452	61,888,504	41,454,487
Service revenue	7,436	4,349,195	27,789	13,091,084
Project revenue	8,360,482	4,585,042	21,356,269	11,864,544
	<u>\$ 32,160,890</u>	<u>23,413,689</u>	<u>83,272,562</u>	<u>66,410,115</u>

2. Balance of contracts

	2022.9.30	2021.12.31	2021.9.30
Accounts receivable	<u>\$ 20,009,309</u>	<u>17,320,182</u>	<u>15,350,923</u>
Contract assets-construction contracts	\$ 9,457,120	8,510,574	7,059,885
Contract assets-sales contracts	278,397	513,642	558,681
Contract assets-labor service contracts	909,179	520,795	621,886
Total	<u>\$ 10,644,696</u>	<u>9,545,011</u>	<u>8,240,452</u>
	2022.9.30	110.12.31	110.9.30
Contract liabilities-construction contracts	\$ 5,569,543	3,643,508	3,204,061
Contract liabilities-sales contracts	2,347,908	1,797,413	1,841,892
Contract liabilities-labor service contracts	2,157,657	1,731,704	1,520,903
Contract liabilities-extended warranty service	344,061	509,719	374,979
Total	<u>\$ 10,419,169</u>	<u>7,682,344</u>	<u>6,941,835</u>

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 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

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

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 and nine months ended September 30, 2022 and 2021 were NT\$12,941 thousand, NT\$8,519 thousand, NT\$36,493 thousand and NT\$25,091 thousand, respectively, and the estimated amount of compensation to directors and supervisors was NT\$765 thousand, NT\$765 thousand, NT\$2,295 thousand and NT\$2,295 thousand, respectively. 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 remuneration to employees amounting 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:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Rental income	\$ 3,338	5,569	15,227	17,034
Dividend income	13,363	1,903	13,704	9,094
Total other income	\$ 16,701	7,472	28,931	26,128

**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:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Gains (losses) on disposal of property, plant, and equipment	\$ (558)	3,028	16,279	40,403
Gains on disposal of investments	-	-	43,172	2,401
Bond recovery loss	-	-	-	(2,189)
Gain (loss) on foreign exchange	386,197	7,633	802,043	(88,056)
Net (loss) gain of financial assets and liabilities	(11,066)	67,944	(194,501)	174,325
Losses on lease modification	(36)	-	133	-
Estimated benefits of contingent consideration	(357,700)	-	1,010	-
Others	735,439	185,525	1,047,667	486,409
Other net gains and losses	\$ 752,276	264,130	1,715,803	613,293

3. Financial costs

The Group has the following financial costs:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Interest on bank loans	\$ 101,861	92,321	290,988	278,291
Interest on lease liabilities	13,001	15,031	46,798	51,349
Accrued interest on corporate bonds payable	22,254	27,567	69,094	84,071
Net financial cost	\$ 137,116	134,919	406,880	413,711

(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.

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

(2) Concentrations of credit risk

As of September 30, 2022, December 31, 2021 and September 30, 2021, the Group had no concentrations of 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.

	Book value	Contract cash flow	Within 6 months	6-12 months	More than 1 year
September 30, 2022					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 26,641,142	(26,641,142)	(26,641,142)	-	-
Lease liability	3,893,850	(4,267,785)	(1,190,105)	(72,707)	(3,004,973)
Instruments with variable interest rates	22,587,446	(22,621,872)	(12,713,021)	(3,318,855)	(6,589,996)
Instruments with fixed interest rates	8,787,982	(8,795,968)	(166,815)	-	(8,629,153)
	\$ 61,910,420	(62,326,767)	(40,711,083)	(3,391,562)	(18,224,122)
December 31, 2021					
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	10,104,770	(10,126,036)	-	(1,137,035)	(8,989,001)
	\$ 57,233,948	(57,620,915)	(33,233,945)	(4,740,765)	(19,646,205)
September 30, 2021					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 22,203,823	(22,203,823)	(22,203,823)	-	-
Lease liability	3,274,401	(3,633,629)	(392,308)	(511,056)	(2,730,265)
Instruments with variable interest rates	18,878,480	(18,748,811)	(9,515,302)	(840,826)	(8,392,683)
Instruments with fixed interest rates	9,778,086	(9,778,086)	(6,681,839)	-	(3,096,247)
	\$ 54,134,790	(54,364,349)	(38,793,272)	(1,351,882)	(14,219,195)

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:

	2022.9.30			2021.12.31			2021.9.30			
	Foreign currency	Rate	TWD	Foreign currency	Rate	TWD	Foreign currency	Rate	TWD	
<u>Financial assets</u>										
<u>Monetary items</u>										
USD	\$	425,138	31.75 (USD:TWD)	13,498,132	642,351	29.72 (USD:TWD)	17,780,276	288,105	27.85 (USD:TWD)	8,023,724
USD		84,868	1.0157 (USD:EUR)	2,694,625	80,385	0.8838 (USD:EUR)	2,225,106	62,732	0.8613 (USD:EUR)	1,746,284
USD		24,444	7.1029 (USD:CNY)	776,096	35,321	6.3779 (USD:CNY)	978,589	39,168	6.4935 (USD:CNY)	1,096,194
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD		122,972	31.75 (USD:TWD)	3,904,361	595,317	29.72 (USD:TWD)	16,478,375	102,712	27.85 (USD:TWD)	2,860,529
USD		94,911	1.0157 (USD:EUR)	3,013,498	71,939	0.8838 (USD:EUR)	1,991,316	57,778	0.8613 (USD:EUR)	1,608,379
USD		48,771	7.1029 (USD:CNY)	1,548,477	35,321	6.3779 (USD:CNY)	978,589	48,943	6.4935 (USD:CNY)	1,369,767

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

	<u>2022.9.30</u>	<u>110.12.31</u>	<u>110.9.30</u>
EUR:TWD	\$ 31.26	31.32	32.32
CNY:TWD	4.470	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 September 30, 2022 and 2021, if TWD 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\$85,025 thousand and NT\$50,275 thousand for the nine months ended September 30, 2022 and 2021. The same basis is used for both periods of analysis.

As the Consolidated Company transacts in various currencies, the exchange gains and losses from monetary items are disclosed by means of consolidation. The foreign currency exchange gains and losses (both realized and unrealized) for the nine months ended September 30, 2022 and 2021 were gains of NT\$802,043 thousand and losses of NT\$88,056 thousand, respectively.

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

(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 a 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 Company's net income before tax for the nine months ended September 30, 2022 and 2021 would have decreased or increased by NT\$225,874 thousand and NT\$188,785 thousand, respectively.

(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:

	January to September, 2022		January to September, 2021	
	Other comprehen sive income before tax	Profit after tax	Other comprehe nsive income before tax	Profit after tax
Securities price as of the reporting date				
Increased by 1%	\$ 10,585	11,330	9,411	10,004
Decreased by 1%	\$ (10,585)	(11,330)	(9,411)	(10,004)

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:

	2022.9.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL					
Derivative financial assets	\$ 326	-	-	326	326
Investment in equity instruments					
– Publicly traded shares	99,467	99,467	-	-	99,467
– Non-TWSE/TPEX-listed and emerging stocks	806,603	-	-	806,603	806,603
– Fund beneficiary certificates	226,915	-	-	226,915	226,915
Subtotal	<u>1,133,311</u>	<u>99,467</u>	<u>-</u>	<u>1,033,844</u>	<u>1,133,311</u>
Financial assets at FVTOCI					
Investment in equity instruments					
– Publicly traded shares	193,142	193,142	-	-	193,142
– Non-publicly traded shares	865,380	-	-	865,380	865,380
Subtotal	<u>1,058,522</u>	<u>193,142</u>	<u>-</u>	<u>865,380</u>	<u>1,058,522</u>
Financial assets at amortized cost					
Cash and cash equivalents	14,010,212	-	-	-	-
Financial assets at amortized cost	148,649	-	-	-	-
Contract assets	10,644,696	-	-	-	-
Notes and accounts receivable (including related parties)	20,097,494	-	-	-	-
Other receivables	1,677,946	-	-	-	-
Refundable deposits	647,547	-	-	-	-
Subtotal	<u>47,226,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 49,418,377</u>	<u>292,609</u>	<u>-</u>	<u>1,899,224</u>	<u>2,191,833</u>

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

	2021.12.31				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at FVTPL					
Derivative financial liabilities	\$ 713	-	713	-	713
Subtotal	<u>713</u>	<u>-</u>	<u>713</u>	<u>-</u>	<u>713</u>
Financial liabilities at amortized cost					
Bank loans	17,321,978	-	-	-	-
Contract liabilities	7,682,344	-	-	-	-
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	-	9,372,738	-	9,372,738
Subtotal	<u>64,916,292</u>	<u>-</u>	<u>9,372,738</u>	<u>-</u>	<u>9,372,738</u>
Total	<u>\$ 64,917,005</u>	<u>-</u>	<u>9,373,451</u>	<u>-</u>	<u>9,373,451</u>

	2021.9.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL					
Derivative financial assets	\$ 1,500	-	150	1,350	1,500
Investment in equity instruments					
– Publicly traded shares	283,204	283,204	-	-	283,204
– Non-TWSE/TPEX-listed and emerging stocks	545,816	-	-	545,816	545,816
– Fund beneficiary certificates	171,383	557	-	170,826	171,383
Subtotal	<u>1,001,903</u>	<u>283,761</u>	<u>150</u>	<u>717,992</u>	<u>1,001,903</u>
Financial assets at FVTOCI					
Investment in equity instruments					
– Non-publicly traded shares	941,125	-	-	941,125	941,125
Financial assets at amortized cost					
Cash and cash equivalents	13,138,602	-	-	-	-
Financial assets at amortized cost	1,144,969	-	-	-	-
Contract assets	8,240,452	-	-	-	-
Notes and accounts receivable (including related parties)	15,519,797	-	-	-	-
Other receivables	1,454,203	-	-	-	-
Refundable deposits	315,556	-	-	-	-
Subtotal	<u>39,813,579</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 41,756,607</u>	<u>283,761</u>	<u>150</u>	<u>1,659,117</u>	<u>1,943,028</u>

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

	2021.9.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at FVTPL					
Derivative financial liabilities	\$ 10,571	-	10,571	-	10,571
Contingent consideration of business combination	1,002,196	-	-	1,002,196	1,002,196
Subtotal	1,012,767	-	10,571	1,002,196	1,012,767
Financial liabilities at amortized cost					
Bank loans	18,878,480	-	-	-	-
Contract liabilities	6,941,835	-	-	-	-
Notes and accounts payable (including related parties)	17,352,026	-	-	-	-
Other payables	4,668,677	-	-	-	-
Lease liability	3,274,401	-	-	-	-
Convertible corporate bonds	9,778,086	-	10,317,007	-	10,317,007
Subtotal	60,893,505	-	10,317,007	-	10,317,007
Total	\$ 61,906,272	-	10,327,578	1,002,196	11,329,774

(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 on transactions or market makers, the latest transaction price and quotation information shall be used as the basis for the evaluation of fair value. If the market value is not 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 assets

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.

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

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 or Reuters commercial promissory note interest rate's 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,

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

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 assets

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 an option evaluation model (e.g. Black-Scholes) or other evaluation model (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 were no transfers for the nine months ended September 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 investments without active markets have complex significant unobservable input values. The significant unobservable inputs of equity instrument investments without active markets are independent of each other, so there is no correlation.

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

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

Item	Valuation technique	Significant unobservable input	Relationship between significant unobservable input and fair value
Equity instrument investments without active markets	Comparable companies in the market	<ul style="list-style-type: none"> • Lack of market liquidity discount (9/30/2022, 12/31/2021, and 9/30/2021 were all 15–25%) 	<ul style="list-style-type: none"> • 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 compared 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 compared 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 nine months ended September 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 as below:

Name of Related Party	Relationship with the Group
Cloud Network Technology Singapore Pte. Ltd.	Associates
Competition Team Ireland Limited	Associates
Universal Field International Limited	Associates
Triple Win Technology (ShenZhen) Co., Ltd.	Associates
Chung Hsin Electric & Machinery Manufacturing Corp.	Associates
WT Microelectronics 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
Dongguan Oyu Precision Technology 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
Jiangsu Chunghsin Fine Mechanical Co., Ltd.	Associates
Premier Image Technology (China) Ltd.	Associates
Iwei Venture Capital Company	Associates
Kunshan Fuchengke Precision Electrical Co.,Ltd.	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
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 Ennpower Information Technology Co., Ltd.	Associates
Triple Win Technology (JinCheng) Co., Ltd.	Associates
Jincheng Futaihua Precision Electronic Co., Ltd.	Associates
Jincheng Hongzhi Nano Optical-mechanical-electrical Institute Co., Ltd.	Associates
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Associates
Shenzhen Zhunxuntong Technology Co., Ltd.	Associates
Shenzhen Kangni Intelligent Technology Co., Ltd.	Associates
Shenzhen Fertile Plan International Logistics Co., Ltd.	Associates
Shen Zhen Fu Neng New Energy Technology Co., Ltd.	Associates
Shenzhen Fuhungchieh Technology Service 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
Shenzhen Pictographic Technology Co., Ltd.	Associates
Shenzhen Hyper Power Information Technology Co., Ltd.	Associates
Shenzhen Oyu Industry Co., Ltd.	Associates
Yantian Jusda Supply Chain Management Co., Ltd.	Associates
Shenzhen Asiatek Inc.	Associates
Shenzhen Fugui Precision Industrial Co., Ltd.	Associates
Shenzhen FuTaiHong Precision Industry Co., Ltd.	Associates
Shenzhen Fulian Fugui Precision Industry Co., Ltd.	Associates
Foxconn (KunShan) Computer Connector Co., Ltd.	Associates
Foxconn Industrial Internet Co., Ltd.	Associates
Foxconn Electronic Industry Development (Kunshan), Co., Ltd.	Associates
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Associates
Fujin Precision Industry (Shenzhen) Co., Ltd.	Associates
Fuyu Energy Technology (Kunshan) Co., Ltd.	Associates
Fujin Precision Industry (Jincheng) Co., Ltd.	Associates
Futaichieh Technology Development(Shenzhen) Co., Ltd.	Associates
Futaihua Industry (Shenzhen) Co., Ltd.	Associates
Futaihua Precision Industrial (Weihai) Co., Ltd.	Associates
Futaihua Industry (Zhengzhou) Co., Ltd.	Associates
Fuding Precision Component (Shenzhen) Co., Ltd.	Associates
FIH (Nanjing) Communications Co., Ltd.	Associates
FIH (Hong Kong) Limited	Associates
Fuxiang Precision Industry (Kunshan) Co., Ltd.	Associates
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Associates
Foxon Technical (Dezhou) Co., Ltd.	Associates
Fulian Technology (Shanxi) Co., Ltd. (previously known as Shanxi Yuding Precision Technology Co., Ltd.)	Associates
Fulian Technology (Wuhan) Co., Ltd.	Associates
Fulian Technology (Wuhan) Co., Ltd. (previously known as Wuhan Yuzhan Precision Technology Co., Ltd.)	Associates
Fulian Technology (Jiyuan) Co., Ltd.	Associates
Fulian Technology (Jiyuan) Co., Ltd. (previously known as Futaihua Precision Electronics (Jiyuan) Co., Ltd.)	Associates
Foxon Technical (Lankao) 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
Fulian Technology (Lankao) Co., Ltd. (previously known as Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.)	Associates
Fulian Technology (Hebi) Co., Ltd.	Associates
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 Yuzhan Technology (HengYang) Co., Ltd. (previously known as Hengyang Yuzhan Precision Technology Co., Ltd.)	Associates
Fulian Precision Electronics (Tianjin) Co., Ltd. (previously known as Hongfujin Precision Electronics (Tianjin) Co., Ltd.)	Associates
Fulian Precision Electronics (Guiyang) Co., Ltd.	Associates
Fujun Precision Electronics (Chongqing) Co., Ltd.	Associates
Foxconn Global Network	Associates
Fuyun Acoustics Technology (Shenzhen) Co., Ltd.	Associates
Rigo Global Co., Ltd.	Associates
Guizhou Fuzhikang Precision Electronics Co., Ltd.	Associates
Chiun Mai Communication Systems, Inc.	Associates
Coiler Corporation	Associates
Arbor Technology Corporation	Associates
Forward Science Corp.	Associates
Ennowell Co., Ltd.	Associates
Hengyang Futaihong Precision Industry Co., Ltd.	Associates
Ur Materials Industry (ShenZhen) Co., Ltd.	Associates
Ur Hongxin Detection Technology (Shenzhen) Co., Ltd	Associates
ProbeLeader Co., Ltd.	Associates
Hongzhun Precision Tooling (Kunshan) 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

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

Name of Related Party	Relationship with the Group
Hongfujin Precision Electronics (Henyang) Co., Ltd.	Associates
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Associates
Hongfujin Precision Electronics (Guiyang) Co., Ltd.	Associates
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Associates
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Associates
Hon Young Semiconductor Corporation	Associates
Hon-Ling Technology Co., Ltd.	Associates
Elecbay Technology Ltd.	Associates
Lankao YuFu Precision Technology Co., Ltd.	Associates
LanKao YuDe Environment Material Technology Inc.	Associates
Former shareholders of 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	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Sales revenue	Associates:				
	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	\$ -	145,240	42,776	228,606
	Hon Hai Precision Industry Co., Ltd.	14,446	26,735	31,981	37,341
	Foxconn Global Network	9,541	-	28,388	-
	Fulian Precision Electronics (Tianjin) Co., Ltd.	(3)	12,175	26,895	35,559
	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	-	(55)	26	423,099
	Futaihua Industry (Shenzhen) Co., Ltd.	-	25,085	1,482	182,754
	Others	(22,840)	182,888	44,752	451,558
Project revenue	Associates	28,903	25,095	70,602	31,903
		\$ 30,047	417,163	246,902	1,390,820

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

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 two months.

2. Purchase and processing fees

The purchases of the Group from related parties are:

Category of related party/Name	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Associates:				
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	\$ 21,294	83,292	64,102	216,199
Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	14,044	9,265	53,926	33,767
WT Microelectronics Co., Ltd.	21,103	12,422	45,394	41,790
Hon Hai Precision Industry Co., Ltd.	-	282,183	711	733,281
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	-	8,950	1	149,399
Elecbay Technology Ltd.	7,874	39,730	15,587	145,869
Others	20,308	33,674	66,184	201,406
	\$ 84,623	469,516	245,905	1,521,711

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

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

3. Accounts receivable from related parties

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

<u>Accounts Item</u>	<u>Category of related party/Name</u>	<u>2022.9.30</u>	<u>2021.12.31</u>	<u>2021.9.30</u>
Accounts receivable - related parties	Associates:			
	Hong Kong Ennpower Information Technology Co., Ltd.	\$ 49,603	66,951	67,364
	Shenzhen Asiatek Inc.	31,459	-	-
	Shenzhen Hyper Power Information Technology Co., Ltd.	29,778	50,760	44,590
	Fulian Precision Electronics (Tianjin) Co., Ltd.	17,888	3,936	28,158
	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	156	284,625	184,104
	HeNan FuChi Technology Co., Ltd.	16	146,329	147,520
	Futaihua Industry (Shenzhen) Co., Ltd.	8	62,096	100,956
	Others	23,917	154,666	181,517
		<u>\$ 152,825</u>	<u>769,363</u>	<u>754,209</u>

Note: The accounts receivable due to purchases on behalf of others are included.

Uncollected guarantees from outstanding accounts receivable from related parties
Loss of allowance for accounts receivable from related parties as of September 30, 2022 and 2021 were NT\$54,389 thousand and NT\$2,140 thousand, respectively.

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

4. Accounts payable to related parties

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

Accounts Item	Category of related party/Name	2022.9.30	2021.12.31	2021.9.30
Accounts payable	Associates:			
	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	\$ 34,511	131,948	122,490
	WT Microelectronics Co., Ltd.	23,613	23,546	6,712
	Foxconn Interconnect Technology Limited Taiwan Branch (Cayman)	13,075	10,548	7,302
	Hon Hai Precision Industry Co., Ltd.	12,945	382,837	272,888
	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	1	26,600	118,039
	Others	6,995	133,863	76,166
		\$ 91,140	709,342	603,597
Expenses payable (classified under other accounts payable)	Associates	\$ 17,348	79,561	15,814

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

5. Endorsements and Guarantees

Category of related party/Name	January to September, 2022	January to September, 2021
Innovative Systems Integration Ltd.	\$ 121,320	835,500
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.	571,500	696,250
Highaim Technology Inc.	47,625	41,775
Kontron AG and its subsidiary	6,208,281	6,175,529
MIC Inc. and its subsidiary	4,842,281	5,611,717
Ennoconn Huangary kft	2,222,500	-
Poslab Technology Corporation	50,000	-
	\$ 15,323,507	14,620,771

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

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:

	July to September, 2022	July to September, 2021	January to September, 2022	January to September, 2021
Short-term employee benefits	\$ 108,728	68,433	278,969	206,367
Post-employment benefits	313	214	836	652
	<u>\$ 109,041</u>	<u>68,647</u>	<u>279,805</u>	<u>207,019</u>

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	2022.9.30	2021.12.31	2021.9.30
Pledged time deposit certificates (classified under financial assets at amortized cost)	Bank loans, tariff guarantee, performance guarantee, and warranty guarantee	\$ 64,647	55,839	97,577
Pledged demand deposits (classified under other financial assets)	Bank loans and performance guarantee	4,806	22,219	14,457
Accounts receivable	Bank loans and performance guarantee	171,066	59,779	77,748
Inventories	Performance guarantee	22,044	16,400	16,305
Land	Bank loans	121,295	-	121,295
Buildings, net	Bank loans	829,763	895,930	871,303
Investment properties	Bank loans	51,109	51,656	38,315
Refundable deposits	Tender deposit, performance bond, and warranty deposit	247,493	318,636	174,865
Others	Bank loans	-	-	179,034
		<u>\$ 1,512,223</u>	<u>1,420,459</u>	<u>1,590,899</u>

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:

	2022.9.30	110.12.31	110.9.30
Acquisition of property, plant, and equipment	\$ 528,860	-	-

(10) Losses due to Major Disasters: None.

(11) Significant Events after the Balance Sheet Date: None.

(12) Others

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

By function By nature	July to September, 2022			July to September, 2021		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses						
Wages and salaries	1,211,747	2,917,656	4,129,403	387,085	2,552,537	2,939,622
Labor Insurance and National Health Insurance expenses	34,934	499,976	534,910	30,679	436,096	466,775
Pension costs	36,450	41,929	78,379	42,195	48,154	90,349
Other Employee Benefit Expenses	73,747	93,923	167,670	38,308	49,768	88,076
Depreciation expenses	118,851	304,669	423,520	145,982	265,610	411,592
Amortization expenses	3,545	293,779	297,324	2,745	340,776	343,521

By function By nature	January to September, 2022			January to September, 2021		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses						
Wages and salaries	1,297,164	8,362,481	9,659,645	1,165,693	7,514,922	8,680,615
Labor Insurance and National Health Insurance expenses	90,865	1,536,398	1,627,263	81,656	1,380,680	1,462,336
Pension costs	87,225	115,185	202,410	104,140	137,521	241,661
Other Employee Benefit Expenses	199,626	228,790	428,416	116,882	133,958	250,840
Depreciation expenses	335,355	976,777	1,312,132	440,736	866,586	1,307,322
Amortization expenses	10,202	912,175	922,377	7,891	1,043,094	1,050,985

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 Consolidated Company shall re-disclose the following information on major transactions for the nine months ended September 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. Engagement 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%

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

(14) Department 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 system and electromechanical services for the nine months ended September 30, 2022 and 2021.

(a) Segment revenue and results of operations

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

		July to September, 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		2,681,651	11,022,773	1,343,190	14,243,589	3,638,442	(768,755)	32,160,890
Total earnings		<u>\$ 2,681,651</u>	<u>11,022,773</u>	<u>1,343,190</u>	<u>14,243,589</u>	<u>3,638,442</u>	<u>(768,755)</u>	<u>32,160,890</u>
Profit and Loss of Reporting Segment		<u>\$ 797,974</u>	<u>332,292</u>	<u>191,519</u>	<u>1,078,663</u>	<u>211,470</u>	<u>(728,774)</u>	<u>1,883,144</u>
		July to September, 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		2,405,011	45,498,223	974,754	8,524,601	2,844,300	(36,833,200)	23,413,689
Total earnings		<u>\$ 2,405,011</u>	<u>45,498,223</u>	<u>974,754</u>	<u>8,524,601</u>	<u>2,844,300</u>	<u>(36,833,200)</u>	<u>23,413,689</u>
Profit and Loss of Reporting Segment		<u>\$ 172,029</u>	<u>45,821</u>	<u>1,440,621</u>	<u>462,390</u>	<u>185,857</u>	<u>(1,262,451)</u>	<u>1,044,267</u>
		January to September, 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		6,842,630	31,774,575	3,725,510	35,735,058	6,995,770	(1,800,981)	83,272,562
Total earnings		<u>\$ 6,842,630</u>	<u>31,774,575</u>	<u>3,725,510</u>	<u>35,735,058</u>	<u>6,995,770</u>	<u>(1,800,981)</u>	<u>83,272,562</u>
Profit and Loss of Reporting Segment		<u>\$ 1,751,520</u>	<u>1,199,558</u>	<u>465,135</u>	<u>2,282,136</u>	<u>516,785</u>	<u>(1,730,473)</u>	<u>4,484,661</u>

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

	January to September, 2021						
	Sales of industrial computer hardware and software	Informatio n system segment	Production and marketing department of network communication	Facility system and electromec hanical system service department	Other departments	Adjustment and cancellation	Total
Revenue:							
Revenue from external							
clients	4,768,999	68,493,123	3,522,625	23,328,953	9,832,038	(43,535,623)	66,410,115
Total earnings	<u>\$ 4,768,999</u>	<u>68,493,123</u>	<u>3,522,625</u>	<u>23,328,953</u>	<u>9,832,038</u>	<u>(43,535,623)</u>	<u>66,410,115</u>
Profit and Loss of							
Reporting Segment	<u>\$ 254,121</u>	<u>423,128</u>	<u>1,555,685</u>	<u>1,120,649</u>	<u>379,993</u>	<u>(1,056,412)</u>	<u>2,677,164</u>

(b) Segment assets and liabilities

The Group shall report the measured amount of segment assets/liabilities, which are not provided for in 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 nine months ended September 30, 2022

Table 1

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		
0	Ennoconn Technology Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	1,200,000	1,200,000	190,500	4.34%	2	-	Operating working fund	-	None	-	1,358,500	5,434,000
1	KONTRON AG	S&T CEE Holding s.r.o., Slowakei	Other receivables - related parties	Yes	317,289	271,962	271,962	5.00%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	S&T Romania S.R.L., Romania	Other receivables - related parties	Yes	484,145	402,201	402,201	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	S&T Consulting Hungary Kft., Hungary	Other receivables - related parties	Yes	192,874	186,310	186,310	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	S&T Deutschland GmbH, Germany	Other receivables - related parties	Yes	46,890	15,630	-	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron electronics AG	Other receivables - related parties	Yes	56,112	53,142	53,142	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron America Inc.	Other receivables - related parties	Yes	140,104	70,550	70,550	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron electronics GmbH (DE)	Other receivables - rel ated parties	Yes	425,918	418,103	418,103	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	S&T Services Bel LLC	Other receivables - related parties	Yes	2,397	1,459	1,459	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron Transportation GmbH	Other receivables - related parties	Yes	468,900	468,900	425,136	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron Europe GmbH	Other receivables - related parties	Yes	356,364	356,364	356,364	2.00% ~ 1.50%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron AIS GmbH	Other receivables - related parties	Yes	156,300	156,300	156,300	2%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron Modular Computers S.A.S.	Other receivables - related parties	Yes	140,670	140,670	140,670	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223

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	KONTRON AG	Kontron Electronics Kft.	Other receivables - related parties	Yes	14,067	9,847	9,847	3%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	Kontron Austria GmbH	Other receivables - related parties	Yes	515,790	515,790	515,790	1.5%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	RTSoft, AO, Russia	Other receivables - related parties	Yes	164,280	159,689	159,689	8%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
1	KONTRON AG	RTSoft Smart Grid, Russia	Other receivables - related parties	Yes	14,505	-	-	8.0%	2	-	Operating working fund	-	None	-	1,376,556	5,506,223
2	Kontron Europe GmbH	KONTRON ASIA PACIFIC DESIGN SDN. BHD.	Other receivables - related parties	Yes	129,298	126,252	126,252	1.2%	2	-	Operating working fund	-	None	-	356,589	1,426,357
3	ISKRATEL..d.o.o.	Kontron AG, Austria	Other receivables - related parties	Yes	156,300	37,512	37,512	3%	2	-	Operating working fund	-	None	-	183,259	458,148
4	Caswell Inc.	Apligo GmbH	Other receivables - related parties	Yes	25,400	25,400	25,400	2.45%	2	-	Operating working fund	-	None	-	324,513	649,026
4	Caswell Inc.	Hawkeye Tech Co., Ltd.	Other receivables - related parties	Yes	50,000	50,000	-	1.6%	2	-	Operating working fund	-	None	-	324,513	649,026
5	Paragon Precision Casting Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Other receivables - related parties	Yes	15,875	-	-	2%	2	-	Operating working fund	-	None	-	35,306	88,266
6	Sunlit Precision Technology Co., Ltd.	T-lamma (Guangdong) Tech Co., Ltd.	Other receivables	Yes	56,560	36,360	36,360	2%	2	-	Operating working fund	-	None	-	97,851	244,628
7	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Other receivables	Yes	79,375	79,375	-	0.8%	2	-	Operating working fund	-	None	-	190,223	951,114
8	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	396,240	396,240	396,240	0.97%	2	-	Operating working capital	-	None	-	640,683	640,683
9	Nanjing Asiatek Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	89,460	89,460	89,460	3%	2	-	Operating working fund	-	None	-	160,621	224,870
9	Nanjing Asiatek Inc.	Shenzhen Asiatek Inc.	Other receivables - related parties	Yes	22,365	22,365	-	3.8%	2	-	Operating working fund	-	None	-	160,621	224,870
10	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Other receivables	Yes	64,458	41,275	41,275	4.37%	2	-	Operating working fund	-	None	-	3,545,538	3,545,538
10	Marketch International Corp.	Marketch International Sdn.	Other receivables	Yes	83,475	31,750	9,525	4.37%	2	-	Operating working fund	-	None	-	3,545,538	3,545,538

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			
		Bhd.															
10	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	239,520	127,000	127,000	4.62%	2	-	Operating working fund	-	None	-	3,545,538	3,545,538	
11	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other receivables	Yes	52,404	26,837	26,837	4.35%	2	-	Operating working fund	-	None	-	342,064	684,129	
11	MIC-Tech Electronics Engineering Corp.	Fuzhou Jiwei System Integrated Co., Ltd.	Other receivables	Yes	2,219	-	-	%	2	-	Operating working fund	-	None	-	684,129	684,129	
12	MIC-Tech (Shanghai) Corp.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Other receivables	Yes	13,419	13,419	13,419	4.35%	2	-	Operating working fund	-	None	-	705,225	705,225	
13	Marketech Integrated Manufacturing Co., Ltd.	Marketech Integrated Construction Co., Ltd.	Other receivables	Yes	11,130	7,938	6,350	7%	2	-	Operating working fund	-	None	-	67,968	135,936	
14	Marketech Co., Ltd.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	6,985	-	-	%	2	-	Operating working fund	-	None	-	7,162	7,162	
15	ENNOMECH PRECISION (CAYMAN) CO.,LTD	ENNOCONN INVESTMENT HOLDINGS CO., LTD.	Other receivables - related parties	Yes	12,700	12,700	12,700	-	%	2	-	Operating working fund	-	None	-	636,429	636,429

Note 1.

(1) Fill in 0 for issuer.

(2) The investee company is coded in sequence starting from the 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 nine months ended September 30, 2022

Table 2

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	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	20,377,500	2,222,500	2,222,500	1,207,326	-	16.36%	27,170,000	Y	N	N
0	Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	2	20,377,500	1,000,000	1,000,000	-	-	7.36%	27,170,000	Y	N	N
0	Ennoconn Technology Co., Ltd.	Poslab Technology Corporation	2	20,377,500	50,000	50,000	10,000	-	0.37%	27,170,000	Y	N	N
0	Ennoconn Technology Co., Ltd.	HIGHAIM TECHNOLOGY INC.	2	20,377,500	206,375	47,625	-	-	0.35%	27,170,000	Y	N	N
0	Ennoconn Technology Co., Ltd.	HighAim Technology Inc.	2	20,377,500	762,000	571,500	95,250	-	4.21%	27,170,000	Y	N	Y
0	Ennoconn Technology Co., Ltd.	Thecus Technology Corp.	2	20,377,500	100,000	100,000	75,000	-	0.74%	27,170,000	Y	N	N
0	Ennoconn Technology Co., Ltd.	Dexatek Technology Ltd.	2	20,377,500	160,000	160,000	80,000	-	1.18%	27,170,000	Y	N	N
	Ennoconn Technology Co., Ltd.	Subtotal				4,151,625							
1	KONTRON AG	S&T Slovakia s.r.o.	2	6,113,250	125,040	125,040	-	-	0.91%	12,226,500	Y	N	N
1	KONTRON AG	S&T Plus s.r.o.	2	6,113,250	6,413	6,367	-	-	0.05%	12,226,500	Y	N	N
1	KONTRON AG	S&T CZ s.r.o.	2	6,113,250	57,718	38,201	-	-	0.28%	12,226,500	Y	N	N
1	KONTRON AG	S&T Bulgaria e.o.o.d.	2	6,113,250	54,549	29,541	-	-	0.21%	12,226,500	Y	N	N
1	KONTRON AG	S&T Consulting Hungary Kft.	2	6,113,250	558,958	481,446	61,890	-	3.50%	12,226,500	Y	N	N
1	KONTRON AG	S&T Poland Sp.z.o.o.	2	6,113,250	348,448	322,381	-	-	2.34%	12,226,500	Y	N	N
1	KONTRON AG	S&T Deutschland GmbH	2	6,113,250	12,504	12,504	-	-	0.09%	12,226,500	Y	N	N
1	KONTRON AG	Kontron Europe GmbH	2	6,113,250	31,260	31,260	-	-	0.23%	12,226,500	Y	N	N
1	KONTRON AG	Kontron Public Transportation	2	6,113,250	118,029	118,029	-	-	0.86%	12,226,500	Y	N	N
1	KONTRON AG	Kontron Transportation Austria AG	2	6,113,250	1,266,218	1,103,728	208,192	-	8.02%	12,226,500	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	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										
1	KONTRON AG	Kontron AIS GmbH(AIS Automation Dresden GmbH)	2	6,113,250	25,008	25,008	-	-	0.18%	12,226,500	Y	N	N
1	KONTRON AG	S&T Crna Gora d.o.o.	2	6,113,250	9,517	9,517	-	-	0.07%	12,226,500	Y	N	N
1	KONTRON AG	S&T AG/ Kontron Transportation Austria AG/ S&T Smart Energy/Kontron s.r.o.	2	6,113,250	403,985	361,765	-	-	2.63%	12,226,500	Y	N	N
1	KONTRON AG	Kontron Transportation France	2	6,113,250	7,815	7,815	-	-	0.06%	12,226,500	Y	N	N
1	KONTRON AG	diverse / Factoring CEE	2	6,113,250	562,680	500,160	-	-	3.63%	12,226,500	Y	N	N
1	KONTRON AG	Factoring Kontron Europe / Kontron Modular Computer	2	6,113,250	1,062,840	1,062,840	144,398	-	7.72%	12,226,500	Y	N	N
1	KONTRON AG	Kontron America Inc	2	6,113,250	641,362	641,362	-	-	4.66%	12,226,500	Y	N	N
1	KONTRON AG	Kontron electronics GmbH	2	6,113,250	9,378	9,378	-	-	0.07%	12,226,500	Y	N	N
1	KONTRON AG	Kontron S&T AG	2	6,113,250	125,040	125,040	-	-	0.91%	12,226,500	Y	N	N
1	KONTRON AG	S&T MEDTECH SRL(GADA GROUP ROMANIA SRL)	2	6,113,250	109,410	93,780	88,024	-	0.68%	12,226,500	Y	N	N
1	KONTRON AG	S&T Romania SRL	2	6,113,250	403,611	396,340	112,640	-	2.88%	12,226,500	Y	N	N
1	KONTRON AG	diverse / Factoring DACH	2	6,113,250	593,940	593,940	49,055	-	4.31%	12,226,500	Y	N	N
1	KONTRON AG	RTSoft Project OOO	2	6,113,250	116,083	112,839	-	-	0.82%	12,226,500	Y	N	N
	KONTRON AG	Subtotal				6,208,281							
2	Nanjing Asiatek Inc.	Shenzhen Asiatek Inc.	2	160,621	121,320	121,320	62,763	-	37.77%	321,242	Y	N	Y
3	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	2	4,431,922	1,827,261	1,431,561	1,110,624	-	16.15%	8,863,844	Y	N	Y
3	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	4,431,922	79,487	78,055	61,283	-	0.88%	8,863,844	Y	N	N
3	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	2	4,431,922	794,032	554,822	108,036	-	6.26%	8,863,844	Y	N	Y
3	Marketech International Corp.	MIC-Tech (Wuxi) Co., Ltd.	2	4,431,922	383,854	314,465	275,817	-	3.55%	8,863,844	Y	N	Y
3	Marketech International Corp.	Marketech International Corporation USA	2	4,431,922	1,460,375	1,460,375	1,208,705	-	16.48%	8,863,844	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	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	Marketech International Corp.	Marketech International Sdn. Bhd.	2	4,431,922	166,950	63,500	18,449	-	0.72%	8,863,844	Y	N	N
3	Marketech International Corp.	Ezoom Information, Inc.	2	4,431,922	25,000	25,000	23,198	-	0.28%	8,863,844	Y	N	N
3	Marketech International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	4,431,922	303,626	132,060	12,370	-	1.49%	8,863,844	Y	N	Y
3	Marketech International Corp.	Te Chang Construction Co., Ltd.	2	4,431,922	174,418	174,418	43,916	-	1.97%	8,863,844	N	N	N
4	MIC-Tech Electronics Engineering Corp.	MIC-Tech Viet Nam Co., Ltd.	2	2,565,483	450,989	450,989	450,989	-	52.74%	4,275,805	N	N	N
4	MIC-Tech Electronics Engineering Corp.	Fourth Construction Co., Ltd. of China Electronics System Engineering	2	2,565,483	831,264	-	-	-	- %	4,275,805	N	N	Y
4	MIC-Tech Electronics Engineering Corp.	Marketech International Corp.	3	2,565,483	157,036	157,036	157,036	-	18.36%	4,275,805	N	Y	N
	Marketech International Corp.	Subtotal				4,842,281							

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/or 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 pre-sale house sales contracts in accordance with the consumer protection law.
- (8) The total external endorsement and guarantee shall not exceed 150% of the Company's net worth in recent financial statements.

Note 3. 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)

September 30, 2022

Table 3

Unit: 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	185,750	10%	185,750	
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	34,459	16%	34,459	
Ennoconn (Foshan) Investment Co., Ltd.	Foshan Zhaoke Innovative Intelligent Industry Investment Fund Partnership	None	"		287,480	19%	287,480	
"	Guangdong Hongfu Xinghe Hongtu Venture Capital Fund Partnership	None	"	CNY	64,107		64,107	
"				-	224,220	11%	224,220	
"				CNY	50,000		50,000	
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	90,312	19%	90,312	

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 %	
SecureGuard GmbH	Real Invest Austria; Erste Immobilienfonds	None	Unrealized gain on financial assets at FVTOCI-non-current		7,392	-%	7,392
				EUR	236		236
					917,822		917,822
Diverse	Diverse	None	Other financial assets		50	-%	50
Iskratel d.o.o.	Shares	None	"	EUR	2		2
				-	4,964	-%	4,964
Affair OOO	Shares	None	"	EUR	159		159
				-	9,248	-%	9,248
AO IskraUralTel Yekaterinburg	Shares	None	"	EUR	296		296
				-	23	-%	23
					1		1
	Subtotal				14,285		14,285
Marketech International Corp.	Aerospace Industrial Development Corporation		Financial assets at FVTPL-Current	51	1,721	-%	1,721
"	Lasertec Corporation		"	20	64,688	-%	64,688
	Subtotal				66,409		66,409
"	Chung Hsin Electric & Machinery Manufacturing Corp.	None	Financial assets at FVTPL-Non-Current	581	33,059	-%	33,059
"	ProMOS Technologies Inc.	None	"	250	-	1%	-
"	Taiwan Colour & Imaging Technology Corporation	None	"	1,700	-	12%	-
"	Taiwan Puritic Corp.	None	"	5,087	322,864	8%	322,864
"	Sopower Technology Corp.	None	"	189	-	1%	-
"	VEEV Interactive Pte. Ltd.	None	"	840	-	6%	-
"	Taiwan Intelligent Fiber Optic Network Co., Ltd.	None	"	3,220	17,685	1%	17,685
"	Civil Tech Holdings Ltd.	None	"	336	-	1%	-

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.	ProbeLeader Co., Ltd.	Entities controlled	Financial assets at FVTPL-Non-Current	966	13,500	3%	13,500	
"	Top Green Energy Technologies Inc.	None	"	1,111	-	1%	-	
"	Zhi-Yuan Venture Capital Co., Ltd.	None	"	772	7,190	2%	7,190	
"	Innorich Venture Capital Corp.	None	"	1,000	6,920	2%	6,920	
"	Taiwan Foresight Co., Ltd.	None	"	380	3,230	2%	3,230	
"	Long Time Technology Co., Ltd.	None	"	346	13,550	-%	13,550	
"	Paradigm Venture Capital Company	None	"	77	1,033	4%	1,033	
"	Taiwan Specialty Chemicals Corporation	None	"	2,234	94,982	2%	94,982	
"	Atech Totalsolution Co., Ltd.	None	"	128	-	-%	-	
"	East Wind Life Sciences System Co., Ltd.	None	"	124	-	13%	-	
"	Ecoland Corporation	None	"	311	-	14%	-	
"	Radisen Co. Ltd	None	"	88	-	18%	-	
"	Foresight Energy Technologies Co., Ltd.	None	"	675	332	3%	332	
"	Wings Global Technology Inc.	None	"	750	8,085	19%	8,085	
"	Kcashin Technology Corporation	None	"	643	232	19%	232	
"	Sum Capital Healthcare Investment Corp.	Entities controlled	"	943	9,389	7%	9,389	
"	Forward Science Corp.	None	"	2,650	41,491	8%	41,491	
"	Mycropore Corporation	None	"	1,471	10,911	8%	10,911	
"	STEK Co., Ltd.	None	"	507	18,037	6%	18,037	
"	Sharpcon Optical Co., Ltd.	None	"	829	5,091	6%	5,091	
"	Everlasting Digital ESG Co., Ltd.	None	"	100	691	6%	691	
"	Artfil, Inc.	None	"	-	31,002	9%	31,002	
"	Taiwan Truewin Technology Co., Ltd.	None	"	600	40,214	2%	40,214	
"	Mega Union Technology Incorporated	None	"	600	30,000	1%	30,000	
AIS Cayman Technology Group	Gemini Data Inc.	None	"	44,115	130,173	11%	130,173	
	Subtotal				839,661		839,661	

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.	Convertible corporate bonds: HALLYS CORPORATION	None	Financial assets at FVTPL-Non-Current	-	-	-	-	
"	Radisen Co. Ltd	None	"	-	-	-	-	
"	Kinestral Technologies, Inc.	None	"	-	-	-	-	
"	Nitride Solutions Inc.	None	"	-	-	-	-	
	Subtotal				-		-	
	Preferred shares:							
"	Adant Technologies Inc.	None	"	175	-	-	-	
"	Kinestral Technologies, Inc.	None	"	502	-	-	-	
	Subtotal				-		-	
Goldtek Technology Co., Ltd.	Cloudtalk Inc.	None	Unrealized gain on financial assets at FVTOCI-non-current	484	-	-%	-	
"	EMBER TECHNOLOGIES, INC.	None	"	862	140,700	2%	140,700	
	Subtotal				140,700		140,700	
	Fund beneficiary certificates:							
Ennoconn International Investment Co., Ltd.	Guotai Private Equity Smart Technology Co., Ltd	None	Financial assets at FVTPL-Non-Current		18,000		18,000	
Marketech International Corp.	Zhuo Yi II Investment Limited Partnership	None	"	-	13,242	-	13,242	
"	Vertex Growth(SG) LP	None	"	-	34,601	-	34,601	
"	Vertex Growth II(SG) LP	None	"	-	3,672	-	3,672	
Caswell Inc.	Zhuo Yi II Investment Limited Partnership	None	"	-	27,280	-	27,280	
Goldtek Technology Co., Ltd.	Zhuo Yi II Investment Limited Partnership	None	"		118,120		118,120	
"	Fuyou Private Equity Limited Partnership	None	"	-	12,000	-	12,000	
	Subtotal				226,915		226,915	

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 Tables 9 and 10 for information about investment in subsidiaries.

Note 3. If measured at fair value, the carrying amount shall be the book balance after adjustment for fair value evaluation and deducting accumulated impairment; if not measured at fair value, the carrying amount shall be the original acquisition cost or post-marketing cost less accumulated impairment.

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 nine months ended September 30, 2022

Table 4

Unit: NT\$ thousand

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.

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

Table 5

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.	Huaku Construction National Land	2022.06.16	656,000	Note	Huaku Development Co., Ltd.	NA	NA	NA	-	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\$125,651 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 nine months ended September 30, 2022

Table 6

Unit: NT\$thousand

Purchasing/ selling Company	Counterparty	Relationship	Transaction Status				Situation and reason for difference between trading terms and 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	2,147,344	3.37 %	60 days monthly settlement	-	No significant discrepancy	(388,451)	(1.78) %	
Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Sales	(465,412)	(0.56) %	120 days monthly settlement	-	No significant discrepancy	93,500	0.47 %	
Ennoconn Technology Co., Ltd.	Kontron America Inc.	Parent company to sub-subsidiary	Sales	(113,649)	(0.14) %	Net 120 days by T/T	-	No significant discrepancy	18,662	0.09 %	
American Industrial Systems Inc.	Apligo GmbH	Sub-subsidiary to sub-subsidiary	Purchases	201,177	0.32 %	60 days monthly settlement	-	No significant discrepancy	(30,705)	(0.14) %	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Sales	(115,769)	(0.14) %		-	No significant discrepancy	78,651	0.39 %	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Sales	(277,627)	(0.33) %		-	No significant discrepancy	174,125	0.87 %	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Purchases	117,201	0.18 %		-	No significant discrepancy	(87,398)	(0.40) %	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Purchases	281,501	0.44 %		-	No significant discrepancy	(183,426)	(0.84) %	

Purchasing/ selling Company	Counterparty	Relationship	Transaction Status				Situation and reason for difference between trading terms and 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)	
MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Sales	(169,362)	(0.20) %	Note 2	-	No significant discrepancy	7,564	0.04 %	
Victor Plus Holdings Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	(337,261)	(0.53) %	60 days monthly settlement	-	No significant discrepancy	(427,528)	(1.95) %	
Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	(2,882,517)	(4.52) %	120 days monthly settlement	-	No significant discrepancy	(121,517)	(0.56) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	(553,828)	(0.87) %	120 days monthly settlement	-	No significant discrepancy	(459,754)	(2.10) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Purchases	(480,130)	(0.75) %	90 days monthly settlement	-	No significant discrepancy	(90,704)	(0.41) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Purchases	(300,449)	(0.47) %	90 days monthly settlement	-	No significant discrepancy	(232,850)	(1.06) %	
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(494,432)	(0.59) %	60 days monthly settlement	-	No significant discrepancy	365,848	1.82 %	
Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	380,827	0.60 %	60 days monthly settlement	-	No significant discrepancy	-	- %	
Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(138,103)	(0.17) %	60 days monthly settlement	-	No significant discrepancy	170,726	0.85 %	
Paragon Precision Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	148,360	0.23 %	O/A 60 Days	-	No significant discrepancy	(255,431)	(1.17) %	

Purchasing/ selling Company	Counterparty	Relationship	Transaction Status				Situation and reason for difference between trading terms and 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)	
Goldtek Technology (Shenzhen) Co., Ltd.	Goldtek Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	494,432	0.78 %	O/A 70 Days	-	No significant discrepancy	(365,848)	(1.67) %	
Techno Precision (Shenzhen) Co., Ltd.	Sunlit Precision Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(380,827)	(0.46) %	O/A 70 Days	-	No significant discrepancy	-	- %	
Techno Precision (Shenzhen) Co., Ltd.	Sunlit Precision Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	138,103	0.22 %		-	No significant discrepancy	(170,726)	(0.78) %	
T-Paragon Metal (Shenzhen) Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(148,360)	(0.18) %		-	No significant discrepancy	255,431	1.27 %	
APLIGO Gmbh	American Industrial Systems Inc.	Sub-subsidiary to sub-subsidiary	Sales	(201,208)	(0.24) %		-	No significant discrepancy	30,705	0.15 %	
Caswell Inc.	Caso Inc.	Subsidiary company to sub-subsidiary	Sales	(159,926)	(0.19) %		-	No significant discrepancy	31,922	0.16 %	
Caso Inc.	Caswell Inc.	Sub-subsidiary company to subsidiary	Purchases	159,926	0.25 %		-	No significant discrepancy	(31,922)	(0.15) %	
Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(446,342)	(0.54) %		-	No significant discrepancy	91,521	0.46 %	
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(811,042)	(0.98) %		-	No significant discrepancy	526,420	2.62 %	
Kontron Asia Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(407,862)	(0.49) %		-	No significant discrepancy	66,557	0.33 %	
Kontron Europe GmbH	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	648,219	1.02 %		-	No significant discrepancy	(496,196)	(2.27) %	
Kontron America Inc.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	113,594	0.18 %		-	No significant discrepancy	(88,660)	(0.41) %	

Purchasing/ selling Company	Counterparty	Relationship	Transaction Status				Situation and reason for difference between trading terms and 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 Austria GmbH	Kontron Electronics AG	Sub-subsidiary to sub-subsidiary	Sales	(146,001)	(0.18) %		-	No significant discrepancy	30,468	0.15 %	
Kontron Europe GmbH	Kontron Technology Beijing Co. Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(148,158)	(0.18) %		-	No significant discrepancy	77,070	0.38 %	
Kontron Transportation France S.A.S.	Kontron Transportation Austria AG	Sub-subsidiary to sub-subsidiary	Sales	(105,110)	(0.13) %		-	No significant discrepancy	108,250	0.54 %	
Kontron Asia Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(446,342)	(0.54) %		-	No significant discrepancy	91,521	0.46 %	
Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(428,784)	(0.52) %		-	No significant discrepancy	94,750	0.47 %	
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(233,903)	(0.28) %		-	No significant discrepancy	131,421	0.65 %	
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Sales	(116,434)	(0.14) %		-	No significant discrepancy	79,365	0.39 %	
Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales	(212,110)	(0.26) %		-	No significant discrepancy	183,537	0.91 %	
Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Sales	(120,507)	(0.14) %		-	No significant discrepancy	26,336	0.13 %	
Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(279,305)	(0.34) %		-	No significant discrepancy	234,949	1.17 %	
Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	148,978	0.23 %		-	No significant discrepancy	(80,104)	(0.37) %	

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

Note 2: Payment by installments according to the contract.

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

Table 7

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		
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	185,646	-%	-	0	-	-
Marketech International Corp.	MIC-Tech Viet Nam Co.,Ltd.	Sub-subsidiary to sub-subsidiary	128,164	Note 2	-	0	-	-
Ennoconn Technology Co., Ltd.	ENNOCONN HUNGARY KFT.	Parent company to sub-subsidiary	102,495	-%	-	0	-	-
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	365,848	(3.49)%	-	0	-	-
Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	170,726	1.17%	-	0	-	-
T-Paragon Metal (Shenzhen) Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	255,431	0.74%	-	0	-	-
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	117,898	-%	-	0	-	-
Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	493,292	-%	-	0	-	-
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	526,420	-%	-	0	-	-
Kontron AG	S&T Romania S.R.L.	Sub-subsidiary to sub-subsidiary	423,003	-%	-	0	-	-
Kontron AG	S&T CEE Holding s.r.o.	Sub-subsidiary to sub-subsidiary	101,902	-%	-	0	-	-
Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	2,175,023	-%	-	0	-	-
Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	526,057	-%	-	0	-	-
Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	439,224	-%	-	0	-	-
Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	218,386	-%	-	0	-	-
Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	197,039	-%	-	0	-	-
Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	108,250	-%	-	0	-	-
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	271,042	-%	-	0	-	-
Kontron Europe GmbH	Kontron Asia Pacific Design Sdn. Bhd.	Sub-subsidiary to sub-subsidiary	140,893	-%	-	0	-	-

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 AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	147,871	-%	-	0	-	-
Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	424,235	-%	-	0	-	-
Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	234,949	-%	-	0	-	-
Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	1,281,660	-%	-	0	-	-
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	1,290,395	-%	-	0	-	-
Kontron AG	S&T Consulting Hungary Kft.	Sub-subsidiary to sub-subsidiary	134,218	-%	-	0	-	-
Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	183,537	-%	-	0	-	-
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	243,660	-%	-	0	-	-
Kontron Transportation GmbH	Kontron Transportation Espana SL	Sub-subsidiary to sub-subsidiary	186,266	-%	-	0	-	-
Kontron AG	Iskratel d.o.o.	Sub-subsidiary to sub-subsidiary	181,488	-%	-	0	-	-
Kontron AG	Kontron AIS GmbH	Sub-subsidiary to sub-subsidiary	157,250	-%	-	0	-	-
Kontron AG	RTSoft, AO	Sub-subsidiary to sub-subsidiary	169,377	-%	-	0	-	-
Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	296,793	-%	-	0	-	-

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

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

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

Table 8

Unit: NT\$thousand

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			
				Ledger Account	Amount	Transaction Terms	% of 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	2,147,344	General terms and conditions	2.58%
0	Ennoconn Technology Co., Ltd.	Victor Plus Holdings Ltd.	Parent company to sub-subsidiary	Accounts payable-related parties	388,451	General terms and conditions	0.35%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Sales revenue	465,412	General terms and conditions	0.56%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Accounts receivable -related parties	93,500	General terms and conditions	0.08%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Other receivables -related parties	74,297	General terms and conditions	0.07%
0	Ennoconn Technology Co., Ltd.	Kontron Europe GmbH	Parent company to sub-subsidiary	Other operating income	249,106	General terms and conditions	0.30%
0	Ennoconn Technology Co., Ltd.	Kontron Canada Inc.	Parent company to sub-subsidiary	Accounts receivable -related parties	10,147	General terms and conditions	0.01%
0	Ennoconn Technology Co., Ltd.	Kontron Canada Inc.	Parent company to sub-subsidiary	Sales revenue	66,717	General terms and conditions	0.08%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
0	Ennoconn Technology Co., Ltd.	Kontron Canada Inc.	Parent company to sub-subsidiary	Other operating income	5,426	General terms and conditions	0.01%
0	Ennoconn Technology Co., Ltd.	Kontron America Inc.	Parent company to sub-subsidiary	Sales revenue	113,649	General terms and conditions	0.14%
0	Ennoconn Technology Co., Ltd.	Kontron America Inc.	Parent company to sub-subsidiary	Accounts receivable -related parties	18,662	General terms and conditions	0.02%
0	Ennoconn Technology Co., Ltd.	ENNOCONN HUNGARY KFT.	Parent company to sub-subsidiary	Sales revenue	97,531	General terms and conditions	0.12%
0	Ennoconn Technology Co., Ltd.	ENNOCONN HUNGARY KFT.	Parent company to sub-subsidiary	Accounts receivable -related parties	102,495	General terms and conditions	0.09%
0	Ennoconn Technology Co., Ltd.	Taiwan Applied Module Corporation	Parent company to sub-subsidiary	Other receivables -related parties	82,889	General terms and conditions	0.07%
0	Ennoconn Technology Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Parent company to sub-subsidiary	Other receivables -related parties	213,752	General terms and conditions	0.19%
0	Ennoconn Technology Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Parent company to sub-subsidiary	Other operating income	68,129	General terms and conditions	0.08%
0	Ennoconn Technology Co., Ltd.	American Industrial Systems, Inc.	Parent company to sub-subsidiary	Accounts payable-related parties	21,725	General terms and conditions	0.02%
1	Caswell Inc.	Caswell Americas Inc.	Subsidiary company to sub-subsidiary	Sales revenue	96,025	General terms and conditions	0.12%
1	Caswell Inc.	Caso Inc.	Subsidiary company to sub-subsidiary	Sales revenue	159,926	General terms and conditions	0.19%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			
				Ledger Account	Amount	Transaction Terms	% of Consolidated Sales Revenue or Total Assets (Note 3)
1	Caswell Inc.	Beijing Caswell Ltd.	Subsidiary company to sub-subsidiary	Sales revenue	68,844	General terms and conditions	0.08%
1	Caswell Inc.	Victor Plus Holdings Ltd.	Subsidiary company to sub-subsidiary	Cost of goods purchased	50,922	General terms and conditions	0.06%
1	Caswell Inc.	Caswell Americas Inc.	Subsidiary company to sub-subsidiary	Accounts receivable -related parties	27,804	General terms and conditions	0.02%
1	Caswell Inc.	Caso Inc.	Subsidiary company to sub-subsidiary	Accounts receivable -related parties	31,922	General terms and conditions	0.03%
1	Caswell Inc.	Beijing Caswell Ltd.	Subsidiary company to sub-subsidiary	Accounts receivable -related parties	53,865	General terms and conditions	0.05%
1	Caswell Inc.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	11,590	General terms and conditions	0.01%
2	Hawkeye Tech Co., Ltd.	Caswell Inc.	Sub-subsidiary company to subsidiary	Sales revenue	6,253	General terms and conditions	0.01%
3	Beijing Caswell Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	6,437	General terms and conditions	0.01%
4	APLIGO Gmbh	American Industrial Systems Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	201,208	General terms and conditions	0.24%
4	APLIGO Gmbh	American Industrial Systems Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	30,705	General terms and conditions	0.03%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
5	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	365,848	General terms and conditions	0.33%
5	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	494,432	General terms and conditions	0.59%
5	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	45,206	General terms and conditions	0.05%
5	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	Sales revenue	16,112	General terms and conditions	0.02%
6	Keenest Electronic Corp.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	15,189	General terms and conditions	0.02%
7	Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	170,726	General terms and conditions	0.15%
7	Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	138,103	General terms and conditions	0.17%
7	Sunlit Precision Technology Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	380,827	General terms and conditions	0.46%
7	Sunlit Precision Technology Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	22,546	General terms and conditions	0.02%
7	Sunlit Precision Technology Co., Ltd.	Paragon Precision Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	47,831	General terms and conditions	0.06%
8	Techno Precision (Shenzhen) Co., Ltd.	Shenzhen Shengrong Plastic Co., Ltd	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	10,107	General terms and conditions	0.01%
8	Techno Precision (Shenzhen) Co., Ltd.	T-Paragon Metal (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	33,760	General terms and conditions	0.03%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			
				Ledger Account	Amount	Transaction Terms	% of Consolidated Sales Revenue or Total Assets (Note 3)
9	Paragon Precision Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	15,621	General terms and conditions	0.02%
9	Paragon Precision Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	255,431	General terms and conditions	0.23%
9	Paragon Precision Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	148,360	General terms and conditions	0.18%
10	T-Paragon Metal (Shenzhen) Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	8,144	General terms and conditions	0.01%
11	Vecow Co., Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Other operating revenue	71,037	General terms and conditions	0.09%
12	Dexatek Technology Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Sales revenue	7,099	General terms and conditions	0.01%
13	Thecus Technology Corp.	CASO, Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	28,807	General terms and conditions	0.03%
13	Thecus Technology Corp.	Caswell Inc.	Sub-subsidiary company to subsidiary	Cost of goods purchased	27,260	General terms and conditions	0.03%
14	Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Other operating revenue	2,316,590	General terms and conditions	2.78%
14	Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	553,828	General terms and conditions	0.67%
14	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Other operating revenue	480,130	General terms and conditions	0.58%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			
				Ledger Account	Amount	Transaction Terms	% of Consolidated Sales Revenue or Total Assets (Note 3)
14	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	90,704	General terms and conditions	0.08%
14	Ennoconn (Suzhou) Technology Co., Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Accounts payable-related parties	214,012	General terms and conditions	0.19%
15	Victor Plus Holdings Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Cost of goods purchased	337,261	General terms and conditions	0.41%
15	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	2,882,517	General terms and conditions	3.46%
16	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	91,521	General terms and conditions	0.08%
16	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	446,342	General terms and conditions	0.54%
17	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	30,818	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.04%
17	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Other operating revenue	12,882	Subject to transaction contracts	0.02%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
17	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	10,881	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%
17	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	41,741	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.04%
17	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	15,132	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.02%
17	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from labor service contracts	5,287	The sale of labor services refers to a certain sales profit agreed with related parties.	0.01%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
17	Marketech International Corp.	Marketech International Sdn. Bhd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	9,734	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%
17	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	128,164	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.11%
17	Marketech International Corp.	MIC-Tech Global Corp.	Sub-subsidiary to sub-subsidiary	Advance payment-related parties	15,555	Subject to transaction contracts	0.01%
17	Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	9,995	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.01%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
17	Marketch International Corp.	Marketch International Corporation USA	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	30,464	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 two to three months after the project acceptance.	0.04%
17	Marketch International Corp.	Marketch International Corporation USA	Sub-subsidiary to sub-subsidiary	Other operating revenue	5,361	Subject to transaction contracts	0.01%
18	Ezoom Information, Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from labor service contracts	49,717	The sale of labor services refers to a certain sales profit agreed with related parties.	0.06%
19	MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	169,362	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.20%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
19	MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	7,564	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%
20	Spiro Technology Systems Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	11,223	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three 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	70,899	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.09%
21	Marketch Netherlands B.V.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	7,747	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			
				Ledger Account	Amount	Transaction Terms	% of Consolidated Sales Revenue or Total Assets (Note 3)
21	Marketech Netherlands B.V.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	22,058	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.03%
22	Vertex Corporation	Marketech International Corp.	Associate to sub-subsidiary	Revenue from engineering contracts	12,209	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 two to three months after the project acceptance.	0.01%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
23	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	6,340	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 two to three months after the project acceptance.	0.01%
23	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	26,837	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.02%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
24	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	6,070	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%
24	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	98,788	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 two to three months after the project acceptance.	0.12%
24	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	13,527	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.02%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
25	MIC-Tech (Shanghai) Corp.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	13,419	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%
26	Marketch Integrated Manufacturing Co., Ltd.	Marketch Integrated Construction Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	6,640	Depending on the conditions of the contract or individual agreement, the payment will be collected about two-three months after the transaction is confirmed	0.01%
27	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	811,042	General terms and conditions	0.97%
27	Kontron Europe GmbH	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Cost of goods purchased	648,219	General terms and conditions	0.78%
27	Kontron Europe GmbH	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Accounts payable-related parties	496,196	General terms and conditions	0.44%
27	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	505,311	General terms and conditions	0.45%
27	Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	140,528	General terms and conditions	0.13%
27	Kontron Europe GmbH	Kontron Technology Beijing Co. Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	148,158	General terms and conditions	0.18%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
27	Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	214,062	General terms and conditions	0.19%
27	Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	234,949	General terms and conditions	0.21%
27	Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	279,305	General terms and conditions	0.34%
27	Kontron Europe GmbH	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	148,978	General terms and conditions	0.18%
28	Kontron Asia Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	407,862	General terms and conditions	0.49%
28	Kontron Asia Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	446,342	General terms and conditions	0.54%
29	Kontron America Inc.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Cost of goods purchased	113,594	General terms and conditions	0.14%
30	Kontron AG	S&T Romania srl.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	421,278	General terms and conditions	0.38%
30	Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	2,142,168	General terms and conditions	1.91%
30	Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	526,057	General terms and conditions	0.47%
30	Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	439,224	General terms and conditions	0.39%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
30	Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	147,871	General terms and conditions	0.13%
30	Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	424,022	General terms and conditions	0.38%
30	Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	1,281,660	General terms and conditions	1.14%
30	Kontron AG	S&T Consulting Hungary Kft.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	133,401	General terms and conditions	0.12%
30	Kontron AG	Iskratel d.o.o.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	142,330	General terms and conditions	0.13%
30	Kontron AG	Kontron AIS GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	157,250	General terms and conditions	0.14%
30	Kontron AG	RTSoft AO	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	169,377	General terms and conditions	0.15%
31	Kontron Austria GmbH	Kontron Electronics AG	Sub-subsidiary to sub-subsidiary	Sales revenue	146,001	General terms and conditions	0.18%
31	Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	428,784	General terms and conditions	0.51%
31	Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	94,719	General terms and conditions	0.08%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			% of Consolidated Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
32	Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	171,339	General terms and conditions	0.15%
32	Kontron Transportation GmbH	Kontron Transportation France S.A.S.	Sub-subsidiary to sub-subsidiary	Accounts payable-related parties	123,265	General terms and conditions	0.11%
32	Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	182,648	General terms and conditions	0.16%
33	Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable -related parties	98,168	General terms and conditions	0.09%
33	Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	105,110	General terms and conditions	0.13%
34	Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	153,463	General terms and conditions	0.14%
35	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	233,903	General terms and conditions	0.28%
35	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	235,677	General terms and conditions	0.21%
36	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Sales revenue	116,434	General terms and conditions	0.14%
37	Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	212,110	General terms and conditions	0.25%
37	Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Accounts receivable -related	183,537	General terms and conditions	0.16%

No. (Note 1)	Company Name	Counterparty	Relationship with Trader (Note 2)	Status of Transactions			
				Ledger Account	Amount	Transaction Terms	% of Consolidated Sales Revenue or Total Assets (Note 3)
				parties			
38	Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	120,507	General terms and conditions	0.14%
39	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	269,170	General terms and conditions	0.24%
40	Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	1,289,717	General terms and conditions	1.15%
41	Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables -related parties	296,793	General terms and conditions	0.27%

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 as follows:
(1) Fill in 0 for parent company.

(2) The subsidiary is coded in sequence starting from the number 1 according to the company type.

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

Note 3: All transactions herein refer to transactions in 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 nine months ended September 30, 2022

Table 9

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	%	Book value			
Ennoconn Technology Co., Ltd.	Innovative Systems Integration Ltd.	Hong Kong	Professional investment	1,952,933	1,785,425	518,216,530	100.00%	2,129,020	(69,636)	(69,636)	
Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	Taiwan	Professional investment	8,010,000	7,010,000	820,635,000	100.00%	9,646,029	909,130	909,130	
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%	1,120,826	336,892	77,792	
Ennoconn Technology Co., Ltd.	Ennoconn Investment Holdings Co.,Ltd	Samoa	Professional investment	7,486,118	6,625,485	239,360,000	100.00%	8,722,141	265,473	265,473	
Ennoconn Technology Co., Ltd.	AIS Cayman Twchnology	Cayman Islands	Professional investment	230,586	230,586	4,028,217	37.64%	376,594	181,636	68,376	
Innovative Systems Integration Ltd.	ENGA Technology Co., Ltd.	Hong Kong	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	111,140	118,482	3,500,000	100.00%	113,428	(478)	(478)	
Innovative Systems Integration Ltd.	Victor Plus Holdings Ltd.	Seychelles	Import and export trading	-	-	500,000	100.00%	13,707	(89)	(89)	
Ennoconn Investment Holdings Co.,Ltd	AIS Cayman Technology	Cayman Islands	Professional investment	302,689	263,887	6,672,469	62.36%	667,475	181,636	113,260	
Ennoconn Investment Holdings Co.,Ltd	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	5,636,309	4,913,797	16,835,008	26.46%	7,656,218	1,021,275	221,866	
Ennoconn Investment Holdings Co.,Ltd	Ennoconn Hungary Kft.	Hungary	Manufacturing and marketing of industrial computers	2,540,000	271	3,000,000	100.00%	2,529,183	(9,974)	(9,974)	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
AIS Cayman Technology	American Industrial Systems Inc.	USA	Human-machine interface, industry 4.0, and other related products	47,625	41,520	1,500,000	100.00%	387,709	100,281	100,281	
AIS Cayman Technology	Vecow Co., Ltd.	Taiwan	Manufacturing, processing, trading, import and export of communication machinery and equipment, electronic equipment, and electronic devices	102,532	89,389	5,000,000	100.00%	387,623	82,614	82,614	
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%	1,103,664	202,188	114,727	
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%	151,044	336,892	12,638	
Ennoconn International Investment Co., Ltd.	EnnoMech Precision (Cayman) Co., Ltd.	Cayman Islands	Professional investment	448,861	448,861	13,800,000	100.00%	636,429	20,806	20,806	
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%	(58,405)	(12,082)	(12,990)	
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%	(5,600)	(2,025)	(19,504)	
Ennoconn International Investment Co., Ltd.	Dexatek Technology Ltd.	Taiwan	Multimedia product R&D and design & manufacturing business	236,862	236,862	12,600,000	56.36%	340,031	113,691	58,639	
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%	415,686	1,021,275	9,884	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
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%	6,041,454	1,684,855	706,213	
Ennoconn International Investment Co., Ltd.	Poslab Technology Corporation	Taiwan	Manufacturing, wholesale and sales of electronic and peripheral equipment	132,317	132,317	9,100,000	70.00%	116,390	(13,668)	(9,568)	
Ennoconn International Investment Co., Ltd.	Rigo Global Corp.	Taiwan	Manufacturing, wholesale and sales of electronic and peripheral equipment	32,000	32,000	1,066,667	26.23%	29,561	(5,104)	(1,339)	
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%	3,419	(2,489)	(692)	
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	17.11%	322,485	92,651	18,542	
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%	8,910	(300)	(90)	
EnnoMech Precision (Cayman) Co., Ltd.	HighAim Technology INC.	Samoa	Professional investment	354,941	309,441	3,382,500	67.65%	423,877	31,810	21,519	
EnnoMech Precision (Cayman) Co., Ltd.	DOMINATE UNITED ENTERPRISE LTD.	Samoa	Professional investment	-	581,280	-	- %	-	437	437	
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%	27,457	(1,373)	(1,373)	
HighAim Technology INC.	FUNOLOGY INVESTMENT INC.	Samoa	Import and export trading	29	25	1,000	100.00%	15,334	3,841	3,841	
HighAim Technology INC.	ANDRIX INTERNATIONAL LIMITED	Anguilla	Import and export trading	32	28	900	100.00%	12,828	1,436	1,436	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
Caswell Ltd.	CASO Inc.	Japan	Netcom product sales	27,062	27,062	1,881	99.00%	94,193	22,850	22,621	
Caswell Ltd.	Caswell International investment Co., Ltd.	Samoa	Overseas investments	101,135	101,135	3,205,760	100.00%	201,648	(12,417)	(12,417)	
Caswell Ltd.	Caswell Americas, Inc	USA	Netcom product sales	92,460	92,460	3,000,000	100.00%	68,644	3,743	3,743	
Caswell Ltd.	APLIGO GmbH	Germany	Hub and SI Service	60,275	60,275	24,000	66.67%	63,687	63	(211)	
Caswell Ltd.	Hawkeye Tech Co., Ltd.	Taiwan	Computer and peripherals wholesale	602,041	602,041	9,096,667	60.64%	500,368	53,250	29,693	
Thecus Technology Corp.	Thecus USA., Inc.	USA	Network storage devices	23,367	23,367	750,000	100.00%	5,562	(61)	(61)	
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Samoa	Professional investment	762,000	713,280	24,000,000	100.00%	392,600	(26,748)	(26,748)	
Goldtek Technology Co., Ltd.	NATIONGATE INTEGRATION (M) SDN.	Malaysia	Manufacturing of plastic products and other electronic application components	4,072	-	600,000	60.00%	4,180	(49)	4	
Keenest Electronic Corp.	Sunlit Precision Technology Co., Ltd.	Hong Kong	Metal stamping and casting industry	324,231	303,513	7,500,000	40.30%	213,575	24,967	9,924	
Sunlit Precision Technology Co., Ltd.	Paragon Precision Casting Co., Ltd.	Hong Kong	Finance/Logistics	30,300	28,425	7,500,000	50.00%	88,266	28,511	14,255	
Paragon Precision Casting Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Thailand	Metal stamping and casting industry	158,100	135,905	186,000,000	100.00%	165,166	22,664	22,664	
Taiwan Applied Module Corporation	Hua Qun Venture Management Corporation	Taiwan	General investment and investment consultancy	400	-	40,000	40.00%	237	(218)	(87)	
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting of automation supply systems business in the semiconductor industry	292,147	233,306	12,898,078	100.00%	11,760	(3,806)	(3,806)	
Marketech International Corp.	Market Go Profits Ltd.	British Virgin Islands	Shareholding and reinvestment business	1,328,547	1,328,547	41,069,104	100.00%	2,254,640	503,315	503,315	
Marketech International Corp.	MIC-Tech Global Corp.	Republic of Korea	General international trade	19,147	19,147	131,560	100.00%	15,209	4,348	4,348	
Marketech International Corp.	Headquarter International Ltd.	British Virgin Islands	Shareholding and reinvestment business	42,475	42,475	1,289,367	100.00%	38,336	(355)	(355)	
Marketech International Corp.	Tiger United Finance Ltd.	British Virgin Islands	Shareholding and reinvestment business	46,475	46,475	1,410,367	100.00%	35,940	(61)	(61)	
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%	(3,253)	(3,356)	(3,356)	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Design, manufacture, assembly, and other automatic production machinery, equipment, and components services.	478,985	478,985	1,535,600	100.00%	169,920	(16,938)	(16,938)	
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trade, installation, and maintenance of various factory machinery, equipment, and peripheral consumables; consultancy services and software execution services related to the installation of computer hardware	131,060	131,060	-	100.00%	113,638	(21,492)	(21,492)	
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%	8,951	(5,193)	(5,193)	
Marketech International Corp.	Ezoom Information, Inc.	Taiwan	R&D, trading, consulting, and other information system software and hardware application services	230,737	225,737	23,500,000	100.00%	69,183	(29,405)	(29,405)	
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Professional engineering contracting and related maintenance services; medical equipment sales	80,753	80,753	12,242,750	100.00%	46,245	(8,838)	(8,838)	
Marketech International Corp.	Marketech International Corporation USA	USA	Engineering professional contracting and related maintenance services	259,794	110,309	8,750,000	100.00%	542,808	250,695	250,695	
Marketech International Corp.	Spiro Technology Systems Inc.	USA	General international trade	54,074	54,074	1,000,000	100.00%	88,275	27,949	27,949	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
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	26%	13,808	(50,158)	(12,868)	
Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment, and parts	38,042	38,042	1,199,000	99.92%	36,428	2,851	2,851	
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%	7,934	(4,709)	(4,709)	
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%	66,492	3,938	1,152	
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Panel equipment and material sales	2,000	2,000	200,000	20.00%	1,806	(41)	(8)	
Marketech International Corp.	Smart Health Corp.	Taiwan	Smart medical consulting services and investment	500	500	50,000	100.00%	388	(30)	(30)	
Marketech International Corp.	Vertex Corporation	Taiwan	Trading of equipment used in 5G wireless communication private networks (micro base stations and core networks) and IoT intelligent control gateways; 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%	39,985	(8,305)	(5,095)	
Marketech International Corp.	Bolite Optoelectronics Technology Co., Ltd.	Taiwan	R&D, manufacturing, and sales of precision laser-related modules and equipment, and providing laser application solutions	19,200	-	1,600,000	32.00%	16,140	(9,562)	(3,060)	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	Republic of Korea	R&D, sales, and professional technical services for medical devices and components; general international trade and import/export business.	22,822	8,321	2,000,000	100.00%	11,688	(8,818)	(8,818)	
Marketech International Corp.	Marketech International Corp. Japan	Japan	General international trade	2,302	-	990	100.00%	2,112	(70)	(70)	
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman Islands	Shareholding and reinvestment business	1,323,049	1,323,049	40,966,604	100.00%	2,253,199	503,330	-	
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Shareholding and reinvestment business	19,342	19,342	63,500	97.69%	(3,925)	(3,283)	-	
MIC-Tech Ventures Asia Pacific Inc.	Russky H.K. Limited	Hong Kong	Shareholding and reinvestment business	34,551	34,551	833,000	100.00%	(9,130)	(31,103)	-	
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Shareholding and reinvestment business	31,422	31,422	2,337,608	100.00%	3,448	(155)	-	
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Shareholding and reinvestment business	132,282	132,282	5,400,000	60.00%	30,235	(1,905)	-	
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Shareholding and reinvestment business	8,990	8,990	303,000	31.43%	(5,056)	(6,661)	-	
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Shareholding and reinvestment business	45,985	45,985	500,000	27.78%	6,821	(6,933)	-	
Russky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment, and parts	32	32	1,000	0.08%	32	2,851	-	
Kontron AG, Austria	S&T CEE Holding s.r.o., Slovakia	Bratislava, SK	IT Services	239,308	(167,393)	1,881,565	100.00%	1,669,172	1,034,365	1,034,365	
S&T CEE Holding s.r.o., Slovakia	S&T CZ s.r.o., Czech Republic	Prague, CZ	IT Services	255,928	256,419	49,500,000	99.00%	207,741	75	74	
S&T CEE Holding s.r.o., Slovakia	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	14,728	14,756	9,900,000	99.00%	82,766	25,199	24,947	
S&T CEE Holding s.r.o., Slovakia	S&T Services Polska Sp.z.o.o., Poland	Warsaw, PL	IT Services	82,881	83,040	2,120	100.00%	130,658	65,903	65,903	
S&T CEE Holding s.r.o., Slovakia	S&T Crna Gora d.o.o., Montenegro	Podgoriza, ME	IT Services	1,035	1,037	25,000	100.00%	36,754	4,438	4,438	
S&T CEE Holding s.r.o., Slovakia	S&T Bulgaria e.o.o.d., Bulgaria	Sofia, BG	IoT Solutions Europe	39,730	39,806	13,126	100.00%	81,197	(7,745)	(7,745)	
S&T CEE Holding s.r.o., Slovakia	S&T Poland Sp.z.o.o., Poland	Warsaw, PL	IT Services	-	-	26,974	100.00%	507,096	95,037	95,037	
Iskratel d.o.o.	S&T Slovenija d.d., Slovenia	Ljubljana, SL	IT Services	-	485,970	-	- %	-	-	-	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
S&T Slovenija d.d., Slovenia	S&T Hrvatska d.o.o., Croatia	Zagreb, HR	IT Services	34,201	34,267	221,300	100.00%	487,567	35,340	35,340	
S&T Slovenija d.d., Slovenia	S&T Macedonia d.o.o.e.l., Macedonia	Skopje, MK	IT Services	2,671	2,676	568,000	100.00%	146,330	9,930	9,930	
Kontron AG, Austria	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	2,866	2,872	100,000	1.00%	836	25,199	252	
Kontron AG, Austria	S&T CZ s.r.o., Czech Republic	Prague, CZ	IT Services	1,920	1,923	500,000	1.00%	2,098	75	1	
Kontron AG, Austria	S&T Romania S.R.L., Romania	Bucharest, RO	IT Services	100,879	101,073	2,461	31.00%	79,199	25,268	7,913	
Kontron AG, Austria	S&T Serbia d.o.o., Serbia	Belgrade, RS	IT Services	111,372	111,586	8,786	100.00%	116,648	25,149	25,149	
Kontron AG, Austria	S&T Albania Sh.p.k., Albania	Tirana, AL	IT Services	8,804	8,821	100	100.00%	31,496	6,718	6,718	
Kontron AG, Austria	S&T Mold srl., Moldova	Chisinau, MD	IT Services	56,268	56,376	578,898	51.00%	163,399	2,931	1,495	
S&T Mold srl., Moldova	S&T IT Technologie S.R.L., Moldova	Chisinau, MD	IT Services	76	76	50,000	100.00%	6,434	5,962	5,962	
Kontron AG, Austria	S&T Consulting Hungary Kft., Hungary	Budapest, HU	IT Services	373,453	374,169	100,000	100.00%	162,142	(23,373)	(23,373)	
S&T Consulting Hungary Kft., Hungary	S&T Services Kft., Hungary	Budapest, HU	IT Services	113,391	113,608	268,000	100.00%	56,741	(9,658)	(9,658)	
Kontron AG, Austria	S&T Deutschland GmbH, Germany	Mendig, DE	IT Services	296,195	266,227	25,000	100.00%	423,767	67,730	67,730	
Kontron S&T AG, Germany	Kontron Asia Inc., Taiwan	Taipei, TW	IoT Solutions Europe	87,437	87,605	13,000	100.00%	175,182	90,605	90,605	
Kontron AG, Austria	computer betting company gmbh, Austria	Linz, AT	IoT Solutions Europe	1,179,682	1,181,946	36,336	100.00%	389,006	233,239	233,239	
computer betting company gmbh, Austria	S&T Romania S.R.L., Romania	Bucharest, RO	IT Services	52,822	52,923	5,460	69.00%	175,706	25,268	17,417	
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	74,117	74,260	92,460	69.00%	38,232	10,052	6,936	
Kontron Europe GmbH, Germany	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IoT Solutions Europe	2,207	2,212	3,634	10.00%	32,519	9,528	953	
Kontron AG, Austria	Amanox Solutions AG; Switzerland	Bern, CH	IT Services	486,965	487,900	105,000	100.00%	222,987	23,971	23,971	
Kontron AG, Austria	hamcos IT Service GmbH, Germany	Sigmaringen, DE	IT Services	56,337	56,445	98,000	49.00%	29,520	(548)	(268)	
Kontron Austria GmbH, Austria	Kontron Electronics AG, Switzerland	Rotkreuz, CH	IoT Solutions Europe	-	-	1,000	100.00%	(93,365)	(13,509)	(13,509)	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
Kontron AG, Austria	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IoT Solutions Europe	229,598	230,039	32,702	90.00%	292,668	9,528	8,575	
Kontron AG, Austria	Kontron Technologies GmbH (former S&T Technologies GmbH), Austria	Linz, AT	IoT Solutions Europe	386,951	387,694	35,000	100.00%	336,436	(10,310)	(10,310)	
Kontron AG, Austria	S&T MEDTECH SRL (former GADA GROUP ROMANIA SRL), Romania	Bucharest, RO	IoT Solutions Europe	364,956	365,656	105,000	100.00%	272,041	(19,729)	(19,729)	
Kontron AG, Austria	S&T Services Bel LLC	Minsk, BYN	IT Services	16,825	16,857	113,267	100.00%	13,674	(5,236)	(5,236)	
Kontron Europe GmbH, Germany	Kontron electronics GmbH, Germany	Grosbettlingen, DE	IoT Solutions Europe	602,115	603,270	102,150	100.00%	633,582	(11,815)	(11,815)	
Kontron electronics GmbH, Germany	Kontron Electronics Kft.	Kapoly, HU	IoT Solutions Europe	4,533	4,541	3,000,000	100.00%	72,078	17,512	17,512	
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Ismaning, DE	IoT Solutions Europe	6,545,054	6,557,617	23,600,000	100.00%	3,565,893	270,220	270,220	
Kontron Europe GmbH, Germany	Kontron America Inc.	SAN DIEGO / USA	IoT Solutions America	1,031,506	557,191	2,036,040	100.00%	625,669	(124,814)	(124,814)	
Kontron Europe GmbH, Germany	Kontron Canada Inc.	BOISBRIAND / CANADA	IoT Solutions America	1,882,250	1,885,863	50,000,200	100.00%	1,163,377	(39,939)	(39,939)	
Kontron Europe GmbH, Germany	Kontron Asia Pacific Design Sdn. Bhd.	PENANG / MALAYSIA	IoT Solutions Europe	158,529	158,833	44,581,102	100.00%	(119,743)	(5,935)	(5,935)	
Kontron Europe GmbH, Germany	Kontron Technology Beijing Co. Ltd.	BEIJING / CHINA	IoT Solutions Europe	28,705	28,760	15,398,961	100.00%	428,080	(2,241)	(2,241)	
Kontron Europe GmbH, Germany	Kontron Modular Computers S.A.S.	Toulon / France	IoT Solutions Europe	161,248	161,557	344,503	100.00%	155,441	(13,204)	(13,204)	
Kontron Europe GmbH, Germany	Kontron UK Ltd.	Chichester / UK	IoT Solutions Europe	53,507	53,609	172,550	100.00%	141,805	21,567	21,567	
AO IskraUralTel Yekaterinburg	Affair OOO, Russia	Moscow, RU	IoT Solutions Europe	108,146	183,848	4,800,000	48.00%	113,969	490	235	
Affair OOO, Russia	RTSoft Project OOO, Russia	Moscow, RU	IoT Solutions Europe	9,255	207,828	372,500	20.00%	-	(33,409)	(24,890)	
Kontron AG, Austria	Kontron Transportation GmbH	Vienna, AT	IoT Solutions Europe	340,793	341,447	10,000,000	100.00%	596,078	228,173	228,173	
Kontron Transportation Austria AG	Kapsch CarrierCom Sp. z o.o.	Warsaw, PL	IoT Solutions Europe	-	-	100,000	100.00%	(45,695)	(7,065)	(7,065)	
Kontron Transportation Austria AG	Kontron Transportation Espana SL (former Kapsch CarrierCom Espana, S.L.U.)	Madrid, Spain	IoT Solutions Europe	-	-	250,000	100.00%	5,942	(3,375)	(3,375)	
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%	38,832	625	625	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
Kontron Asia Inc.	Kontron Transportation Taiwan Co. Ltd. (former Kapsch CarrierCom Taiwan Co., Ltd)	Taipei, TW	IoT Solutions Europe	-	-	50,000,000	100.00%	6,542	3,202	3,202	
Kontron Transportation Austria AG	Kontron Transportation s.r.o.	Prague, CZ	IoT Solutions Europe	-	-	30,400,000	100.00%	121,839	51,857	51,857	
Kontron Transportation Austria AG	Kontron Transportation Hungary Kft.	Budapest, HU	IoT Solutions Europe	-	-	67,000,000	100.00%	(12,533)	17,712	17,712	
Kontron Transportation Austria AG	Kapsch CarrierCom Saudi Arabia LLC	Riyadh, SA	IoT Solutions Europe	-	-	475,000	95.00%	7,297	1,345	1,278	
Kontron Transportation France S.A.S.	Kontron Transportation Saudi for Construction LLC	Riyadh, SA	IoT Solutions Europe	-	-	25,000	5.00%	384	1,345	67	
Kontron Transportation Austria AG	Kontron Transportation Deutschland GmbH (former Kapsch CarrierCom Deutschland GmbH)	Neu-Isenburg, GE	IoT Solutions Europe	-	-	25,000	100.00%	(89,641)	17,374	17,374	
Kontron Transportation Austria AG	Kontron Transportation France S.A.S	Paris, FR	IoT Solutions Europe	-	-	8,600,000	100.00%	126,306	54,849	54,849	
Kontron Transportation Austria AG	Kontron Transportation UK Ltd.	Harrow, UK	IoT Solutions Europe	-	-	415,950	100.00%	81,929	1,884	1,884	
Kontron AG, Austria	Kontron Public Transportation (former: Kontron Transportation Belgium NV)	Diegem, BE	IoT Solutions Europe	-	-	11,318,887	99.00%	6,701	(4,590)	(4,588)	
Kontron AG, Austria	Kontron AIS GmbH	Dresden, Germany	IoT Solutions Europe	411,854	412,644	51,000	100.00%	368,531	(1,227)	(1,227)	
Kontron AG, Austria	Kontron Beteiligungs GmbH	Augsburg, DE	IoT Solutions Europe	6,569,150	6,581,759	25,001	100.00%	6,553,885	(4)	(4)	
Kontron AG, Austria	CITYCOMP Service GmbH	Ostfildern, DE	IoT Solutions Europe	531,439	532,460	255,900	100.00%	621,292	33,934	33,934	
Kontron AG, Austria	FinTel Holding d.o.o. & co k.d., holdin?ka dru?ba	Kranj, SI	IoT Solutions Europe	-	938,578	-	100.00%	-	(3)	(3)	
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	1,892,077	67,861	109,275	100.00%	1,832,593	964,398	964,398	
Iskratel d.o.o.	ITS Skopje	Skopje, MK	IoT Solutions Europe	12,401	12,424	309,200	100.00%	1,837	(2,870)	(2,870)	
ITS Skopje	ITS Softver d.o.o	Skopje, MK	IoT Solutions Europe	157	157	309,000	100.00%	5,920	(1,409)	(1,409)	
Iskratel d.o.o.	IskraCom	Almaty, KZ	IoT Solutions Europe	-	-	15,365,000	100.00%	6,843	5,173	5,173	
Iskratel d.o.o.	OOO Iskratel Tashkent	Tashkent, UZ	IoT Solutions Europe	59	60	8,798,207	76.00%	10,080	2,303	1,750	
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Yekaterinburg, RU	IoT Solutions Europe	35,354	35,422	760,000	48.00%	249,303	(2,234)	(2,234)	

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 the Period	Recognized Investment Profit or Loss for the Period	Remarks
IskrateL d.o.o.	IskrateL Ukraine LTD	Kiew, UA	IoT Solutions Europe	5,627	5,638	10,938,820	100.00%	(5,031)	(11,627)	(11,627)	
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	-	-	-	100.00%	-	-	-	
Kontron AG, Austria	S&T Austria GmbH	Wien, AT	IT Services	1,094	1,096	35,000	100.00%	855	(181)	(181)	
S&T Romania srl.	Enterprise Concept S.R.L	Bukarest, RO	IT Services	-	78,300	-	100.00%	-	137	137	
IskrateL d.o.o.	BeeIN d.o.o.	Kranj, SI	IoT Solutions Europe	313	235	10,000	100.00%	(22,086)	(5,697)	(5,041)	
Affair OOO, Russia	RTSoft, AO	Moscow, RU	IoT Solutions Europe	239,777	-	1,000,000	100.00%	145,419	(37,189)	(37,189)	
RTSoft, AO	RTSoft Training Center	Kranj, SI	IoT Solutions Europe	21,886	-	-	100.00%	1,499	(324)	(324)	
Kontron AIS GmbH	LUCOM GmbH	Furth, DE	IoT Solutions Europe	156,300	-	26,076	100.00%	156,520	220	220	

Note 1: Calculated according to the investee's financial statements audited by a CPA and the investor's shareholding ratio in the same period.

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

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

Table 10

Unit: NT\$thousand

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

Name of Investee in mainland China	Primary Business	Paid-in Capital	Investment Method	Accumulated Investment Amount Remitted Out of Taiwan at the Beginning of the Period	Amount of Investment Remitted or Repatriated for the Period		Accumulated Investment Amount Remitted Out of Taiwan at the End of the Period	Profit or Loss of the Investee for the Period	Company's Direct or Indirect Investment Shareholding Ratio	Investment Profit or Loss Recognized for the Period	Carrying Amount of the Investment at the End of the Period	Repatriated Investment Income by the End of the Period
					Remitted	Repatriated						
Nanjing Asiatek Inc.	R&D and sales of software and hardware products, and providing installation, commissioning, and technical consultation	30,838	(2)	30,838	-	-	30,838	51,187	100.00%	51,187	321,242	-
ShenZhen AsiaTek Co., Ltd.	R&D, production, and sales of electronic materials required for software and hardware products	134,100	(3)	-	-	-	-	55,494	25.00%	10,407	84,307	-
Shenzhen Pictographic Co., Ltd.	Sales of mechanical equipment and accessories, molds, etc.	67,050	(3)	-	-	-	-	(7,016)	-%	(1,333)	-	-
Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	294,599	(2)	294,599	-	-	294,599	145	100.00%	145	523,987	-
Ennoconn (Suzhou) Technology Co., Ltd.	R&D, production, and sales of industrial computers	909,016	(2)	909,016	-	-	909,016	(165,683)	100.00%	(165,683)	739,968	-
Ennoconn (Kunshan) Technology Co., Ltd.	Intelligent technology development and hardware sales	17,145	(3)	-	-	-	-	913	70.00%	639	14,828	-
Ennoconn Investment Co., Ltd.	Professional investment	612,798	(2)	612,798	-	-	612,798	(42,914)	100.00%	(42,914)	640,683	-
Beijing Caswell Ltd.	Production of electronic monitoring products and network communication products.	120,650	(2)	98,933	-	-	98,933	(15,101)	22.50%	(3,398)	61,247	-
HighAim Technology Inc.	Design, development, and production of various molds, servers, and communication equipment.	635,000	(2)	476,250	-	-	476,250	19,556	67.65%	13,230	586,302	-
Kunshan Lidingcheng Intelligent Equipment Co., Ltd.	Leasing, sales, and after-sales service of smart machines, equipment, and accessories.	4,470	(3)	-	-	-	-	(4,010)	67.65%	(2,713)	(6,207)	-
HighAim Technology (Shenzhen) Inc.	Automatic fixtures, inspection tools, and molds	12,069	(3)	-	-	-	-	(1,726)	67.65%	(1,168)	(512)	-

Name of Investee in mainland China	Primary Business	Paid-in Capital	Investment Method	Accumulated Investment Amount Remitted Out of Taiwan at the Beginning of the Period	Amount of Investment Remitted or Repatriated for the Period		Accumulated Investment Amount Remitted Out of Taiwan at the End of the Period	Profit or Loss of the Investee for the Period	Company's Direct or Indirect Investment Shareholding Ratio	Investment Profit or Loss Recognized for the Period	Carrying Amount of the Investment at the End of the Period	Repatriated Investment Income by the End of the Period
					Remitted	Repatriated						
Goldtek Technology (Shenzhen) Co., Ltd.	R&D, wholesale, and processing of electronic products and smart home security system equipment.	412,750	(2)	412,750	-	-	412,750	(33,177)	56.74%	(18,825)	6,172	-
Techno Hardware (ShenZhen) Co., Ltd.	Stamping/assembly	92,920	(2)	-	-	-	-	5,350	22.87%	1,224	(9,799)	-
T-Paragon Hardware (ShenZhen) Co., Ltd.	Zinc/aluminum alloy die casting	20,200	(2)	-	-	-	-	703	11.43%	80	16,700	-
Shenzhen Shengrong Plastic Co., Ltd	Plastic, metal mold manufacturing, production, and marketing	35,775	(2)	-	-	-	-	(1,721)	16.00%	(275)	5,766	-
T-Maxx Technology Co., Ltd.	Smart home security system equipment	12,120	(2)	-	-	-	-	(113)	22.87%	(26)	2,505	-
Goldtek Technology Trade (Shenzhen) Co., Ltd.	Sales of electronic products and electronic special materials	2,236	(2)	-	-	-	-	(129)	56.74%	(73)	1,195	-
MIC-Tech (Wuxi) Co., Ltd.	Design, manufacturing, installation, and maintenance services for 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 grill assembly	809,625	(2)	650,875	-	-	650,875	57,742	42.80%	24,890	50,465	-
MIC-Tech (Shanghai) Corp.	Semiconductor production, maintenance of semiconductor equipment, testing equipment and consumables, wholesale, commission agency, import/export of power generation boilers, and other related supporting businesses; warehousing and distribution business focusing on chemical and boiler products	261,652	(2)	15,875	-	-	15,875	219,514	42.80%	93,952	377,295	-
Fuzhou Jiwei System Integrated Co., Ltd.	Clean room and power system equipment, piping system equipment installation and related supporting services	9,525	(2)	9,525	-	-	9,525	2,178	42.80%	932	-	-

Name of Investee in mainland China	Primary Business	Paid-in Capital	Investment Method	Accumulated Investment Amount Remitted Out of Taiwan at the Beginning of the Period	Amount of Investment Remitted or Repatriated for the Period		Accumulated Investment Amount Remitted Out of Taiwan at the End of the Period	Profit or Loss of the Investee for the Period	Company's Direct or Indirect Investment Shareholding Ratio	Investment Profit or Loss Recognized for the Period	Carrying Amount of the Investment at the End of the Period	Repatriated Investment Income by the End of the Period
					Remitted	Repatriated						
Shanghai Maohua Electronics Engineering Co., Ltd.	Design, installation, debugging, and technical services for pesticide control and regeneration, pipeline systems, and related facilities for the semiconductor manufacturing industry, equipment maintenance for the semiconductor manufacturing industry, and technical consultation on electronic and medical devices	19,050	(2)	19,145	-	-	19,145	(35,706)	37.24%	(13,297)	(5,136)	-
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; related engineering and technical consulting services	559,403	(2)	270,510	-	-	270,510	228,452	42.80%	97,777	366,009	-
Integrated Manufacturing & Services Co., Ltd.	Development and production of special equipment for solar cell production, manufacturing of key parts such as optical engines, light sources, projection screens, high-definition projection tubes, and micro display projection equipment modules for large screen color projection displays, manufacturing of new electronic components, cleaning and regeneration services.	222,250	(2)	123,825	-	-	123,825	(1,905)	25.68%	(489)	12,600	-
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	47,625	(2)	47,625	-	-	47,625	34,409	42.80%	14,727	41,483	-

Name of Investee in mainland China	Primary Business	Paid-in Capital	Investment Method	Accumulated Investment Amount Remitted Out of Taiwan at the Beginning of the Period	Amount of Investment Remitted or Repatriated for the Period		Accumulated Investment Amount Remitted Out of Taiwan at the End of the Period	Profit or Loss of the Investee for the Period	Company's Direct or Indirect Investment Shareholding Ratio	Investment Profit or Loss Recognized for the Period	Carrying Amount of the Investment at the End of the Period	Repatriated Investment Income by the End of the Period
					Remitted	Repatriated						
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	30,382	(2)	9,549	-	-	9,549	(6,661)	13.45%	(896)	(2,166)	-
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	57,150	(2)	15,875	-	-	15,875	(6,927)	11.89%	(824)	2,923	-

(II) Investment quota in mainland China:

Company Name	Accumulated Outward Remittance for Investment from Taiwan to Mainland China - End of the Period	Investment Amount Approved by the Investment Commission of the Ministry of Economic Affairs	Investment Quota in Mainland China in Accordance with the Regulations of the Investment Commission of the Ministry of Economic Affairs
Ennoconn Technology Co., Ltd.	1,929,836	2,971,236	8,151,000
Goldtek Technology Co., Ltd.	736,354	736,354	1,141,336
Caswell Inc.	98,933	98,933	1,947,080
Ennoconn International Investment Co., Ltd.	344,265	344,265	5,787,617
Marketech International Corp.	1,244,276	2,073,813	5,369,047

Note 1: Investment methods are divided into the three types below, with remarks by type only:

(1) Direct investment in mainland China.

(2) Reinvestment in mainland China through companies in third regions (please specify the investment company or companies in the third region(s)).

(3) Other methods.

Note 2: 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 so marked.

(2) Recognized basis of investment profit or loss includes the three types below and shall be so marked.

A. Financial statements audited by international accounting firms in cooperation with accounting firms in the Republic of China.

B. The financial statements have been audited by the parent company's CPA in Taiwan.

C. Others.

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

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