

Ennoconn Technology Co., Ltd.
Parent Company Only Financial
Statements and Independent Auditors'
Report

2021 and 2020

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Independent Auditors' Report

To Ennoconn Corporation For general public information:

Audit Opinion

We have audited the accompanying parent company only balance sheets of Ennoconn Corporation ("the Company") as of December 31, 2021 and the parent company only statements of comprehensive income, changes in equity and cash flows, and notes to parent company only financial statements (including summary on significant accounting policies) for the years then ended.

In our opinions, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section of our report), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibility under those standards will be further described in the section titled "Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements." We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled out other ethical responsibilities in accordance with these requirements. Based on our audits and the audit reports of other independent accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTERS

The Corporation's parent company only financial statements for the year ended December 31, 2020 were audited by other auditors, who then issued a review report containing the unqualified opinion and the Other Matters section on March 29, 2021.

However, as stated in Note 6 (1) to the financial statements, Ennoconn Corporation announced a major message on March 23, 2022, stating that Ennoconn Corporation found an employee suspected of forging documents and misappropriating the Company's assets, resulting in a shortage of cash and equivalent cash as of December 31, 2020. However, Ennoconn Corporation did not revise and restate the parent only company financial statements for the year of 2020, and the former CPA did not re-audit and certify the parent company only financial statements. If Ennoconn Corporation correctly recognized related accounting subjects in 2020, the cash and cash equivalent as of December 31, 2020 was reduced by NT\$64,209 thousand, other current assets increased by NT\$2,768 thousand and

undistributed surplus decreased by NT\$61,441 thousand. Ennoconn Corporation has adjusted relevant asset accounts and undistributed earnings at the beginning of 2021.

In the 2021 parent company only financial statements, some of the financial statements evaluated by the equity method of the invested companies are reviewed by other certified accountants. Therefore, our opinion on the parts in relation to the amounts specified in the 2021 parent company only financial statements of such company was solely based on the audit reports of other auditors. The investment balance of these investees under the equity method on December 31, 2021 were NT\$7,505,534 thousand, accounting for 32.33% of the total consolidated assets; the comprehensive income recognized under the equity method from Jan 1, 2021 to Dec 31, 2021 were NT \$366,507 thousand, accounting for 26.47% of net profit before tax.

Key Audit Matters

In our professional judgment, key audit matters are ones that were of most significance in our audit of the parent company only financial statements of Ennoconn Corporation for the year ended December 31, 2021. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters. In our judgement, key audit matters that shall be communicated on the audit report are as follows:

Investment impairment by the equity method

Please refer to note 4 (12) impairment of non-financial assets in the parent company only financial statements for the accounting policy of impairment of investment by the equity method; for the uncertainty of accounting estimates and assumptions of investments by the equity method, please refer to note 5 (3) impairment assessment of investments by the equity method in the parent company only financial statements; please refer to note 6 (6) of the parent company only financial statements for information disclosure related to investments by the equity method.

Description of major audit items:

Ennoconn Corporation reinvests in related companies using the equity method to expand marketing places and increase product lines. In accordance with IAS 36 "Impairment of Assets", the management has impairment evaluation tests, and adopts the fair value less the cost of sale as the recoverable amount. As the impairment assessment has a significant impact on the financial statements and involves a high degree of uncertainty in the measurement and calculation by the management, the impairment assessment of investments by the equity method is a focus for our CPA in the audit of financial statements.

Corresponding audit procedures:

The CPA's main audit procedures for the above key audit matters include understanding the design and implementation of relevant internal control of the management, reviewing and checking the correctness of the calculation of recoverable amount and book value, performing sensitivity analysis, and comprehensively evaluating the rationality of the impairment evaluation of investment based on the equity method.

Responsibilities of management and governance body for the parent company only financial statements

The responsibility of the management is to prepare a properly expressed parent company only financial statements in accordance with the standards for the preparation of financial reports of securities issuers, and to maintain the necessary internal control related to the preparation of the parent company only financial statements, so as to ensure that there are no material misstatements in the parent company only financial statements due to fraud or error.

When preparing the parent company only financial statements, the responsibility of the management also includes evaluating the ability of Ennoconn Corporation to continue as a going concern, the disclosure of relevant matters, and the adoption of the accounting basis for continuing its business, unless the management intends to liquidate Ennoconn Corporation or suspend its business, or there is no viable scheme outside of liquidation or suspension of business.

Those in charge with Ennoconn Corporation's governance (including the Audit Committee) are responsible for overseeing its financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

The purpose of our audit is to provide reasonable assurance that the parent company only financial statements as a whole do not contain material misstatements arising from fraud or errors, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Generally Accepted Auditing Standards in the Republic of China will always detect a material misstatement in parent company only financial statements when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial reports.

We have utilized our professional judgment and maintained professional skepticism when exercising auditing work according to GAAS. We perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the parent company only financial statements; design and execute counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of failing to detect a material misstatement resulting from fraud is higher than for one resulting from error.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If the CPA concludes that a material uncertainty exists in such events or circumstances, the CPA is required to draw attention in the auditor's report to the related disclosures in the parent company only financial statements, or if such disclosures are inadequate, the CPA will modify the auditor's opinion. The CPA's conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future vents or conditions may cause Ennoconn Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements fairly represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We

remain solely responsible for our opinion to Ennoconn Corporation.

Matters communicated between us and the governing bodies include the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with governing bodies, we determine the key audit matters within the audit of the Company's parent company only financial statements for the year ended December 31, 2021. We have clearly indicated such matters in the independent auditors' report. Unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

KPMG

CPAs:

Securities and Futures Commission Approval No. March 31, 2022	:	Taiwan-Finance-Securities-VI- 0930106739 Financial Supervisory Commission No.1040003949
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Ennoconn Technology Co., Ltd.
Statements of comprehensive income
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	2021		2020	
	Amount	%	Amount	%
4100 Net sales revenue (Notes 6(18) and 7))	\$ 3,343,018	100	2,547,970	100
5110 Sales costs (Notes 6(4)(7)(8)(9)(14) and 7)	2,970,816	89	2,238,998	88
5900 Gross profit	372,202	11	308,972	12
5910 Less: Unrealized gain from sales	5,842	-	10,890	-
5920 Add: Realized gains from sales	10,890	-	29,694	1
Gross profit, net	<u>377,250</u>	<u>11</u>	<u>327,776</u>	<u>13</u>
Operating Expenses (Notes 6(3)(7)(8)(9)(14) and 7):				
6100 Selling Expenses	81,302	2	74,785	3
6200 General and administrative expenses	138,273	4	77,606	3
6300 Research and development expense	88,537	3	85,725	3
6450 Expected credit gains (losses)	11	-	25,620	1
Total operational expenses	<u>308,123</u>	<u>9</u>	<u>263,736</u>	<u>10</u>
6900 Net operating profit	<u>69,127</u>	<u>2</u>	<u>64,040</u>	<u>3</u>
Non-operating income and expenses (Notes 6(6)(20)):				
7100 Interest income	577	-	3,417	-
7010 Other income	3,755	-	3,336	-
7020 Other gains and losses	(38,000)	(1)	30,013	1
7050 Financial costs	(125,599)	(4)	(136,875)	(5)
7070 Profit or loss of subsidiaries under equity method	1,474,726	44	1,191,081	47
Total non-operating revenue and expenses	<u>1,315,459</u>	<u>39</u>	<u>1,090,972</u>	<u>43</u>
7900 Net profit before tax	<u>1,384,586</u>	<u>41</u>	<u>1,155,012</u>	<u>46</u>
7950 Less: Income tax expense (Note 6 (15))	<u>49,642</u>	<u>1</u>	<u>43,488</u>	<u>2</u>
8200 Net income for the year	<u>1,334,944</u>	<u>40</u>	<u>1,111,524</u>	<u>44</u>
8300 Other comprehensive income:				
8310 Items that will not be reclassified subsequently to profit or loss				
8311 Remeasurement of defined benefit plan	27	-	(24)	-
8330 Other comprehensive income/(loss) of subsidiaries under equity method	(13,876)	-	(8,730)	(1)
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	5	-	(5)	-
Total of components of other comprehensive income that will not be reclassified subsequently to profit or loss	<u>(13,854)</u>	<u>-</u>	<u>(8,749)</u>	<u>(1)</u>
8360 Components of other comprehensive income that will be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(738,853)	(22)	(156,815)	(6)
8380 Other comprehensive income/(loss) of subsidiaries under equity method	(212)	-	301	-
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	<u>(739,065)</u>	<u>(22)</u>	<u>(156,514)</u>	<u>(6)</u>
8300 Other comprehensive income of the period	<u>(752,919)</u>	<u>(22)</u>	<u>(165,263)</u>	<u>(7)</u>
Total comprehensive income for the period	<u>\$ 582,025</u>	<u>18</u>	<u>946,261</u>	<u>37</u>
9750 Basic earnings per share (Unit: NT\$) (Notes 6(17))	<u>\$ 13.91</u>		<u>12.13</u>	
9850 Diluted earnings per share (Unit: NT\$) (Notes 6(17))	<u>\$ 11.05</u>		<u>9.64</u>	

(Please refer to Notes to the Parent Company Only Financial Statements)

Chairman: Chu, Fu-Chuan

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

Ennoconn Technology Co., Ltd.
Statements of changes in equity
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	Share Capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Other Equity Interest		Treasury stock	Total equity	
							Exchange differences on translating the financial statements of foreign operations	Unrealized valuation gain or loss of financial assets measured at fair value through other comprehensive income			
Balance as of January 1, 2020	\$ 835,745	6,339,752	535,830	384,452	1,211,091	2,131,373	(777,744)	(72,370)	(850,114)	(236,232)	8,220,524
Net income for the year	-	-	-	-	1,111,524	1,111,524	-	-	-	-	1,111,524
Other comprehensive income of the period	-	-	-	-	(8,247)	(8,247)	(156,514)	(502)	(157,016)	-	(165,263)
Total comprehensive income for the period	-	-	-	-	1,103,277	1,103,277	(156,514)	(502)	(157,016)	-	946,261
Earnings appropriation and distribution:											
Provision for Legal reserve	-	-	108,024	-	(108,024)	-	-	-	-	-	-
Provision for Special reserve	-	-	-	465,662	(465,662)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(331,678)	(331,678)	-	-	-	-	(331,678)
Stock dividends of common stock	82,919	-	-	-	(82,919)	(82,919)	-	-	-	-	-
Conversion of convertible corporate bonds	14,056	335,001	-	-	-	-	-	-	-	-	349,057
Treasury stock buyback	-	-	-	-	-	-	-	-	-	2,624	2,624
Changes in ownership interests in subsidiaries	-	63,337	-	-	-	-	-	-	-	-	63,337
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	3,794	3,794	-	(3,794)	(3,794)	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2020	932,720	6,738,090	643,854	850,114	1,329,879	2,823,847	(934,258)	(76,666)	(1,010,924)	(233,608)	9,250,125
Effect of retrospective application and retrospective restatement	-	-	-	-	(61,441)	(61,441)	-	-	-	-	(61,441)
Beginning Amount After Restatement	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
Net income for the year	-	-	-	-	1,334,944	1,334,944	-	-	-	-	1,334,944
Other comprehensive income of the period	-	-	-	-	4,647	4,647	(739,065)	(18,501)	(757,566)	-	(752,919)
Total comprehensive income for the period	-	-	-	-	1,339,591	1,339,591	(739,065)	(18,501)	(757,566)	-	582,025
Earnings appropriation and distribution:											
Provision for Legal reserve	-	-	110,707	-	(110,707)	-	-	-	-	-	-
Provision for Special reserve	-	-	-	160,810	(160,810)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(480,785)	(480,785)	-	-	-	-	(480,785)
Convertible corporate bonds converted to ordinary shares	-	84,825	-	-	-	-	-	-	-	-	84,825
Compensation costs of employee stock options	-	15,345	-	-	-	-	-	-	-	-	15,345
Capital increase by cash	50,000	925,000	-	-	-	-	-	-	-	-	975,000
Changes in ownership interests in subsidiaries	-	215,750	-	-	-	-	-	-	-	-	215,750
Issuance of new shares by the transferred companies	35,400	886,770	-	-	(698,556)	(698,556)	-	-	-	-	223,614
Balance as of December 31, 2021	\$ 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

(Please refer to Notes to the Parent Company Only Financial Statements)

Chairman: Chu, Fu-Chuan

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

Ennoconn Technology Co., Ltd.
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	2021	2020
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 1,384,586	1,155,012
Adjustments:		
Adjustments for:		
Depreciation expenses	13,870	20,262
Amortization expense	3,400	1,001
Expected credit gains (losses)	11	25,621
Net loss (profit) from financial assets and liabilities at fair value through loss (profit)	4,405	(34,985)
Interest costs	125,599	136,875
Interest income	(577)	(3,417)
Share-based payment compensation	15,345	-
Profit or loss of subsidiaries and associates under equity method	(1,474,726)	(1,191,081)
Inventory price loss (recovery gain)	39,436	(37,346)
Unrealized sales profits	5,842	10,890
Realized gains from sales	(10,890)	(29,694)
Unrealized loss on foreign exchange	10,984	35,305
Loss on buyback of corporate bonds	2,189	-
Gain on revised lease	(28)	-
Error correction	(61,441)	-
Total adjustments to reconcile profit (loss)	(1,326,581)	(1,066,569)
Changes in operating assets and liabilities:		
Accounts receivable	(120,414)	(69,153)
Inventory	(275,176)	(35,874)
Other current assets	(239,023)	1,735
Notes payable	(102,954)	118,132
Other Payables	197,104	42,412
Other current liabilities	112,559	(29,305)
Others	-	(5)
Total adjustments	(1,754,485)	(1,038,627)
Cash generated from/(used in) operations	(369,899)	116,385
Interest received	577	3,033
Interest paid	(105,931)	(40,610)
Income taxes paid	(8,930)	(263)
Net cash inflow (outflow) from/to operating activities	(484,183)	78,545

(Please refer to Notes to the Parent Company Only Financial Statements)

Chairman: Chu, Fu-Chuan

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

Ennoconn Technology Co., Ltd.
Statements of Cash Flows (Continued)
For the Years Ended December 31, 2021 and 2020

Unit: NT\$ 1,000

	2021	2020
Cash flows from investing activities:		
Purchase of financial assets at amortized cost	\$ -	(287,698)
Proceeds from sale of financial assets at amortized cost	285,648	-
Acquiring property, plant and equipment	(1,835)	(7,676)
Disposal of property, plant and equipment	3,593	-
Decrease (increase) in refundable deposits	1,173	(119)
Acquired intangible assets	(46,833)	(520)
Increase (decrease) in equipment prepayment	(2)	3,150
Dividends received	607,373	724,648
Cash flows from investing activities, net	849,117	431,785
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(2,366,000)	46,000
Proceeds from issuance of convertible corporate bonds	2,501,355	-
Repayment of corporate bonds payables	(205,283)	-
Increase (decrease) in guarantee deposits	48,647	(21)
Repayment of lease principal	(3,419)	(6,791)
Issuance of ordinary shares for cash	(480,785)	(331,678)
Capital increase by cash	975,000	-
Net cash inflow (outflow) from financing activities	469,515	(292,490)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH and cash equivalents HELD IN FOREIGN CURRENCIES	(10,524)	(28,365)
NET INCREASE IN CASH AND CASH EQUIVALENTS	823,925	189,475
Cash and cash equivalents, beginning of period	531,134	341,659
Ending balance of cash and cash equivalents	\$ 1,355,059	531,134

(Please refer to Notes to the Parent Company Only Financial Statements)

Chairman: Chu, Fu-Chuan

Manager: Neng-Chi Tsai

Chief Accountant: You-Mei Wu

Ennoconn Technology Co., Ltd.
Notes to parent company only financial statements
2021 and 2020

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

I. GENERAL INFORMATION

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

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

II. Date and Procedure of Authorization of Financial Statements

The parent company only financial statements were approved by the Board of Directors and authorized for issue on March 31, 2022.

III. Application of New and Amended Standards and Interpretations

(a) The Standards endorsed and issued into effect by the Financial Supervisory Commission (FSC) and interpretations adopted

The Company adopts the amendments to the International Financial Reporting Standards (IFRS) from January 1, 2021, which did not result in significant changes on the parent company only financial reports.

- Amendment to IFRS4 "Extension of the Temporary Exemption from Applying IFRS 9"
- Amendments to IFRS 9, IAS 39, IFRS7, IFRS4, and IFRS 16 - "Interest Rate Benchmark Reform - Phase 2"
- Amendment to IFRS 16 "Covid-19-Related Rent Concessions beyond June 30, 2021"

(b) IFRSs issued by the IASB but not yet endorsed and issued into effect by the FSC

The Company adopts the amendments to the International Financial Reporting Standards (IFRS) from January 1, 2022, which did not result in significant changes on the parent company only financial reports.

- Amendment to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"
- Amendment to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"
- Annual Improvements to IFRS Standards 2018--2020
- Amendments to IFRS3 "Reference to the Conceptual Framework"

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(c) Newly-released amendments and interpretations but not yet endorsed and issued into effect by the FSC

IFRSs issued by the IASB but not yet endorsed and issued into effect by the FSC. The influence to the Company is summarized below:

New, Revised or Amended Standards and Interpretations	Major amendments	Effective Date Issued by IASB
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	The amendment provides that if the consolidated company sells or invests assets in associates (or joint ventures), or loses control of subsidiaries, and if the above assets or former subsidiaries meet the definition of "business", the consolidated company shall fully recognize the profit or loss arising from such transactions; if the above assets or former subsidiary do not comply with the definition of "business", the unrealized profits and losses shall be calculated according to the shareholding ratio, and part of the profits or losses shall be deferred.	To be decided 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
Amendment to IAS 1, Disclosure of Accounting Policies	Major amendments to IAS1 include: · This amendment prescribes that the company shall disclose its "significant" accounting policies, instead of "material" accounting policies. · Accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed by the Company; and · Not all accounting policy information relating to material transactions,	January 1, 2023

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

other events or conditions is itself
material to financial reports.

Amendment to IAS 8 "Definition of Accounting Estimates"	This amendment defines accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". The amendment also stipulates that the company shall establish accounting estimates to achieve the purpose of its applicable accounting policies, so as to clarify the relationship between accounting policies and accounting estimates.	January 1, 2023
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The Company is evaluating the impact on its financial position and financial performance as a result of the aforementioned standards or interpretations. The related impact will be disclosed when the evaluation has been completed.

The Company expects that the following other newly issued and revised standards that have not been recognized will not have a significant impact on the parent company only financial statements.

- IFRS 17 Insurance Contracts and its amendments
- Amendments to IAS 12 Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

IV. Summary of Significant Accounting Policies

Significant accounting policies adopted during the preparation of the parent company only financial statements are described as follows: The following accounting policies have been consistently applied to all expression periods of this parent company only financial statement.

(a) Statement of Compliance

The parent company only financial statements have been prepared in conformity with the Regulation of Financial Reports by Securities Issuers.

(b) Basis of Preparation

1. Measurement bases

The parent company only financial statements have been prepared on the historical cost basis except for significant items in the balance statement:

- (1) Financial assets measured at fair value through profit or loss;
- (2) Financial assets at fair value through other comprehensive profit or loss measured at fair value;
- (3) Net defined benefit liabilities are measured by deducting the present value of defined benefit obligations from the fair value of retirement fund assets and the upper limit impact amount described in notes 4 (15).

2. Functional currency and expressive currency

Each entity under the Company takes the currency of the primary economic environment in which each operation is located as its functional currency. This parent company only financial report is expressed in the functional currency of the Company, i.e. new Taiwan dollars. All financial information expressed in New Taiwan dollars refers to New Taiwan dollars.

(c) Foreign Currency

1. Transactions in foreign currency

Foreign currency is converted into functional currency according to exchange rate on the date of transaction. At the end of each subsequent reporting period (hereinafter referred to as the Reporting Date), foreign currency monetary items are converted into functional currency at the exchange rate prevailing on that day. Non-monetary items measured at fair value in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of fair value measurement, while non-monetary items measured at historical cost in foreign currency are translated at the exchange rate prevailing on the date of the transaction.

The foreign currency exchange difference resulting from the conversion is recognized to be other comprehensive income excepting for the following situations,

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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otherwise, recognized to be gains and losses.

- (1) Equity instruments designated as measured at fair value through other comprehensive income.
- (2) Financial liabilities designated as a net investment hedge for a foreign operating entity are within the effective range of the hedge; or
- (3) Eligible cash flow hedges are within the effective range of the hedge.

2. Foreign operating organizations

The assets and liabilities of foreign operating organizations, including the business reputation and fair value adjustment during the acquisition, are converted to be NTD according to exchange rate on the report day; gains and losses are converted into NTD according to exchange rate in the current period, and the resultant conversion difference is recognized to be other comprehensive income.

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In case of the loss of control, joint control or material influences arising from the disposal of foreign operating organizations, the accumulated conversion differences related to the foreign operating organizations shall be fully reclassified as gains and losses. In case of subsidiary company of foreign operating organizations involved in the disposal, the related accumulated conversion differences shall be reclassified as non-controlling interests in proportion. In case of affiliated company or joint ventures of foreign operating organizations involved in some of the disposal, related accumulated conversion differences shall be fully reclassified as gains and losses in proportion.

As to the receivable and payable monetary items of foreign operating organizations, if without the repayment plan or the possibility of repayment in foreseeable future, the resultant gains and losses from foreign currency conversion shall be regarded as a part of net investments to the foreign operating organizations as recognized as other comprehensive income.

(d) Standards for classifying current and non-current assets and liabilities

Assets meeting one of the following conditions are recognized as current assets, and other assets not belonging to current assets are recognized as non-current assets:

1. Those that are expected to be realized during the normal operating period of the consolidated company or intended to be sold or consumed;
2. Those held mainly for the purpose of transaction;
3. Those expected to be realized within 12 months after the balance sheet; or
4. The asset is cash or a cash equivalent, unless the asset is to be used for an exchange or to settle a liability, or otherwise remains restricted, at more than 12 months after the balance sheet date.

Assets meeting one of the following conditions are recognized as current liabilities, and other liabilities not belonging to current liabilities are recognized as non-current liabilities:

1. Those expected to be paid off during the normal operating period of the Company;
2. Those held mainly for the purpose of transaction;
3. Those expected to be realized within 12 months after the balance sheet; or
4. Those that shall not allow the consolidated company to unconditionally extend the liquidation period to at least 12 months. Liabilities for liquidation arising from the issuing of equity instruments in accordance with the clauses chosen by the transaction counterpart will not affect their classification.

(e) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are the investments which are readily convertible to known amounts of cash and which are subject

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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to an insignificant risk of changes in value and short-term high liquidity. Certificate of deposit which satisfy the foregoing definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(f) Financial Instrument

Accounts receivable are recognized at the time of generation. All other financial assets and financial liabilities were initially recognized when the company became a party to the terms of the financial instrument agreement. Financial assets that are not measured at fair value through profit or loss (except for accounts receivable, which do not contain a significant financial component) or financial liabilities are measured at fair value plus the transaction cost directly attributable to the acquisition or issuance. Accounts receivable, which do not contain significant financial components, are initially measured at transaction prices.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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1. Financial assets

The purchase or sale of financial assets by a conventional trader, the company shall treat all purchases and sales of financial assets classified in the same manner in accordance with the transaction date or the settlement date.

At the time of the initial recognition, financial assets were classified as : financial assets measured at amortized cost, debt instrument investments measured at fair value through other comprehensive income, equity instrument investments measured at fair value through other comprehensive income, or financial assets measured at fair value through gains and losses. The Company will only change its business model for managing financial assets from the first day of the next reporting period to classify all affected financial assets.

(1) Financial assets as measured at amortized cost

Financial assets are measured at amortized cost when they simultaneously meet the following conditions and are not specified to be measured at fair value through profit or loss:

- The financial asset is held under a business model for the purpose of collecting contractual cash flow.
- The cash flow generated by the terms of the contract on the financial asset at the specific date is solely for the payment of the principal and the interest on the outstanding principal amount.

The cumulative amortization of such assets is subsequently calculated by the effective interest method plus or minus the initial amount recognized, and the amortized cost of any loss allowance is adjusted. Interest income, foreign exchange gains and losses and impairment losses are recognized as gains and losses. When derecognized, the profit or loss shall be included in the profit or loss.

(2) Financial assets measured at fair value through other comprehensive income

When the debt instrument investment simultaneously meets the following conditions and is not specified to be measured at fair value through profit and loss, it is measured at fair value through other consolidated profit and loss:

- The financial asset is held under a business model for the purpose of collecting contractual cash flow and selling.
- The cash flow generated by the terms of the contract on the financial asset at the specific date is solely for the payment of the principal and the interest on the outstanding principal amount.

The Company holds part of the accounts receivable under the "hold to collect and sell" business model to collect and sell the contractual cash flow, so these accounts are

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

measured at fair value through other comprehensive profits and losses. However, it is reported under accounts receivable.

The Company may, at the time of its initial recognition, irrevocably choose to report the subsequent changes in their fair value of its non-tradable equity instrument investments to other consolidated profits and losses. The foregoing selection is made on an item-by-item tool basis.

Debt instrument investors are measured by fair value afterwards. Interest income, foreign exchange gains and losses and impairment losses calculated by the effective interest method are recognized as gains and losses calculated by the effective interest method are recognized as gains and losses, while the remaining net gains or losses are recognized as other comprehensive income. When derecognizing, the accumulated amount of other comprehensive income shall be reclassified into comprehensive income.

Equity instrument investors are measured by fair value afterwards. Dividend income (unless it clearly represents the recovery of a portion of the investment cost) is recognized as a profit or loss. The remaining net benefits or losses are recognized as other comprehensive income and are not reclassified into gains and losses.

Dividend income from equity investments is recognized on the date (usually ex-dividend date) when the Company becomes entitled to receive dividends.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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(3) Financial assets measured at fair value through profit and loss

Financial assets that are not measured at fair value at the above amortized cost or through other comprehensive income are measured at fair value through gains and losses, including derivative financial assets. The Company intends to sell accounts receivable immediately or in the near term is measured at fair value through profit or loss, but included in accounts receivable. The Company may, at the time of its initial recognition, irrevocably designate financial assets that meet the criteria of measuring at fair value according to the amortized cost or through other comprehensive income as financial assets measured at fair value through gains and losses in order to eliminate or substantially reduce improper accounting matching.

Such assets are subsequently measured at fair value and their net gains or losses (including any dividends and interest income) are recognized as gains or losses.

(4) Evaluate whether the cash flow of the contract is fully paid for the interest on the payment of the principal and the amount of outstanding principal

For evaluation purposes, the principal is the fair value of the financial asset at the time of its initial recognition, and the interest is made up of the following considerations: the time value of the money, the credit risk associated with the amount of outstanding principal in circulation during a particular period, and other basic lending risks and costs and profit margins.

To evaluate whether the contract cash flow is fully paid for interest on the principal and the outstanding principal amount, the Company considers the terms of the financial instrument contract, including whether the financial asset contains a contract term that can change the point or amount of the cash flow of the contract, causing it to fail to meet this condition. In the evaluation, the Company considers:

- any contingencies that change the timeliness or amount of the cash flow of the contract;
- the terms of the coupon rate may be adjusted, including the nature of the variable rate;
- the nature of prepayment and extension; and
- claims of the Company are limited to cash flow terms derived from specific assets (e.g. non-recourse nature).

(5) Impairment of financial assets

The Company recognizes the allowance for credit losses for the financial assets measured at amortized cost (including cash and equivalent cash, financial assets, notes and accounts receivable, other receivables, finance lease receivables, deposits and other financial assets after measured at amortized cost), the expected credit losses of

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

debt instrument investments, receivables and contract assets measured at fair value through other comprehensive profit or loss.

The following financial assets are measured against losses according to the expected credit loss amount of 12 months, and the rest are measured according to the expected credit loss amount of the existing period:

- determine that the credit risk of the debt securities on the reporting date is low; and
- The credit risk of other debt securities and bank deposits (i.e. the risk of default during the expected life of financial instruments) has not increased significantly since the initial recognition.

The allowance for accounts receivable loss and contract assets is measured in terms of the expected credit loss during the period of existence.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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In determining whether credit risk that increased significantly since the initial recognition, the Company considers reasonable and verifiable information (available at no excessive cost or investment), including qualitative and quantitative information, as well as analysis based on the Company's historical experience, credit assessment and forward-looking information.

If the contract payment is overdue for more than 30 days, the Company assumes that the credit risk of financial assets has increased significantly.

If the contract payment is overdue for more than 365 days, or the borrower is unlikely to fulfill its credit obligations and pay the full amount to the company, such financial assets will be deemed as default.

If the credit risk rating of a financial instrument is equivalent to the "investment grade" defined worldwide (Standard & Poor's BBB-, Moody's Baa3 or Taiwan Ratings twA, or higher than those grades), the Company considers such debt securities with a low credit risk.

Expected credit loss during the lifetime of a financial instrument refers to the expected credit losses that result from all possible default events over the life of the financial instrument.

12-month expected credit loss refers to the expected credit loss arising from the possible default of the financial instrument within 12 months after the date of the report (or a shorter period, if the expected duration of the financial instrument is shorter than 12 months).

The longest contract period during which the expected credit loss is measured is the longest contract period during which the Company is exposed to credit risk.

The expected credit loss is the probabilistic weighted estimate of the credit loss during the expected life of the financial instrument. Credit losses are measured in terms of the present value of all cash shortfalls, the difference between the cash flows that the Company can collect under the contract and the cash flows that the Company expects to collect. The expected credit loss is discounted at the effective interest rate of the financial asset.

On each reporting date, the Company evaluates whether there is a credit impairment in the debt securities on which financial assets are measured at amortized cost and on which fair value is measured through other comprehensive income. When one or more events have occurred that adversely affect the estimated future cash flow of a financial asset, the financial asset has suffered a credit impairment. Evidence of credit impairment of financial assets includes observable information relating to:

- major financial difficulties of the borrower or issuer,

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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- default, such as delay or delay beyond a specified period;
- for economic or contractual reasons related to the borrower's financial difficulties, the Company gives the borrower concessions that the borrower would not have considered;
- The borrower is likely to file for bankruptcy or other financial restructuring; or
- The active market for the financial asset disappears due to financial difficulties.

The loss allowance for a financial asset measured at its amortized cost is deducted from carrying amount of the asset. The allowance for losses on debt instrument investment is measured at fair value through other comprehensive income. It is adjusted and recognized as other comprehensive income (without reducing the carrying amount of the assets).

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

When the Company cannot reasonably expect to recover the financial assets as a whole or in part, it will directly reduce the total book amount of its financial assets. For individual accounts, the Company's policy is to write off the total book amount when the financial assets are overdue for more than one year based on the past recovery experience of similar assets. For corporate accounts, the Company shall analyze the date and amount of the write-off on the basis of whether it is reasonable to expect recovery. The Company does not expect a significant reversal of the write-off. However, financial assets that have been written off may still be enforced to comply with the procedures of the Company for recovering overdue amounts.

(6) Financial assets de-recognition

When the Company terminates the contractual rights from the cash flow of such assets or has transferred the financial assets and almost all risks and returns of the asset ownership have been transferred to other enterprises, the Company has neither transferred nor retained substantially all the risks and rewards and the control of the financial asset is not retained, the financial assets shall be de-recognized.

Transactions in which the Company enters into transfers of financial assets that retain all or substantially all of the risks and rewards of ownership of the transferred assets continue to be recognized on the balance sheet.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equity

The debt and equity instruments issued by the Company are classified as financial liabilities or equity according to the contract agreement and the definition of financial liabilities and equity instruments.

(2) Equity transaction

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The equity instruments issued by the Company are recognized at the amount of the price obtained after deducting the direct issuance cost.

(3) Treasury stock

When repurchasing the equity instruments recognized by the Company, the consideration paid (including directly attributable costs) is recognized as a decrease in equity. The repurchased shares are classified as treasury stocks. For subsequent sale or reissue of treasury stocks, the amount received is recognized as an increase in equity, and the surplus or loss generated by the transaction is recognized as capital reserve or retained surplus (if the capital reserve is insufficient to offset).

(4) Compound financial instruments

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The compound financial instruments issued by the Company are convertible corporate bonds (denominated in New Taiwan dollars) with the option to be converted into share capital, and the number of shares issued will not vary with the change of their fair value.

The initially recognized amount of the liability component of composite financial instruments is measured by the fair value of similar liabilities excluding equity conversion rights. The initially recognized amount of the equity component is measured by the difference between the fair value of the overall compound financial instrument and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liabilities and equity components in proportion to the book value of the initial liabilities and equity.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

After the initial recognition, the liability component of compound financial instruments is measured at amortized cost using the effective interest method. The equity components of compound financial instruments shall not be re measured after the initial recognition.

Interest related to financial liabilities is recognized as profit or loss. Financial liabilities are reclassified as equity at the time of conversion, and the conversion is not recognized as profit or loss.

(5) Financial liabilities

Financial liabilities are classified as amortized costs or measured at fair value through profit or loss. Financial liabilities which are held for trading, derivatives or specified at the time of their original recognition are classified as being measured at fair value through profit or loss. Financial liabilities, measured at fair value through profit and loss, are measured at fair value, and the associated net benefits and losses, including any interest expense, are recognized as profit and loss.

The effective subsequent interest method for other financial liabilities is measured at the amortized cost. Interest expenses and exchange gains and losses are recognized as gains and losses. Any benefit or loss at the time of discounting is also considered as profit or loss.

(6) De-recognition of financial liabilities

The Company derecognizes financial liabilities when contractual obligations have been fulfilled, cancelled or matured. When the terms of a financial liability are modified and the cash flows of the modified liability differ materially, the original financial liability is derecognized and a new financial liability is recognized at fair value based on the modified terms.

When de-recognizing financial liabilities, the difference between carrying amount and the sum of paid or payable considerations (including any transferred non-cash capital or assumed liabilities) shall be recognized as gains and losses.

(7) Offset between financial assets and liabilities

Financial assets and financial liabilities can be offset with each other and represented on the balance sheet with net value only when the Company has legal rights to offset and has the intention to deliver with net value as well as realize capital and liquidate the liabilities.

(8) Financial guarantee contract

Financial guarantee contract refers to a contract in which the issuer must make specified payments to reimburse the holder for a loss it incurs if a specified debtor fails to repay according to the terms of the debt instrument.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

For financial guarantee contracts issued by the Company and not designated as measured at fair value through profit or loss, the initial measurement is based on its fair value minus the directly attributable transaction costs, and the subsequent measurement is based on the higher of the following: (a) Amount of allowance for loss in accordance with IFRS 9; and (b) where appropriate, the amount initially recognized shall be deducted from the amount of accumulated income recognized in accordance with the following income principles.

3. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to avoid foreign currency and interest rate risks. Embedded derivatives are separated from the main contract when specific conditions are met and the main contract is not a financial asset.

Derivative instruments are initially recognized at fair value and subsequently measured at fair value, and the resulting gain or loss is recognized directly in profit or loss.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(g) Inventory

Inventory shall be measured with the lower of the costs and net realizable value. The costs include the acquisition, production and processing costs enabling them to arrive at the available places and status and other costs, which are calculated based on the first-come, first-out principle. The costs of the inventory of finished products and products in process include the manufacturing costs amortized based on normal production capacity according to proper percentage.

Net realizable value refers to the estimated prices under normal operation deducting estimated costs to be needed for estimated completion and estimated costs to be needed for competing selling.

(g) Investments in associates

Affiliated enterprises refer to those that the Company has a significant impact on its financial and operating policies, but are not controlled or jointly controlled.

The Company adopts the equity method to deal with the equity of related enterprises. Under the equity method, the initial acquisition is recognized at cost, and the investment cost includes the transaction cost. The book amount of investment in affiliated enterprises includes the goodwill recognized at the time of the initial investment, less any accumulated impairment losses.

The parent company only financial statement includes the amount of profit and loss and other comprehensive profit and loss of each investment related enterprise recognized by the Company according to the equity ratio from the date of significant influence to the date of loss of significant influence, after the adjustment consistent with the accounting policies of the Company. When the equity changes of non profit and loss and other comprehensive profits and losses of affiliated companies do not affect the shareholding ratio of the Company, the Company recognizes the equity changes attributable to the company's share of affiliated enterprises as capital reserve according to the shareholding ratio.

Unrealized benefits and losses arising from transactions between the Company and affiliated companies are recognized in the Company's financial statements only to the extent that they are not related to the investors' interests in affiliated companies. When the loss share of the affiliated companies that should be recognized by the Company in proportion is equal to or exceeds its equity in the affiliated companies, the loss will not be recognized, and recognize additional losses and related liabilities only within the scope of legal obligations, constructive obligations or payments made on behalf of the invested company.

The Company ceases to adopt the equity method from the date when its investment

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

ceases to be an affiliated companies, and measures the retained equity according to the fair value. The difference between the fair value and disposal price of the retained equity and the book amount of the investment on the date when the Company discontinues the use of the equity method is recognized in the current profit and loss. For all amounts previously recognized in other comprehensive profits and losses related to the investment, the basis of accounting treatment is the same as that of affiliated companies if they directly dispose of relevant assets or liabilities. Namely, If the benefit or loss previously recognized in other comprehensive profit or loss is required to be reclassified as profit or loss (or retained earnings) when disposing of relevant assets or liabilities, when the Company discontinues the use of the equity method, the benefit or loss is reclassified from equity to profit or loss (or retained earnings). If the company's ownership interest in affiliated enterprises decreases, but the equity method continues to apply, the consolidated company will reclassify and adjust the interests or losses related to the reduction of ownership interest and previously recognized in other comprehensive profits and losses according to the reduction proportion in the above way.

If the company's investment in affiliated companies becomes an investment in joint ventures or an investment in joint ventures becomes an investment in affiliated companies, the Company will continue to apply the equity method without remeasuring the retained equity.

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(Continued)

When an affiliated enterprise issues new shares, if the company fails to subscribe according to the shareholding ratio, resulting in a change in the shareholding ratio, resulting in an increase or decrease in the net equity value of the investment, the increase or decrease shall be adjusted to the capital reserve and the investment using the equity method; if the adjustment is to offset the capital reserve, but the balance of the capital reserve generated by the investment using the equity method is insufficient, the difference will be debited to the retained surplus. However, if the company fails to subscribe according to the shareholding ratio, resulting in the reduction of its ownership interest in the affiliated enterprise, the amount previously recognized in other comprehensive profits and losses related to the affiliated enterprise is reclassified according to the reduction ratio, and its accounting treatment basis is the same as that the affiliated companies must follow if it directly disposes of relevant assets or liabilities.

(h)Property, plant and equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment.

Significant components of property, plant and equipment are treated as separate items (major components) when they have different life cycles.

Gain or loss on disposal of property, plant and equipment is recognized in profit or loss.

2. Subsequent costs

Subsequent expenses are capitalized only when it is probable that future economic benefits will flow into the Company.

3. Depreciation

Depreciation is calculated based on the cost of the asset less its residual value and is recognized in profit or loss using the straight-line method over the estimated useful life of each component.

The land is not subject to depreciation.

The estimated useful lives for the current and comparative periods are as follows:

(1)Buildings	2~55 years
(2)Machinery	3~15 years
(3)Leasehold improvement	2~9 years
(4)Other equipment	2~10 years

The Company reviews the method of depreciation, durability and residual value at each reporting date and makes appropriate adjustments as necessary.

(i)Leasing

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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The Company shall assess whether the contract is a lease or includes a lease on the date of formation of the contract. If the contract transfers control over the use of the identified assets for a period of time in exchange for consideration, the contract shall be a lease or includes a lease.

1. The lessee

The Company recognizes the right-of-use assets and lease liabilities on the beginning date of the lease. Right-of-use are initially measured in terms of cost, which includes the initial measured amount of lease liabilities, adjusts the lease beginning date or before payment of any rent payment, and the initial direct costs, and applied to removing the asset and restoring its locating or the estimated cost of the underlying assets. It minuses the charge of any lease incentives at the same time.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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Depreciation of right-of-use assets following the commencement of the lease shall be carried out by the straight-line method at the end of the useful life of right-of-use assets or earlier at the end of the lease term. In addition, the Company will periodically evaluate whether there is any loss of right-of-use assets and deal with any loss that has occurred, and adjust the right-of-use assets in the case of lease liabilities.

Lease liabilities are defined as the present value of lease benefits not yet paid at lease commencement date. If the implied lease rate is easy to determine, the discount rate will be that rate, and if not, the incremental borrowing rate of the Company will be used. Generally speaking, the Company adopts its incremental borrowing rate as the discount rate.

Lease benefits measured in lease liabilities include:

- (1) fixed payments, including substantive fixed payments;
- (2) depending on the variation of a certain index or rate of rent payment, the index or rate on the commencement date of the lease shall be used as the original measurement;
- (3) the guaranteed amount of salvage value expected to be paid.
- (4) the price at which the option to exercise the option to purchase or terminate the lease will be reasonably determined or the penalty to be paid.

Lease liabilities is then calculated using effective interest method, and the amount was measured when:

- (1) changes in the index or rate used to determine lease payments result in changes in future lease payments;
- (2) the guaranteed amount of the residual value expected to be paid has changed;
- (3) the evaluation of the underlying asset purchase option has changed;
- (4) the estimate of whether to exercise the option of extension or termination has changed, which leads to the change of the assessment of the lease period;
- (5) modification of the subject matter, scope or other terms of the lease.

Lease liabilities are remeasured due to the aforementioned changes in the index or rate used to determine lease payments, changes in the residual value guarantee amount, and changes in the evaluation of purchases, extensions or termination options, the book value of right-of-use assets should be adjusted accordingly. When the book value of right-of-use assets is reduced to zero, the remaining re-measured amount is recognized in profit or loss.

For the lease modifications about the reduced coverage, the book amount of right-of-use assets will be reduced to reflect partial or total termination of lease, and the difference between the figure and the remeasured amount of lease liabilities will be included in the profit and loss.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The Company will express the right-of-use assets and lease liabilities that do not conform to the definition of investment real estate in the form of single line items in the balance sheet.

If the agreement includes lease and non lease components, the Company allocates the consideration in the contract to individual lease components based on a relatively separate price. However, when leasing land and buildings, the Company chooses not to distinguish between non-leasing components and treats the leasing components and non-leasing components as a single leasing component.

For short-term leases and asset leases with low value targets, the Company chooses not to recognize the right-of-use assets and lease liabilities, but recognized the relevant lease payments as expenses within the lease period on a straight-line basis.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

2. The lessor

The transaction in which the Company is a lessor shall be classified as a financial lease or an operating lease on the date of establishment of the lease, depending on whether or not the lease contract is transferred to almost all the risks and rewards attached to the ownership of the underlying asset. In the evaluation, the Company shall consider certain indicators, including whether the lease term covers the principal part of the underlying asset's economic life.

If the agreement includes lease and non-lease components, the Company applies the provisions of IFRS 15 to apportion the consideration in the contract.

Assets held under finance leases are expressed as finance lease receivables in the amount of net lease investment. The initially direct costs arising from the negotiation and arrangement of the lease are included in the net investment in the lease. Net lease investment is amortized and recognized as interest income during the lease period in a pattern reflecting a constant periodic rate of return in each period. For operating leases, the Company recognizes the lease payments received as rental income on a straight-line basis during the lease period.

(j) Intangible assets

1. Recognition and measurement

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment.

Expenditures related to research activities are recognized as profit or loss as incurred.

Development expenditure is capitalized only when it can be reliably measured, the technical or commercial feasibility of products or processes has been achieved, the future economic benefits are likely to flow into the company, and the company intends and has sufficient resources to complete the development and use or sell the assets. Other development expenditures are recognized in profit or loss as incurred. After the initial recognition, the capitalized development expenditure is measured by the amount of its cost less accumulated amortization and accumulated impairment.

Other intangible assets with a limited useful life obtained by the company, including customer relations, patent rights and trademark rights, are measured by the amount of cost less accumulated amortization and accumulated impairment.

2. Subsequent expenditure

The subsequent expenditure can be capitalized only when they can increase the future economic benefits of relevant specific assets. All of other expenditures are recognized as gains and losses when they occur, including the expenses for building

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

goodwill and brand.

3. Amortization

Except for goodwill, amortization is calculated based on the cost of the asset less its estimated residual value, and is recognized in profit or loss using the straight-line method over the estimated useful lives of the intangible assets from a ready-for-use condition.

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|-----------------------|-----------|
| (1) Patent rights | 5 years |
| (2) Computer software | 3~5 years |

The Company reviews the method for amortization of intangible assets, durability and residual value at each reporting date and makes appropriate adjustments as necessary.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(k) Non-financial asset impairment

At each reporting date, the company assesses whether there is any indication that the carrying amount of non-financial assets (other than inventories, deferred income tax assets) may be impaired. If any indication exists, the recoverable amount of the asset is estimated. Goodwill is regularly tested for impairment every year.

For the purpose of impairment test, one group of assets whose cash inflow is largely independent of other individual assets or asset groups is regarded as the smallest identifiable asset group. The goodwill acquired in a business combination to be allocated to each of the acquirer's cash-generating unit or group of cash generating units expected to benefit from the comprehensive effect of the combination.

The recoverable amount is the higher of an asset's or cash generating unit fair value less costs of disposal and its value in use. When assessing the value in use, the estimated future cash flow is converted to the present value at the pre-tax discount rate, which should reflect the current market assessment of the time value of money and the specific risk of the asset or cash generating unit.

If the recoverable amount of an individual asset or cash generating unit is lower than the book amount, an impairment loss is recognized.

The impairment loss is recognized immediately in profit or loss, and the carrying amount of the amortized goodwill of the cash generating unit is reduced first, and then the book amount of each asset is reduced in proportion to the book amount of other assets in the unit.

Goodwill impairment losses shall not be reversed. Non-financial assets other than goodwill are only reversed to the extent that they do not exceed the carrying amount (less depreciation or amortization) determined when the impairment loss of the asset is not recognized in the previous year.

(l) Liability provisions

Liability provisions are recognized as present obligations due to past events that make it probable that the Company will need to expend economically efficient resources in the future to settle the obligation and the amount of the obligation can be reliably estimated. The provision for liabilities is discounted at the pre-tax discount rate reflecting the current market's time value of money and the risks specific to the liabilities, and the amortization of discount is recognized as interest expense.

1. Term of warranty

The provision for warranty liabilities is recognized when selling goods or services. The liability provision is weighted by its relevant probability based on historical warranty information and all possible results.

2. Restructuring

The provision for restructuring liabilities is recognized when the Company approves a detailed and formal restructuring plan and begins to implement or publicly publish the restructuring plan. Future operating losses shall not be recognized as provision for liabilities.

3. Onerous contract

When the Company expects that the inevitable cost of performing the obligations of a contract exceeds the expected economic benefits from the contract, the liability provision for the onerous contract shall be recognized. The provision for liabilities is measured by the present value of whichever is lower between the estimated cost of terminating the contract and the estimated net cost of continuing the contract, and all impairment losses of assets related to the contract are recognized before the provision for onerous contract liabilities is recognized.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(m) Income recognition

1. Revenue from customer contracts

Income is measured in consideration for the expected entitlement to transfer goods or services. The Company recognizes revenue from the transfer of control of goods or services. The Company's main revenues are from the following items:

(1) the sales revenue of commodities mainly comes from the sales of industrial motherboards, information system integration products and network communication products. The Company recognizes revenue when control of products is transferred to customers. The transfer of control over the product means that the product has been delivered to the customer, the customer has full discretion over the channel and price to sell the products and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company is liable for refunding the defective products as providing the standard warranty for the goods sold, and the provision for warranty liabilities is recognized for this obligation.

The Company recognizes accounts receivable when delivering goods as the Company has an unconditional right to receive consideration from the customer.

(2) Service revenue

The Company provides product maintenance and services, and recognizes relevant income during the financial reporting period of providing services. Fixed price contracts recognize revenue based on the proportion of services actually provided to the total services as of the reporting date. If the situation changes, the estimates of revenue, cost and degree of completion will be revised, and the increase and decrease changes will be reflected in profit and loss during the period when the management is informed of the change and makes the correction.

Under a fixed price contract, the customer pays a fixed amount of money according to the agreed schedule. When the service provided exceeds the payment, it shall be recognized as contract assets; if the payment exceeds the services provided, it shall be recognized as contract liabilities.

If the contract is priced according to the number of hours of providing services, the revenue is recognized based on the amount that the Company has the right to issue invoices. The company asks for payment from customers every month and can receive

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

consideration after issuing invoices.

(0) Employee benefits

1. Defined contribution plan

The contribution obligation of the defined contribution pension plan is recognized as an expense in the period in which the employees render service to the Company. The amount of advance appropriation will be recognized as an asset to the extent that it will lead to the return of cash or the reduction of future payments.

2. Defined benefit plan

The Company's net obligation to a defined benefit plan is measured by discounting the present value of future benefits earned by the employee's current or prior period of service, less the fair value of the plan assets.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The defined benefit obligation is actuated annually by a qualified actuary using the projected unit benefit method. When the results of the calculation are probable to be favorable to the Company, an asset is recognized to the extent of the present value of any economic benefits that may be obtained by returning a contribution from the plan or reducing future contributions to the plan. Any minimum funding requirement is taken into account in calculating the present value of economic benefits.

The remeasurement of the net defined benefit obligation, including actuarial gains and losses, compensation for plan assets (excluding interest), and any change in the impact of asset limits (excluding interest) is recognized immediately in other comprehensive income and accumulated in retained earnings. The Company determines net interest expense (income) for net defined benefit liabilities (assets) using the net defined benefit liabilities (assets) and discount rate determined at the beginning of the annual reporting period. Net interest expense and other costs for defined benefit plans are recognized in profit or loss.

When a plan is revised or curtailed, changes in benefits related to prior period service costs or curtailment gains or losses are recognized immediately in profit or loss. The Company recognizes gain or loss on the settlement of defined benefit plans when the settlement occurs.

3. Short-term employee benefits

Short-term employee benefit obligations are recognized as an expense when services are provided. If the Company has a present legal or constructive obligation to pay for services rendered by employees in the past and the obligation can be estimated reliably, the amount is recognized as a liability.

(o) Income tax

Income taxes include current and deferred income tax. Except for those related to enterprise consolidation and items directly recognized as equities or other comprehensive income, current tax and deferred income tax asset shall be recognized as gains and losses.

The Company determines that the interest or penalty related to income tax (including uncertain tax treatment) does not meet the definition of income tax, so the accounting treatment of IAS 37 is applicable.

Current income taxes include estimated income taxes payable or refund receivable based on current year taxable income (loss) and any adjustments to prior years' income taxes payable or refund receivable. The amounts that reflect the uncertainty (if any) related to income tax are measured at the best estimate of the amount expected to be paid or received at the statutory or substantive legislative rates in effect on the reporting date.

Deferred income tax is measured and recognized according to the temporary

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

difference between the carrying amount and taxation basis of assets and liabilities with financial report objectives. In case of any of the following situations, the temporary differences will not be recognized as deferred income tax:

1. Those not belong to the assets or liabilities originally recognized in the transaction of enterprise consolidation, and not influencing accounting profits and taxation incomes (losses) during the transaction.
2. Those generated due to investment subsidiary company and joint equities, controlled by the Company and likely to not to be reversed in the foreseeable future; and
3. Taxable temporary differences arising from the original recognition of goodwill.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

For unused tax losses and unused income tax credits at the later stage of transfer, and deductible temporary differences, to the extent that there is likely to be future taxable income available for use, they are recognized as deferred income tax assets. It shall be reassessed on each reporting day, and the relevant income tax benefits shall be reduced if they are not likely to be realized; or the reduced amount shall be reversed to the extent that there is likely to be sufficient taxable income.

Deferred income tax is measured at the tax rate when the expected temporary difference is reversed, based on the statutory tax rate or substantive legislative tax rate on the reporting date, and has reflected the uncertainty related to income tax (if any).

Only when the Company meets the following conditions, the deferred income tax can offset the deferred tax liabilities:

1. Having the legal execution right to make the current income tax assets and the current tax liabilities offset with each other; and
2. Deferred income tax assets and deferred tax liabilities are related to one of the subjects of tax payment from which the same tax authority levies income tax;
 - (1) Same subject of tax payment; or
 - (2) Different subjects of tax payment, but all subjects intend to liquidate the current tax liabilities and assets based on net amount or at the same time realize assets and liquidate liabilities in each of the future periods when deferred income tax assets of major amounts are expected to be recovered and deferred tax liabilities expected to be liquidated.

(p) Earnings per share

The Company lists the basic and diluted earnings per share of holders of common stock equity of the Company. The basic earnings per share of the Company shall be calculated with the gains and losses of the holders of common stock equity of the Company divided by the weighted mean of current outstanding common shares. Diluted earnings per share shall be calculated after adjusting the influence of all potential diluted common shares of the gains and losses of the holders of common stock equity of the Company and the weighted mean of current outstanding common shares. The potential diluted common shares of the Company include convertible corporate bonds and stock options for employees.

V. Primary Sources of Major Accounting Judgment, Estimate and Assumption Uncertainties

When the management prepares the parent company only financial statements, the management is required to make judgments, estimates and assumptions in preparing this parent company only financial statements, which will affect the adoption of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

estimates.

The management continuously inspects the estimate and undertaking assumption, and accounting changes are recognized both the current revised period and the future period to be influenced.

The uncertainty of the following assumptions and estimates has a significant risk of causing significant adjustments to the book amounts of assets and liabilities in the next financial year, and has reflected the impact of the COVID-19 outbreak. The relevant information is as follows:

(a) Allowance for loss of accounts receivable

The allowance loss of the Company's accounts receivable is estimated based on the assumption of default risk and expected loss rate. The Company considers the historical experience, current market conditions and forward-looking estimates on each reporting day to judge the assumptions and selected input values to be used in calculating impairment.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(b) Inventory evaluation

Since inventory must be measured at the lower of cost or net realizable value, the Company estimates the reported amount of inventory due to normal wear and tear, obsolescence, or no market sale value on a daily basis and reduces the cost of inventory to net realizable value. The inventory is evaluated mainly based on the product demand in a specific period in the future, and may change significantly due to rapid changes in the industry and the introduction of new products.

(3) Investment impairment evaluation by the equity method

The impairment assessment process of investments using the equity method relies on the subjective judgment of the Company, including identifying cash generating units and determining the recoverable amount of relevant cash generating units.

VI. Descriptions for important accounting items

(a) Cash and cash equivalents

	December 31, 2021	December 31, 2020
Cash on hand	\$ 1,746	1,865
Demand deposits and check deposits	1,353,313	529,269
Cash and cash equivalents listed on the statement	\$ 1,355,059	531,134

1. Please refer to note 6 (21) for the disclosure of interest rate risk and sensitivity analysis of the company's financial assets and liabilities.

2. On March 23, 2022, the Company announced important information stating that the Company found an employee suspected of forging documents and misappropriating the Company's assets, resulting in a shortage of cash and equivalent cash and an increase in other current assets as of December 31, 2020. If the Company recognizes that the relevant items of the year 2020 are correctly listed, the parent company only financial statement as of December 31, 2020 shall be amended and adjusted as follows:

	December 31, 2020	Adjust effects	Dec 31, 2020 Amount after the adjustment
Assets			
Cash and cash equivalents	\$ 531,134	(64,209)	466,925
Other current assets	143,980	2,768	146,748
Asset adjustment	\$ 675,114	(61,441)	613,673
Total equity			
Unappropriated earnings	\$ 1,329,879	(61,441)	1,268,438
Equity adjustment	\$ 1,329,879	(61,441)	1,268,438

Ennoconn Corporation has adjusted relevant asset accounts and undistributed earnings at the beginning of 2021.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(b) Financial assets measured at fair value through profit and loss

	December 31, 2021	December 31, 2020
Financial assets measured at fair value through profit and loss:		
Non-hedging derivatives		
Redemption rights of domestic convertible corporate bonds	\$ 4,643	9,016

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Financial liabilities held for trading:		
Non-hedging derivatives		
Redemption and sale rights of domestic convertible corporate bonds	\$ <u>598</u>	<u>118</u>

(c) Financial assets as measured at amortized cost

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Domestic certificate of deposit	\$ <u>4,225</u>	<u>289,873</u>

The Company's assessment is to hold these assets to the maturity date to collect the contractual cash flow, and the cash flow of these financial assets is entirely the payment of principal and interest on the amount of outstanding principal, so they are reported as financial assets measured at amortized cost.

Please refer to note 8 for details of the above financial assets as guarantees for loans and financing lines.

(d) Notes receivable and accounts receivable

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Accounts receivable	\$ 602,190	271,242
Trade receivables - related parties	246,805	460,062
Less: Allowance for impairment loss	<u>(61,604)</u>	<u>(61,593)</u>
	\$ <u>787,391</u>	<u>669,711</u>

The Company 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 Company's notes and accounts receivable is as follows:

<u>December 31, 2021</u>		
<u>Accounts receivable carrying amount</u>	<u>Weighted average expected credit loss rate</u>	<u>Expected credit loss during the allowance</u>
\$ 698,633	0%	8

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

1~60 days past due	88,808	0.05%	42
61~150 days past due	-	30%	-
151~270 days past due	-	50%	-
271~365 days past due	-	75%	-
Over 1 year past due	34,781	100%	34,781
Default sign of trading partners	<u>26,773</u>	100%	<u>26,773</u>
	<u>\$ 848,995</u>		<u>61,604</u>

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

	December 31, 2020		
	Accounts receivable carrying amount	Weighted average expected credit loss rate	Expected credit loss during the allowance
Not past due	\$ 622,080	0%	-
1~60 days past due	47,581	0%	-
61~150 days past due	44	30%	13
151~270 days past due	37	50%	18
271~365 days past due	-	75%	-
Over 1 year past due	34,758	100%	34,758
Default sign of trading partners	26,804	100%	26,804
	<u>\$ 731,304</u>		<u>61,593</u>

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

	2021	2020
Beginning Balance	\$ 61,593	35,973
Impairment losses recognized	11	25,620
Ending Balance	<u>\$ 61,604</u>	<u>61,593</u>

As of December 31, 2020 and 2021, the Company did not use its accounts receivable asset as collateral on a loan.

Please refer to note 6 (21) for other credit risk information.

(e) Inventory

	December 31, 2021	December 31, 2020
Raw materials	\$ 385,736	175,428
Work in progress	61,433	4,757
Semi-finished products	66,422	72,334
Finished goods	43,753	47,315
Stock in hand	11	11
Inventory in transit	19,436	1,769
Less: Allowance for inventory market price decline	(118,946)	(79,510)
	<u>\$ 457,845</u>	<u>222,104</u>

The cost of goods sold includes the loss of inventory falling price in 2021 at NT\$ 39,436 thousand and unamortized manufacturing expenses NT\$18,527 thousand. The cost of goods sold includes gains on inventory value recoveries in 2020 at NT\$ 37,346 thousand

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

and unamortized manufacturing expenses NT\$17,309 thousand.

As of December 31, 2020 and 2021, the Company had no inventory used as pledge guarantee.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(f) Investments accounted for using the equity method

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

	December 31, 2021	December 31, 2020
Subsidiary	\$ 19,623,935	19,065,111

Please refer to the consolidated financial statement for year ended December 31, 2021.

(g) Property, plant and equipment

The details of changes in the cost and depreciation of the Company's real estate, plant and equipment in 2020 and 2021 are as follows:

	Land	Buildings and structures	Machiner y and equipmen t	Leasehold improvm ents	Other equipmen t	Total
Cost:						
Balance as of Jan 1, 2021	\$ 251,536	287,996	619	5,448	66,342	611,941
Additions	-	194	-	-	1,322	1,516
Disposal	-	-	(225)	(5,436)	(889)	(6,550)
Balance as of Dec 31, 2021	\$ 251,536	288,190	394	12	66,775	606,907
Balance as of Jan 1, 2020	\$ 251,536	287,996	619	-	63,758	603,909
Additions	-	-	-	5,448	2,584	8,032
Balance as of Dec 31, 2020	\$ 251,536	287,996	619	5,448	66,342	611,941
Depreciation:						
Balance as of Jan 1, 2021	\$ -	34,699	303	1,217	58,641	94,860
Depreciation of the current year	-	5,752	58	1,413	3,215	10,438
Disposal	-	-	(44)	(2,625)	(288)	(2,957)
Balance as of Dec 31, 2021	\$ -	40,451	317	5	61,568	102,341
Balance as of Jan 1, 2020	\$ -	28,881	234	-	52,347	81,462
Depreciation of the current year	-	5,818	69	1,217	6,294	13,398
Balance as of Dec 31, 2020	\$ -	34,699	303	1,217	58,641	94,860
Book value:						
December 31, 2021	\$ 251,536	247,739	77	7	5,207	504,566
December 31, 2020	\$ 251,536	253,297	316	4,231	7,701	517,081

1. Guarantee

As of December 31, 2020 and 2021, the Company did not use its real estate, plant and equipment as guarantees for long-term loans and financing limits.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(h) Right-of-use assets

The relevant information of the leased houses and buildings of the Company is as follows:

	Buildings and structures
Right-of-use asset costs:	
Balance as of Jan 1, 2021	\$ 20,592
Decrease	(20,592)
Balance as of Dec 31, 2021	\$ -
Balance at Jan 1, 2020 (i.e. ending balance)	\$ 20,592
Accumulated depreciation of right-of-use assets:	
Balance as of Jan 1, 2021	\$ 9,152
Provision for depreciation	3,432
Decrease	(12,584)
Balance as of Dec 31, 2021	\$ -
Balance as of Jan 1, 2020	\$ 2,288
Provision for depreciation	6,864
Balance as of Dec 31, 2020	\$ 9,152
Book value:	
December 31, 2021	\$ -
December 31, 2020	\$ 11,440

(i) Intangible assets

The details of changes in the cost and depreciation of the Company's intangible assets in 2020 and 2021 are as follows:

	Patents	Computer software	Total
Cost:			
Balance as of Jan 1, 2021	\$ -	9,169	9,169
Acquired separately	42,857	3,976	46,833
Balance as of Dec 31, 2021	\$ 42,857	13,145	56,002
Balance as of Jan 1, 2020	\$ -	8,649	8,649
Acquired separately	-	520	520
Balance as of Dec 31, 2020	\$ -	9,169	9,169
Amortization:			
Balance as of Jan 1, 2021	\$ -	8,117	8,117
Current amortization	2,050	1,350	3,400
Balance as of Dec 31, 2021	\$ 2,050	9,467	11,517

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

	Patents	Computer software	Total
Balance as of Jan 1, 2020	\$ -	7,116	7,116
Current amortization	-	1,001	1,001
Balance as of Dec 31, 2020	<u>\$ -</u>	<u>8,117</u>	<u>8,117</u>
Book value:			
December 31, 2021	<u>\$ 40,807</u>	<u>3,678</u>	<u>44,485</u>
December 31, 2020	<u>\$ -</u>	<u>1,052</u>	<u>1,052</u>

As of December 31, 2020 and 2021, the Company had no intangible assets used as pledge guarantee.

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

	December 31, 2021	December 31, 2020
Other receivables	\$ 333,776	79,009
Current income tax assets	296	1,813
Advance payment	45,495	57,098
Refundable deposits	291	1,465
Determination of welfare assets	751	721
Other	867	6,060
	<u>\$ 381,476</u>	<u>146,166</u>

On March 23, 2022, the Company announced important information stating that the Company found an employee suspected of forging documents and misappropriating the Company's assets, resulting in a shortage of cash and equivalent cash and an increase in other current assets as of December 31, 2020. Please refer to note 6(1) for related description.

(k) Short-term loan

	December 31, 2021	December 31, 2020
Unsecured bank borrowings	\$ 2,300,000	4,410,000
Guaranteed bank loan	-	256,000
	<u>\$ 2,300,000</u>	<u>4,666,000</u>
Unused quota	<u>\$ 7,800,000</u>	<u>2,214,000</u>
Interest rate	<u>0.65%~1.00%</u>	<u>0.35%~1.00%</u>

The Company sets out the assets as pledged collateral for bank borrowings in Note 8.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(1) Corporate bonds payable

The Company has the following balance of corporate bonds payable:

	December 31, 2021	December 31, 2020
the 2nd domestic unsecured convertible bonds	\$ -	12,135
the 3rd domestic unsecured convertible bonds	5,497,329	5,434,586
the 4th domestic unsecured convertible bonds	952,683	-
the 1st international unsecured convertible bonds	1,137,035	1,379,172
Privately placed first unsecured convertible bonds	1,466,888	-
Less: parts matured or able to exercise redemption rights within one year	(1,137,035)	(1,391,307)
Ending balance of corporate bonds payable	\$ 7,916,900	5,434,586

1. To meet the needs of working capital and reinvestment, the Company issued the second domestic unsecured convertible corporate bonds on May 13, 2016. The issuance conditions are as follows:

- (1) Total issuance: NT\$1,800,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.4306%
- (5) Book value at issuance: NT\$1,676,592 thousand
- (6) Duration: May 14, 2016 ~ May 13, 2021
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day after two months of issuance date (July 14, 2016) to the expiration date May 13, 2021, 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 TPEX on the period from 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.
 - C. The date of capital reduction is cut off one day before the commencement of capital reduction.
 - D. Other suspension periods of stock transfer by law.
- (8) Conversion price and adjustment:

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The conversion price at the time of initial issuance is set at NT\$435. 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 Jan 21, 2021, the conversion price was adjusted to NT\$338.6.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(9) Redemption rights of the creditor:

30 days prior to 3 years after the issuance of corporate bonds (May 13, 2019), bondholders may notify the Company in written based on the regulations of corporate bonds conversion method to request the addition of interest charges to face value (103.0301% of corporate bonds face value after 3 years) and redeem convertible corporate bonds in cash.

(10) The Company's redemption options:

From the day after the issuance of corporate bonds for 2 months (July 14, 2016) to 40 days before the maturity date (April 3, 2021), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount of the issuance, the Company may notify the bondholders in accordance with the regulations of conversion method and call back all the corporate bonds by cash at par value.

This 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 December 31, 2021, the measured amount of non-derivative financial liabilities is \$0 thousand at amortized cost, and its effective interest rate initially recognized is 1.4306%.

Issue proceeds (less transaction costs of NT\$3,395 thousand)	\$ 1,796,605
Equity components	<u>(99,172)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$1,676,592 thousand and financial liabilities at fair value through profit or loss - non-current of NT\$20,841 thousand)	1,697,433
Interest calculated at effective interest rate of 1.4306%	59,144
corporate bonds converted into ordinary shares	(558,808)
corporate bonds payable exercised redemption rights	(1,185,451)
Redemption of corporate bonds payable at maturity	(12,200)
Profits of valuation of financial asset	<u>(118)</u>
The liability components as of December 31, 2021	<u><u>\$ -</u></u>

2. To meet the needs of working capital and repayment for borrowings, the Company issued the domestic third 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

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(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

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(7) Conversion period:

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

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

(8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$272.8. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of December 31, 2021, the conversion price was adjusted to NT\$221.2.

(9) Redemption rights of the creditor:

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

(10) The Company's redemption options:

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

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

This 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 December 31, 2021 and 2020, the fair value of the embedded derivative financial products were NT\$(3,944) thousand and NT\$(9,016) thousand respectively. As of December 2021, the measured amount of non-derivative financial liabilities is NT\$5,497,329 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Issue proceeds (less transaction costs of NT\$4,852 thousand)	\$ 6,007,148
Equity components	<u>(332,132)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$5,665,424 thousand and financial liabilities at fair value through profit or loss - non-current of NT\$9,592 thousand)	5,675,016
Interest calculated at effective interest rate of 1.1542%	182,331
Loss (gain) on financial commodity evaluation	(14,905)
corporate bonds converted into ordinary shares	<u>(349,057)</u>
The liability components as of December 31, 2021	<u>\$ 5,493,385</u>

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

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

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

- (8) Conversion price:

The creditors may request the Company to convert the corporate bonds they held into ordinary shares of the Company at a fixed exchange rate of NT\$31.653 and the conversion price of NT\$488 per share. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 13 of the Company's regulations on issuance and conversion of foreign unsecured convertible corporate bonds. As of December 31, 2021, the conversion price was adjusted to NT\$375.87.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(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 issuing company 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%.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(10) Redemption rights of the creditor:

From 2 years (August 30, 2019) to 4 years following the corporate bonds issuance (March 10, 2021), the bondholders may, in accordance with the provisions of the conversion method, notify the company in writing that the Company shall add the interest compensation (corporate bonds denomination plus 1.25% of the annual interest rate) to the denomination of the corporate bonds, and redeem the converted corporate bonds held from the Company.

(11) The Company's redemption options:

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

This 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 December 31, 2021, its measured amount of amortized cost is NT\$1,137,035 thousand, and the effective interest rate initially recognized is 2.4144%.

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%	317,109
corporate bonds converted into ordinary shares	(90,841)
Corporate bonds payable exercised redemption rights	<u>(5,068,056)</u>
The liability components as of December 31, 2021	<u>\$ 1,137,035</u>

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

- (1) Total issuance: NT\$1,500,000 thousand
- (2) Face value: NT\$100 thousand each

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(3) Coupon rate: 0%

(4) Effective interest rate: 0.931%

(5) Book value at issuance: NT\$1,464,589 thousand

(6) Duration: September 2, 2021 ~ September 2, 2026

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day after threemonths of issuance date (December 3, 2021) to the expiration date September 2, 2016, in accordance with the regulations on corporate bond conversion. The suspension period of conversion is as follows:

- A. During the book closure period, the transfer of ordinary shares is suspended in accordance with the law.
- B. The Company's period from 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.
- C. The date of capital reduction is cut off 1 day before the commencement of capital reduction.
- D. Other suspension periods of stock transfer by law.

(8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$214.9. In the event of an increase in the shares of the Company's privately issued ordinary shares, 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 December 31, 2021, the conversion price was adjusted to NT\$212.9.

(9) Redemption rights of the creditor:

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

(10) The Company's redemption options:

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

(11) Repayment upon maturity of bonds:

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

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

This 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 December 31, 2021, the fair value of the embedded derivative financial products were NT\$(300). As of December 2021, the measured amount of non-derivative financial liabilities is NT\$1,466,888 thousand at amortized cost, and its effective interest rate initially recognized is 0.9311%.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(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\$1,464,289 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%	2,299
Profits of valuation of financial asset	<u>(150)</u>
The liability components as of December 31, 2021	<u>\$ 1,466,588</u>

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

The issuance condition is as follows:

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

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the ordinary shares of the Company from the following day after threemonths of issuance date (February 17, 2022) 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 TPEX on the period from 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.
 - C. The date of capital reduction is cut off one day before the commencement of capital reduction.
 - D. Other suspension periods of stock transfer by law.
- (8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$221.1. In the

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

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 December 31, 2021, the conversion price was adjusted to NT\$219.1.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(9) Redemption rights of the creditor:

30 days prior to the issuance of corporate bonds for three years (November 16, 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 options:

From the day after the issuance of corporate bonds for 3 years (November 17, 2024) to 40 days before the maturity date (Oct. 7, 2026), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount of the issuance, the Company may notify the bondholders in accordance with the regulations of conversion method and call back all the corporate bonds by cash at par value.

(11) Repayment upon maturity of bonds:

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

This 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 December 31, 2021, the fair value of the embedded derivative financial products were NT\$(200). As of December 2021, the measured amount of non-derivative financial liabilities is NT\$952,683 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

Issue proceeds (less transaction costs of NT\$3,480 thousand)	\$ 1,001,520
Equity components	(49,428)
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%	1,189
Loss (gain) on financial commodity evaluation	(398)
The liability components as of December 31, 2021	\$ 952,883

(i) Leasing liabilities

The Company's carrying amount of lease liabilities:

December 31, December 31,

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

	2021	2020
Current	<u>\$ -</u>	<u>6,853</u>
Non-current	<u>\$ -</u>	<u>4,603</u>

Please refer to note 6(21) financial instruments for further information on the maturity analysis of lease liabilities.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Recognized lease profit/loss is below:

	2021	2020
short-term lease expenses	\$ 415	128

Recognized lease on the cash flow statement is below:

	2021	2020
Total cash outflow for leases	\$ 3,876	7,050

Lease of buildings and structures

The Company leases buildings and structures for a period of 2 to 75 years. Some leases include the option to extend the same period as the original contract at the expiration of the lease term. Some contracts also stipulate that the Company will advance the lessor's tax and insurance expenses related to the real estate, which are usually incurred once a year.

In addition, the leases of photocopiers and parking spaces leased by the Company are short-term or low value leases, and the Company chooses to apply the exemption from recognition provisions rather than recognizing relevant use-of-right assets and lease liabilities.

(n) Employee benefits

1. Defined benefit plan

The adjustment between the present value of benefit obligations and the fair value of plan assets determined by the Company is as follows:

	December 31, 2021	December 31, 2020
Determine the present value of defined benefit obligations	\$ 1,258	1,252
Fair value of plan assets	(2,009)	(1,973)
Net defined benefit liabilities	\$ (751)	(721)
	December 31, 2021	December 31, 2020
Net defined benefit assets (account as other non-current assets)	\$ (751)	(721)

The Company contributes an amount to a retirement fund that is deposited with Bank of Taiwan. The payment of the employee's pension is based on the length of service and the average salary of six months before the approved retirement date.

(1) Plan asset composition

The Company contributes the pension fund under the "Labor Standard Act", which is administered by the Bureau of Labor Funds of the Ministry of Labor. In accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, the annual return of the Fund shall not be

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

lower than the average interest rate of a 2-year-term time deposit of local banks.

As of the reporting date, the Company's retirement fund had a balance of NT\$2,009 thousand deposited at Bank of Taiwan. Please visit the website of the Bureau of Labor Funds of the Ministry of Labor for the use of labor retirement fund, including fund return and asset allocation.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(2) Changes in the present value of defined benefit obligations

The changes in defined benefit liabilities in 2021 and 2020 are as follows:

	2021	2020
January 1 Defined benefit liabilities	\$ 1,252	1,215
Current service cost and interest	5	9
– Actuarial gains (losses) - changes in population statistics assumption	15	-
– Actuarial gains (losses) - changes in financial assumptions	(51)	59
– Actuarial gains (losses) - experience adjustments	37	29
Benefits paid by the plan	-	(60)
December 31 Defined benefit liabilities	\$ 1,258	1,252

(3) Changes in fair value of plan assets

The changes in the fair value of defined benefit plan in 2021 and 2020 are as follows:

	2021	2020
Jan1 fair value of plan assets	\$ (1,973)	(1,955)
Interest income	(8)	(14)
– Plan asset remuneration (excluding current interest)	(28)	(64)
Benefits paid by the plan	-	60
December 31 fair value of plan assets	\$ (2,009)	(1,973)

(4) Recognized gain (loss) expenses

The details of recognized costs in 2021 and 2020 are as follows:

	2021	2020
Net interest of net defined benefit liabilities (assets)	\$ (3)	(5)
	\$ (3)	(5)
	2021	2020
General and administrative expenses	\$ (3)	(5)

(5) Actuarial assumption

The material actuarial assumptions used by the Company to determine the present value of defined benefit obligations as of the reporting date are as follows:

	December 31, 2021	December 31, 2020
Discount rate	0.69%	0.38%
Increase in future salary	3%	3%

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Mortality rate	90% of 6th Taiwan Standard Ordinary Experience Mortality	90% of 5th Taiwan Standard Ordinary Experience Mortality
Turnover rate	0%~34%	0%~34%

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The amount of appropriation for defined benefit plans within 1 year after the reporting date for the year ended on Dec 31, 2021 is NT\$497 thousand.

The weighted average duration of defined benefit plans is 6 years.

(6) Sensitivity analysis

The effects of changes in the main actuarial assumptions adopted on Dec. 31, 2021 and 2020 on the present value of defined benefit obligations are as follows:

	Effects on defined benefit obligations	
	Increased by 0.25%	Decreased by 0.25%
December 31, 2021		
Discount rate	\$ (39)	41
Increase in future salary	37	(36)
December 31, 2020		
Discount rate	\$ (42)	43
Increase in future salary	39	(38)

The sensitivity analysis above was based on the analysis of the effects of changes in a single hypothesis with other assumptions unchanged. Changes in many assumptions in practice may be interlinked. Sensitivity analysis is consistent with the method used to calculate the net pension liabilities on the balance sheet.

The methodology and assumptions used in the sensitivity analysis are the same.

2. Defined contribution plan

The Company shall contribute the retirement funds of employees to the individual accounts for labor retirement funds of the Bureau of Labor Insurance according to 6% of the monthly salaries of labors under the provisions of Labor Pension Act. Under this plan, after contributing fixed amount to the Bureau of Labor Insurance, the Company will not assume the legal or constructive obligations of paying extra amount. Foreign subsidiaries contribute pensions to relevant statutory bodies for administration in accordance with relevant local laws and regulations.

The pension expense under the defined contribution retirement funds of the Company in the year of 2021 and 2020 are NT\$8,129 thousand and NT\$7,999 thousand respectively, which have been contributed to the Bureau of Labor Insurance.

(o) Income tax

1. Income tax expense

The details of the income tax expense of the Company in 2021 and 2020 are as follows:

<u>2021</u>	<u>2020</u>
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Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Income tax expense in current year		
Recognized for the period	\$	22,514 -
Adjustment of the income tax in the previous year		<u>19,506 16,246</u>
		<u>42,020 16,246</u>
Deferred income tax expense		
Occurrence and reversal of temporary differences		<u>7,622 27,242</u>
Income tax expense	\$	<u>49,642 43,488</u>

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The details of income tax expenses under recognized other comprehensive profits/losses in 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit plan	\$ <u>5</u>	<u>(5)</u>

The relationship between the Company's income tax expense and net profit before tax in 2021 and 2020 is adjusted as follows:

	<u>2021</u>	<u>2020</u>
Net profit before tax	\$ <u>1,384,586</u>	<u>1,155,012</u>
Income tax calculated at domestic tax rate	\$ 276,917	231,002
Non-deductible expenses	(172,599)	(130,720)
Income tax difference	(32)	5,020
Changes in unrecognized temporary differences	(102,462)	(78,060)
Underestimate in the previous year	30,080	16,246
Surtax on undistributed retained earnings	17,738	-
Income tax expense	\$ <u>49,642</u>	<u>43,488</u>

2. Deferred income tax assets and liabilities

(1) Unrecognized deferred income tax liabilities

As for the temporary differences related to investment subsidiaries as of December 31, 2021 and 2022, the Company can control the time point of the reversal of the temporary differences and is likely not to reverse in the foreseeable future, so the deferred income tax liabilities are not recognized. Related amounts are:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Summary amount of temporary differences related to investment in subsidiaries	\$ <u>533,169</u>	<u>430,706</u>

(2) Unrecognized deferred income tax assets

The item not recognized as deferred income tax assets by the Company is as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Tax loss	\$ <u>-</u>	<u>10,542</u>

The loss due to taxation is subject to the income tax law, and the net profit of the ten years before the loss is deducted by the tax collection authority. These items are not recognized as deferred income tax assets because it is not likely that the Company will have sufficient tax offices for such temporary differences in the future.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(3) Recognized deferred income tax assets and liabilities

Changes in deferred income tax assets and liabilities:

Deferred income tax liabilities:

	Defined benefit plan
January 1, 2021	\$ 611
Debit / (credit) other comprehensive profit and loss	<u>5</u>
December 31, 2021	<u>\$ 616</u>
January 1, 2020	\$ 616
Debit / (credit) other comprehensive profit and loss	<u>(5)</u>
December 31, 2020	<u>\$ 611</u>

Deferred income tax assets:

	Defined benefit plan	Convert ible corpora te bonds	Profit and loss of inventor y evaluati on	Loss deductio n	Others	Total
January 1, 2021	\$ 210	12,918	15,902	10,542	20,272	59,844
Debit / (credit) income statement	<u>(1)</u>	1,115	7,887	(10,542)	(6,081)	(7,622)
December 31, 2021	<u>\$ 209</u>	<u>14,033</u>	<u>23,789</u>	<u>-</u>	<u>14,191</u>	<u>52,222</u>
January 1, 2020	\$ 211	9,468	23,371	39,177	14,859	87,086
Debit / (credit) income statement	<u>(1)</u>	3,450	(7,469)	(28,635)	5,413	(27,242)
December 31, 2020	<u>\$ 210</u>	<u>12,918</u>	<u>15,902</u>	<u>10,542</u>	<u>20,272</u>	<u>59,844</u>

3. Income tax approval

The approval on the filing of final income tax return of the Company has lasted till the year 2019 as required by the taxing authority.

The Company disagrees with the approved contents of 2015 and 2018, and is currently applying for review. However, the Company has assessed the relevant income tax based on the principle of prudence.

(p) Capital and other equity

As of December 31, 2021 and 2020, the total authorized share capital of the Company was NT\$2,500,000 thousand with a par value of NT\$10, with 250,000 thousand shares. The total amount of the above-mentioned share capital is ordinary shares, and the issued shares are 101,812 thousand ordinary shares and 93,272 thousand ordinary shares respectively. The share funds of all issued shares have been received.

1. Issuance of ordinary and preferred shares

On June 23, 2020, the shareholder's meeting approved the resolution for the

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

distribution of earnings for the year of 2019, pursuant to which a stock dividend of NT\$82,919 thousand will be distributed and the ex-rights date of the capital increase for shares was September 15, 2020. In 2020, convertible corporate bonds were converted into ordinary shares of NT\$14,056 thousand, and the paid-in capital after the change was NT\$932,720.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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On Dec. 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 Jan 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 Dec 31, 2021 as the base date for capital increase. The statutory registration process was completed. The paid-in capital after the change was NT\$1,018,120 thousand.

2. Capital reserve

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

	December 31, 2021	December 31, 2020
Premium of issued shares	\$ 4,635,120	3,694,775
Issuance of new shares by the other transferred companies	1,372,670	485,900
Premium on conversion of convertible corporate bonds	1,797,651	1,797,651
Share options for convertible corporate bonds	454,831	446,546
Expired stock options	326,420	249,881
Changes in percentage of ownership in subsidiaries	279,088	63,337
	\$ 8,865,780	6,738,090

In accordance with the Company Act, the capital surplus is required to cover losses first before new shares or cash can be issued in proportion to the shareholders' original shares. Realized capital surplus referred to in the preceding paragraph includes premiums from the issuance of shares in excess of par value and proceeds from gifts received. In accordance with the Regulations Governing the Issuer's Offerings and Issuance of Marketable Securities, the aggregate amount of capital surplus that may be capitalized each year shall not exceed 10% of the paid-in capital.

3. Retained earnings

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

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

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.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(1) Legal reserve

If the Company has no deficit, it may, by resolution of the shareholders in general meeting, issue new shares or cash out of the legal reserve to the extent that such reserve exceeds 25% of the paid-in capital.

(2) 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 Dec 31, 2021 and 2020, the balance of such special reserve was NT\$1,010,924 thousand and NT\$850,114 thousand.

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

(3) Earnings distribution

On Aug 3, 2021 and June 23, 2020, the Company's shareholders resolved to distribute earnings for the year 2020 and 2019, respectively, as follows:

	2020		2019	
	Payout ration (NT\$)	Amount	Payout ration (NT\$)	Amount
Distributed to the holders of ordinary shares:				
Cash	\$ 5.00	480,785	3.93	331,678
Shares	-	-	0.98	82,919
Total		<u><u>\$ 480,785</u></u>		<u><u>414,597</u></u>

4. Treasury stock

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
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As of Dec 31, 2021 and 2020, the treasure stock, not cancelled, held by the Company was 655 thousand. Treasury stock held by the Company shall not enjoy the rights of shareholders before being transferred in accordance with the Company Act.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

5. Other equity (net after tax)

	Exchange differences on translation of foreign financial statements	Unrealized gain on financial assets at FVTOCI	Total
Balance as of Jan 1, 2021	\$ (934,258)	(76,666)	(1,010,924)
Exchange differences on translating the net assets of foreign operations	(738,853)	-	(738,853)
Share of gain of associates accounted for using the equity method	(212)	-	(212)
Unrealized gain or loss from equity instruments for the year	-	(18,501)	(18,501)
Balance as of Dec 31, 2021	<u>\$ (1,673,323)</u>	<u>(95,167)</u>	<u>(1,768,490)</u>
Balance as of Jan 1, 2020	\$ (777,744)	(72,370)	(850,114)
Exchange differences on translating the net assets of foreign operations	(156,200)	-	(156,200)
Share of gain of associates accounted for using the equity method	(314)	-	(314)
Unrealized gain or loss from equity instruments for the year	-	(502)	(502)
The cumulative profit or loss of the disposed equity instrument transferred to retained earnings	-	(3,794)	(3,794)
Balance as of Dec 31, 2020	<u>\$ (934,258)</u>	<u>(76,666)</u>	<u>(1,010,924)</u>

(p) Earnings per share

The Company calculates the basic earnings per share and diluted earnings per share as follows:

1. The basic earnings per share

	2021	2020
(1) Net profit attributable to the Company in the year	<u>\$ 1,334,944</u>	<u>1,111,524</u>
(2) Weighted average shares outstanding		
	2021	2020
Jan1 ordinary shares issued	\$ 93,272	83,574
Effects of treasury stock	(655)	(655)
Effect of stock dividends and corporate bond conversion	-	8,724
Effect of cash capital increase on the issuance of new shares	3,373	-
Weighted average shares outstanding as of Dec31	<u>\$ 95,990</u>	<u>91,643</u>
Basic earnings per share (NT\$)	<u>\$ 13.91</u>	<u>12.13</u>

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

2. Diluted earnings per share

	<u>2021</u>	<u>2020</u>
Net profit attributable to the Company in the year (basic)	\$ 1,334,944	1,111,524
After tax interest expense and financial evaluation of convertible corporate bonds	<u>82,709</u>	<u>77,504</u>
Net profit attributable to the Company in the year (diluted)	<u>\$ 1,417,653</u>	<u>1,189,028</u>
Weighted average number of common stocks outstanding (basic)	95,990	91,643
Effect of employ remuneration	139	155
Effect of conversion of convertible corporate bonds	<u>32,136</u>	<u>31,605</u>
Weighted average shares outstanding (diluted) as of Dec31	<u>128,265</u>	<u>123,403</u>
Diluted earnings per share (NT\$)	<u>\$ 11.05</u>	<u>9.64</u>

(r) Revenue from customer contracts

1. Description of revenue

The Company has the following revenues:

	<u>2021</u>	<u>2020</u>
Major service lines		
Sales Revenue of Commodities	\$ 3,342,358	2,547,044
Service revenue	<u>660</u>	<u>926</u>
	<u>\$ 3,343,018</u>	<u>2,547,970</u>

2. Balance of contracts

	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>January 1, 2020</u>
Accounts receivable	<u>\$ 787,391</u>	<u>669,711</u>	<u>637,176</u>
Contract liabilities -Sales contract	<u>\$ 15,691</u>	<u>2,086</u>	<u>29,380</u>

Please refer to note 6 (4) for the disclosure of notes and accounts receivable and their impairment.

Changes in contract assets and contract liabilities are mainly due to the difference between the time when the Company transfers goods or services to customers to meet its performance obligations and the time when customers pay.

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
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Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Contract liabilities from beginning

Sales of Commodities	<u>\$ 2,086</u>	<u>29,380</u>
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(s) 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 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.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The estimated amount of compensation of employees for the year ended Dec 31, 2021 and 2020 was NT\$36,000 thousand and NT\$24,000 thousand respectively, and the estimate amount of compensation to directors and supervisors was NT\$3,060 thousand. The Company's net profit before tax for the period is estimated by multiplying the amount of the Company's net profit before issuing the compensation of employees, directors and supervisors by the proportion of the Company's compensation distribution to employees, directors and supervisors as provided in the Company's Articles of Incorporation, and is reported as operating costs or expenses for that period. There was no difference between the amount approved by the board of directors for employees, directors and supervisors' remuneration and the amount estimated in the consolidated financial statements for the year ended Dec 31, 2021 and 2020. The related information is available on the Market Observation Post System (MOPS).

(t) Non-operating revenue and expenses

1. Interest income

The details of the interest income of the Company in 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Interest income from bank deposits	\$ <u>577</u>	<u>3,417</u>

3. Other income

The details of other income of the Company in 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Rental income	\$ <u>3,755</u>	<u>3,336</u>

3. Other gains and losses

The details of other gains and losses of the Company in 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Foreign currency exchange loss	\$ (25,933)	(51,281)
Evaluation (losses) profits from financial assets and financial liabilities	(4,405)	34,985
Subsidy income	-	10,641
Other non-operating losses	(19,515)	-
Others	<u>11,853</u>	<u>35,668</u>
Other net gains and losses	\$ <u>(38,000)</u>	<u>30,013</u>

4. Financial costs

The details of the financial costs of the Company in 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Interest on bank loans	\$ <u>28,766</u>	<u>39,864</u>

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Interest on lease liabilities	42	131
Accrued interest on corporate bonds payable	<u>96,791</u>	<u>96,880</u>
Net financial cost	<u>\$ 125,599</u>	<u>136,875</u>

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(u) Financial Instrument

1. Credit risk

(1) The maximum credit risk exposure

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

(2) Credit risk concentration risk

As the Company has a large customer base, does not significantly concentrate transactions with a single customer, and the sales areas are distributed widely, there is no risk of significant concentration of credit risk of accounts receivable. To reduce credit risk, the policies adopted by the Company are to trade only with well-reputed counterparties, the Company regularly and continuously evaluates the financial status of customers, and obtain sufficient guarantee if necessary, so as to reduce the risk of financial losses caused by default.

Please refer to note 6 (4) 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 (please refer to note 4(6) for how the consolidated company determines that the credit risk is low).

(3) Credit risk of receivables and debt securities

Please refer to note 6 (4) for details of credit risk exposure information of notes receivable and accounts receivable.

Other financial assets measured at amortized cost include other receivables and investment bonds, ordinary corporate bonds and certificates of deposit.

Debt instrument investments measured at fair value through other comprehensive profit or loss include government bonds, listed and unlisted debt securities, etc.

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 (please refer to note 4(6) for how the Company determines that the credit risk is low).

2. Liquidity risk

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 1year
December 31, 2021					

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 812,069	(812,069)	(812,069)	-	-
Floating interest rate liabilities	2,300,000	(2,300,896)	(2,300,896)	-	-
Fixed interest rate liabilities	9,053,935	(9,053,935)	-	(1,137,035)	(7,916,900)
	\$ 12,166,004	(12,166,900)	(3,112,965)	(1,137,035)	(7,916,900)
December 31, 2020					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 716,938	716,938	716,938	-	-
Leasing liabilities	11,456	11,537	3,461	3,461	4,615
Floating interest rate liabilities	4,666,000	9,335,636	4,667,818	4,667,818	-
Fixed interest rate liabilities	6,825,893	8,217,200	1,391,307	1,391,307	5,434,586
	\$ 12,220,287	18,281,311	6,779,524	6,062,586	5,439,201

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The Corporation 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. Exchange rate risks

(1) Exposure to exchange rate risk

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

	December 31, 2021			December 31, 2020		
	Foreign currency	Rate	NTD	Foreign currency	Rate	NTD
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$ 57,873	27.6800	1,601,925	56,197	28.4800	1,600,491
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD	23,423	27.6800	648,349	21,602	28.4800	615,225

(2) Sensitivity analysis

The exchange rate risk of the company's monetary items mainly comes from foreign currency-denominated cash and cash equivalent, accounts receivable and other receivables, financial assets measured at fair value through other comprehensive profits and losses, borrowings, accounts payable and other accounts payable, resulting into gains and losses of conversion of foreign currency when exchanging. As of December 31, 2021 and 2020, if NTD had depreciated or appreciated by 1% relative to foreign currencies held by the Company and all other factors remained constant, net income would have increased or decreased by \$9,536 thousand and 9,853 thousand. The same basis is used for both periods of analysis.

(3) Exchange gains and losses of monetary items

As the Company transacts in various currencies, the exchange gains and losses from monetary items were disclosed by means of consolidation. The foreign currency exchange gains and losses (including realized and unrealized) in 2021 and 2020 were (25,933) thousand and (51,281) thousand, respectively.

4. Interest rate risks

The interest rate exposure to the Company'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

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Company when reporting interest rates to key management personnel is 1% increase or decrease in interest rates, which also represents the management's assessment of the reasonable range of possible changes in interest rates.

If the interest rate increased or decreased by 1%, and other variable were held constant, the Company's net income before tax for the year ended December 31, 2021 and 2020 would have decreased or increased by NT\$23,000 thousand and NT\$46,660 thousand.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

5. 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:

<u>Securities price as of the reporting date</u>	2021		2020	
	Other comprehen sive income before tax	Profit after tax	Other comprehe nsive income before tax	Profit after tax
Increased by 1%	\$ -	40	-	89
Decreased by 1%	\$ -	(40)	-	(89)

6. 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 Company are measured at fair value through profit or loss on a recurring basis. The book 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:

	December 31, 2021				
	Book value	Fair value			Total
	Level 1	Level 2	Level 3	Total	
Financial assets at FVTPL	\$ 4,643	-	4,643	-	4,643
Sub-Total	4,643	-	4,643	-	4,643
Financial Assets at Amortized Cost					
Financial Assets at Amortized Cost	4,225	-	-	-	-
Cash and cash equivalents	1,355,059	-	-	-	-
Notes receivable and accounts receivable	787,391	-	-	-	-
Other receivables	333,776	-	-	-	-
Total	\$ 2,485,094	-	4,643	-	4,643
Financial liabilities at FVTPL					
Convertible corporate bonds - liability components	9,053,935	-	-	-	-
Bank loans	2,300,000	-	-	-	-
NOTES PAYABLE	408,198	-	-	-	-

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

AND ACCOUNTS PAYABLE				
Other Payables	403,871	-	-	-
Total	<u>\$ 12,166,602</u>	<u>-</u>	<u>598</u>	<u>-</u>

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

	December 31, 2020				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at FVTPL	\$ 9,016	-	9,016	-	9,016
Sub-total	9,016	-	9,016	-	9,016
Financial Assets at Amortized Cost					
Financial Assets at Amortized Cost	289,873	-	-	-	-
Cash and cash equivalents	531,134	-	-	-	-
Notes receivable and accounts receivable	669,711	-	-	-	-
Other receivables	79,009	-	-	-	-
Sub-total	1,569,727	-	-	-	-
Total	\$ 1,578,743	-	9,016	-	9,016
Financial liabilities at FVTPL	\$ 118	-	118	-	118
Convertible corporate bonds - liability components	6,825,893	-	-	-	-
Bank loans	4,666,000	-	-	-	-
NOTES PAYABLE AND ACCOUNTS PAYABLE	513,190	-	-	-	-
Other Payables	203,748	-	-	-	-
Leasing liabilities	11,456	-	-	-	-
Sub-total	12,220,287	-	-	-	-
Total	\$ 12,220,405	-	118	-	118

(2) 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.

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.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

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

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

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

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. Structured interest rate derivative financial instruments are priced based on an appropriate option pricing model (e.g. Black-Scholes model).

(22) Financial risk management

1. Overview

The Company is exposed to the following risks the use of financial instruments:

- (1)Credit risk
- (2)Liquidity risk
- (3)Market risk

This note presents the Company's risk information for each of these risks and the Consolidated Company's objectives, policies and procedures for measuring and managing risk.

For further quantitative disclosures, please refer to the respective notes to the parent company only financial statements.

2. Risk management structure

The Chairman has the sole responsibility for establishing and overseeing the Company's risk management structure and reports regularly to the Board on its operation.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

The board of directors has established a risk management committee to be responsible for developing and controlling the company's risk management policies and reporting its operation to the board of directors on a regular basis.

The Company's risk management policy is designed to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor compliance with the risks and risk limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's operations. The Company develops a disciplined and constructive control environment through training, management guidelines and operating procedures to enable all employees to understand their roles and responsibilities.

The Board of Directors of the Company oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the appropriateness of the Company's risk management framework in relation to the risks it is exposed to. Internal auditor assist the Company's audit committee in its oversight role. These personnel conduct regular and exceptional reviews of risk management controls and procedures and report the results of these reviews to the audit committee.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

3. Credit risk

Credit risk is the risk of financial loss arising from the failure of the Consolidated Company's customers or trading partners to fulfill their contractual obligations, mainly from the Company's accounts receivable from customers and investments in securities.

(1) Accounts receivable and other receivables

The policies adopted by the Company are to trade only with well-reputed counterparties, and, as it is necessary, sufficient collateral must be obtained to reduce the risk of financial losses. The Company only trades with enterprises rated equivalent to investment grade. Such information is provided by an independent rating agency; If such information is not available, the Company will use other publicly available financial information and mutual transaction records to rate major customers. The Company continuously monitors the credit risk and the credit rating of counterparties, distributes the total transaction amount to customers with qualified credit rating, and controls the credit risk through the credit limit of counterparties reviewed and approved by the risk management committee every year.

The Company does not hold any collateral or other credit enhancement to avoid the credit risk of financial assets.

(2) Investment

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the financial department of the Company. Since the trading partners and other performing parties of the Company are banks with good credit and financial institutions, corporate organizations and government agencies with investment grade and above, there are no major performance concerns without significant credit risks.

(3) Guarantee

The Company's policy stipulates that guarantees are only provided to its wholly-owned subsidiaries. Please refer to note 7 for details of endorsements and guarantees provided by the Company as of December 31, 2021 and 2020.

4. Liquidity risk

Liquidity risk refers to the risk that the Company is unable to deliver cash or other financial assets to pay off financial liabilities and fails to perform relevant obligations. To management the liquidity, the Company shall ensure its sufficient working capital to meet the due liabilities under normal and stressful conditions, without unacceptable loss or risk of damage to the company's reputation.

5. Market risks

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Market risk refers to the risk arisen from market price changes, such as exchange rate, interest rate and equity instrument price changes, which will affect the Company's income or the value of financial instruments held. The market risk management aims to control the market risk within an acceptable level and optimize the return on investment.

To manage market risks, the Company engages in derivative instrument transactions, resulting in financial liabilities. All transactions are executed in accordance with the guidelines of risk management committee. Generally speaking, the Company adopts hedge accounting to manage profit and loss fluctuations.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(1) Exchange rate risk

The Company uses derivative transactions to hedge exchange rate risk due to its exposure to exchange rate risk arising from sales and purchase transactions that are not denominated in the Company's functional currency. The Company's functional currency is denominated in New Taiwan dollar, along with Euro, USA and RMB. These transactions are traded in NTD, Euro, USA and RMB.

The Company holds accounts receivable denominated in foreign currencies other than functional currencies, and the exchange gains and losses arising from exchange rate changes offset the exchange gains and losses of short-term borrowings denominated in foreign currencies. Therefore, the risk exposed to the Company is reduced due to exchange rate.

The Company keeps abreast of changes in exchange rates at all times, takes a stable and conservative exchange rate as the basis for quotation, carefully considers the changes of current and future exchange rates, and uses hedging instruments in a timely manner such as forward foreign exchange to avoid the impact of exchange rate changes.

(2) Interest rate risks

The company holds assets and liabilities with floating interest rates and exposes to cash flow interest rate. The details of the company's financial assets and financial liabilities with floating interest rates are described in the liquidity risk management of this note.

(w) Capital management

Given the current operating industry and the future development, and considering the changes of the external environment and other factors, the Company plans the working capital and dividend expenditure and other needs required by the company in the future, so as to ensure that the Company can continue to operate and maintain the best capital structure, so as to maximize shareholders' remuneration and enhance shareholders' value in the long run. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. In addition, the Company is not required to comply with other external capital requirements.

(x) Investment and financing activities of non cash transactions

The Company's non-cash transaction investment and financing activities in 2021 and 2020 are as follows:

1. Please refer to note 6 (16) for details of issuing common shares to acquire subsidiaries.
2. Please refer to note 6 (16) for details of the conversion of convertible corporate bonds into ordinary shares.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

VII. Related Party Transactions

(a) Name and relationship of related party

The related parties that transact with the Company within the coverage of this parent company only financial statements are below:

<u>Relationship</u>	<u>Relationship with the Company</u>
Hon Hai Precision Industry Co., Ltd.	Associates
FOXCONN INTERCONNECT TECHNOLOGY LIMITED TAIWAN BRANCH (CAYMAN)	Associates
FIH (Nanjing) Communications Co., Ltd.	Associates
FIH (Hong Kong) Limited	Associates
RIGO GLOBAL CO., LTD.	Associates
WT Microelectronics Co., Ltd.	Associates
Q.P.T.I Corporation	Associates
Hon-Ling Technology Co., Ltd.	Associates

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

<u>Relationship</u>	<u>Relationship with the Company</u>
AIS Cayman Technology Group.Taiwan Branch	Associates
Shenzhenshi Yuzhan Precision Technology Co., Ltd.	Associates
Futaihua Industry (Shenzhen) Co., Ltd.	Associates
Shenzhen FuTaiHong Precision Industry Co., Ltd.	Associates
Ever Light Technology Limited Taiwan Branch	Associates
Foxconn European Manufacturing Services	Associates
FORTUNEBAY TECHNOLOGY PTE LTD.	Associates
Vecow Co., Ltd.	Subsidiary
Ennoconn (Suzhou) Technology Co., Ltd.	Subsidiary
TAIWAN APPLIED MODULE CORPORATION	Subsidiary
CASWELL, INC.	Subsidiary
Marketech International Corp.	Subsidiary
Kontron Asia Technology Inc.	Subsidiary
POSLAB TECHNOLOGY CORPORATION	Subsidiary
ENNOMECH PRECISION CO., LTD.	Subsidiary
Ennoconn International Investment Co., Ltd.	Subsidiary
ENGA Technology Co., Limited.	Subsidiary
SyS-P Co., Ltd.	Subsidiary
Goldtek Technology Co., Ltd.	Subsidiary
CASO, Inc.	Subsidiary
Kontron Europe GmbH	Subsidiary
Kontron Canada Inc.	Subsidiary
Kontron Asia Pacific Design Sdn.Bhd	Subsidiary
Kontron America Inc.	Subsidiary
Kontron Electronics GmbH	Subsidiary
Kontron Modular Computers S.A.S.	Subsidiary
American Industrial Systems, Inc.	Subsidiary
HighAim Technology Inc.	Subsidiary
Victor Plus HoldingsLtd.	Subsidiary
S&T AG	Subsidiary
Marketech International Corp.	Subsidiary
AIS Cayman Technology Group	Subsidiary
Former shareholder of AIS Cayman	The key management

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

(b) Significant transactions and balance with related parties

1. Operating revenue

The Company has the following major sales with related parties:

<u>Accounts Item</u>	<u>Category of related party /Name</u>	<u>2021</u>	<u>2020</u>
Sales revenue	Subsidiary:		
	Kontron Canada Inc.	\$ 114,078	473,492
	Kontron Europe GmbH	506,794	494,087
	Kontron America Inc.	180,225	-
	Others	6,411	200,791
	Associates:		
	Others	1,665	30,563
		<u>\$ 809,173</u>	<u>1,198,933</u>

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

2. Purchase and processing fees

The purchase of the Company from related parties is:

<u>Category of related party /Name</u>	<u>2021</u>	<u>2020</u>
Subsidiary:		
Victor Plus Holdings Ltd.	\$ 2,273,299	1,858,602
Others	37,854	12,045
Associates:		
Others	95,750	47,943
	<u>\$ 2,406,903</u>	<u>1,918,590</u>

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

3. Receivables from related parties (excluding loans to related parties)

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

<u>Accounts Item</u>	<u>Category of related party /Name</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Trade receivables - related parties	Subsidiary:		
	Kontron Canda Inc.	\$ 16,533	246,966
	Kontron Europe GmbH	171,546	105,985
	Kontron America Inc.	55,134	-
	Others	3,592	79,852

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

<u>Accounts Item</u>	<u>Category of related party /Name</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Trade receivables - related parties	Associates:		
	Others	\$ -	27,259
Other receivables - related parties	Subsidiary:		
	Kontron Europe GmbH	65,738	3,684
	Kontron America Inc.	5,754	1,276
	Ennoconn (Suzhou) Technology Co., Ltd.	19,638	28,149
	Others	55,089	1,973
	Associates:		
	Hon Hai Precision Industry Co., Ltd.	1,082	500
	Innovative Systems Integration Limited	2,768	-
	Others	2,267	32,771
		<u>\$ 399,141</u>	<u>528,415</u>

Guarantees from outstanding accounts receivable of related parties are not collected. No loss allowance was set aside for receivable from related parties for the year ended Dec. 31, 2021 and 2020.

4. Accounts payable to related parties (excluding loans to related parties)

Details of the Company's payables to related parties are as follows:

<u>Accounts Item</u>	<u>Category of related party /Name</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Notes payable	Subsidiary:		
	Victor Plus Holdings Ltd.	\$ 121,154	351,793
	Others	1,564	3,475
	Associates:		
	Hon Hai Precision Industry Co., Ltd.	-	887
	Others	38,970	28,118
Expenses payable (other payables accounts)	Subsidiary	16,380	12,536
	Associates	8,965	34,950
		-	-
		<u>\$ 187,033</u>	<u>431,759</u>

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

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

5. Other related party transactions

<u>Accounts Item</u>	<u>Category of related party /Name</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Manufacturing expenses	Subsidiary	\$ 37,198	(22,925)
	Associates	20,100	14,747
Operating expenses	Subsidiary	12,512	5,120
	Associates	1,285	7,552
		<u>\$ 71,095</u>	<u>4,494</u>

6. Endorsements/guarantees

<u>Category of related party /Name</u>	<u>2021</u>	<u>2020</u>	
Innovative Systems Integration Limited	\$ 830,400	851,700	
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.	664,320	369,070	
Highaim Technology Inc.	41,520	184,535	
		<u>\$ 2,796,240</u>	<u>2,665,305</u>

7. 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 (Jan.21, 2021), at an amount of NT\$279million.

(c) Transactions with major managers

Remuneration for major managers include:

	<u>2021</u>	<u>2020</u>	
Short-term employee benefits	\$ 15,278	17,579	
Post-employment benefits	108	116	
		<u>\$ 15,386</u>	<u>17,695</u>

The compensation of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

VIII. Pledged Assets

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

<u>Name of Asset</u>	<u>Subject of pledge guarantee</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Financial Assets at Amortized Cost	Fixed deposit	<u>\$ 4,225</u>	<u>289,873</u>

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments: None.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

X. Losses due to Major Disasters: None.

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

XI. Significant Events after the Balance Sheet Date

- (a) On Jan 4, 2022, the Company adopted the private placement of ordinary share at the special meeting of shareholders. The placement is targeted at Google International LLC, issues 4,880,000 shares at NT\$226.92 per share. To increase working capital, repay bank loans, repay the third domestic unsecured convertible corporate bonds or the first overseas unsecured convertible corporate bonds, the benchmark date of capital increase is January 11, 2022.
- (b) On Feb 24, 2022, the subsidiary -Hua Cheng International Investment Co., Ltd. subscribed the private placement of new shares of ARBOR Technology, at NT\$18.5 per share, acquired 16,000 thousand shares, held 17.69% of shares and a total amount of NT\$296,000 thousand.
- (c) The subsidiary S&T AG has clarified Viceroy report in Dec 2021 and employs the independent third-party CPA Deloitte to investigate the case. According to the audit report issued by Deloitte on March 15, 2022, Viceroy report is a false statement or has no legal and financial impact. S&T AG keeps stable operation. The Company will monitor the latest news of this case.
- (d) On March 23, 2022, the Company issued important information stating that the Company found an employee suspected of forging documents and misappropriating the Company's assets, and reported the case to the New Taipei City Investigation Office of the investigation Bureau under the Ministry of Justice. The employee is suspected of misappropriating cash and equivalent cash of the Company and its subsidiaries at NT\$101,983 thousand, of which losses attributable to 2020 and 2021 was NT\$61,441 thousand and NT\$37,723 thousand respectively. The amount between Jan 1, 2022 and March 22, 2022 was NT\$2,819 thousand. The Company has adjusted relevant asset accounts and undistributed earnings at the beginning of the year, and recognized relevant losses in the year. Please refer to note 6 (1), note 6 (10) and note 6 (20) for details.

XXII. Others

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

By function	2021			2020		
	Operation costs	Operation Expenses	Total	Operation costs	Operation Expenses	Total
By nature						
Employee benefits expense						
Wages and salaries	11,908	116,703	128,611	25,679	149,940	175,619
Labor insurance and National Health	1,377	13,919	15,296	2,072	12,404	14,476

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Insurance expense						
Pension costs	720	7,406	8,126	1,192	6,802	7,994
Remuneration to directors	-	5,195	5,195	-	5,185	5,185
Others Employee Benefits Expenses	1,083	9,010	10,093	1,794	7,190	8,984
Depreciation expenses	5,854	8,016	13,870	10,118	10,144	20,262
Amortization expense	28	3,372	3,400	51	950	1,001

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Additional information about number of employees and employee benefit expenses in 2021 and 2020:

	<u>2021</u>	<u>2020</u>
No. of employees	<u>183</u>	<u>186</u>
Directors who did not concurrently serve as employees.	<u>5</u>	<u>6</u>
Average employee benefits expense	<u>\$ 911</u>	<u>1,150</u>
Average employee salary expense	<u>\$ 723</u>	<u>976</u>
Adjustment to average employee salary expense	<u>(25.92)%</u>	<u>(24.00)%</u>
Supervisor remuneration	<u>\$ -</u>	<u>-</u>

The Company's salary and remuneration policies (including directors, supervisors, managers and employees) are as follows:

The Company's salary policy aims to institutionalize the Company's salary. These salary measure is hereby formulated as the basis. The salary of all colleagues employed by the Company shall be determined according to their educational background, experience, skills, potential and the function of the position. At the end of the year, if there is profit, the employee's remuneration shall be allocated in accordance with the Articles of Incorporation. The remuneration received by the Company's directors is determined following the Company's Articles of Incorporation. The Board of Directors drafts the compensation distribution plan and submits it to the shareholders' meeting. The salary remuneration of directors and managerial officers shall be distributed after being deliberated by the Remuneration Committee and resolved by the Board of Directors. The remuneration for managerial officers of the Company is mainly divided into salary, bonus, and employee compensation. Salary and bonus are deliberated by the Remuneration Committee and then resolved by the Board of Directors. Employee compensation is based on the Company's operating conditions and the allocation proportion stipulated in the Company's Articles of Incorporation, which shall be reported to the shareholders' meeting after the resolution of the Board of Directors. The remuneration evaluation items for the Company's directors and managerial officers include the target achievement rate, the Company's profit margin, contribution, and important aspects such as whether a moral hazard event has occurred.

(b) Seasonality of operation:

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

XIII. Supplementary Disclosure

(a) Information on significant transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co., Ltd.
(Continued)

Securities Issuers, the Company shall re disclose the following information on major transactions in the year of 2021:

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:
None

Notes to Parent Company Only Financial Statements of Ennoconn Technology Co.,
Ltd. (Continued)

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 5.
8. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 6.
9. Derivative financial instrument transactions: None.
- (b) Re-investment information (excluding investees in Mainland China): Please refer to Table 7.
- (c) Information on investments in Mainland China: None.
1. Name, major businesses and related information about investees in Mainland China: please refer to Table 8(1).
2. Investment limit in Mainland China: please refer to Table 8(2).
3. Major transactions with investees in Mainland China:
- (d) Major shareholders' information:

Name of Major Shareholder	Shares	Shares	Shareholdings (%)
Baoxin International Investments Ltd.		31,933,417	32.98%
Fubon Life Insurance Co., Ltd.		6,509,761	6.72%
		-	0.00%
		-	0.00%

XIV. Segment Information

Please refer to the consolidated financial statement for year ended December 31, 2021.

Ennoconn Technology Co., Ltd.
FINANCING PROVIDED TO OTHERS
For the Year Ended December 31, 2021

Table I

Unit: NT\$ thousand

Code (Note1)	Grantor	Borrower	Transaction item	Related Party (Y/N)	Maximum balance for the period (Note3)	Ending balance (Note3)	Actual Amount Used	Interest rate interval	Nature of loan (Note2)	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	CASWELL, INC.	Apligo	Other receivables - related parties	Yes	22,144	22,144	22,144	2.45%	2	-	Business operation	-	None	-	299,176	598,352
2	S&T AG, Austria	S&T CEE Holding s.r.o., Slowakei	Other receivables - related parties	Yes	501,120	469,800	317,898	5%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	S&T Romania S.R.L., Romania	Other receivables - related parties	Yes	375,789	322,279	170,377	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	S&T Mold srl.	Other receivables - related parties	Yes	155,034	151,902	-	4%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	S&T Consulting Hungary Kft., Hungary	Other receivables - related parties	Yes	240,851	227,696	75,794	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	S&T Deutschland GmbH, Germany	Other receivables - related parties	Yes	198,882	198,882	46,980	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	S&T Services Bel LLC	Other receivables - related parties	Yes	158,270	154,303	2,401	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	Kontron Transportation GmbH	Other receivables - related parties	Yes	762,642	621,702	427,831	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG,	Kontron	Other	Yes	350,001	318,681	166,779	3%	2	-	Business	-	None	-	1,254,773	10,038,187

	Austria	electronics GmbH (DE)	receivables - related parties								operation					
2	S&T AG, Austria	Kontron America Inc.	Other receivables - related parties	Yes	138,266	122,197	122,197	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	Kontron electronics AG	Other receivables - related parties	Yes	34,452	34,452	34,452	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	Kontron Public Transportation	Other receivables - related parties	Yes	479,196	151,902	-	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187

Code (Note1)	Grantor	Borrower	Transaction item	Related Party (Y/N)	Maximum balance for the period (Note3)	Ending Balance (Note3)	Actual Amount Used	Interest rate interval	Nature of loan (Note2)	Amount of Transaction	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit
													Name	Value		
2	S&T AG, Austria	Kontron Modular Computers S.A.S.	Other receivables - related parties	Yes	267,786	255,258	103,356	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	Kontron Austria GmbH	Other receivables - related parties	Yes	480,762	480,762	328,860	2%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	Kontron Electronics Kft.	Other receivables - related parties	Yes	171,634	167,405	15,503	3%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	RTSoft, AO, Russia	Other receivables - related parties	Yes	260,670	255,826	103,924	8%	2	-	Business operation	-	None	-	1,254,773	10,038,187
2	S&T AG, Austria	RTSoft Smart Grid, Russia	Other receivables - related parties	Yes	161,409	161,078	9,176	8%	2	-	Business operation	-	None	-	1,254,773	10,038,187
3	S&T Mazedonien	S&T AG, Austria	Other receivables - related parties	Yes	169,128	169,128	-	1%	2	-	Business operation	-	None	-	266,736	266,736
4	Kontron S&T AG	KONTRON ASIA PACIFIC DESIGN SDN. BHD.	Other receivables - related parties	Yes	281,448	278,396	126,494	1%	2	-	Business operation	-	None	-	403,317	3,226,540
5	EnnoMech Precision (Cayman) Co., Ltd.	Ennoconn Investment Holdings Co., LTD	Other receivables - related parties	Yes	19,376	-	-	- %	2	-	Business operation	-	None	-	571,203	571,203
6	ENGA Technology Co., Ltd.	Ennoconn Investment Holdings Co., LTD	Other receivables - related parties	Yes	91,344	-	-	- %	2	-	Business operation	-	None	-	103,063	103,063
7	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Other receivables	Yes	49,490	27,680	27,680	4%	2	-	Business operation	-	None	-	2,626,116	2,626,116
7	Marketch International Corp.	Marketch International Sdn. Bhd.	Other receivables	Yes	83,040	83,040	24,912	4%	2	-	Business operation	-	None	-	2,626,116	2,626,116
7	Marketch International Corp.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	166,500	110,720	110,720	4%	2	-	Operating working capital	-	None	-	2,626,116	2,626,116

Code (Note1)	Grantor	Borrower	Transaction item	Related Party (Y/N)	Maximum balance for the period (Note3)	Ending Balance (Note3)	Actual Amount Used	Interest rate interval	Nature of loan (Note2)	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		
8	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other receivables	Yes	65,473	26,064	26,064	4%	2	-	Business operation	-	None	-	235,590	471,180

Code (Note1)	Grantor company	Borrower	Transaction item	Related Party (Y/N)	Maximum balance for the period (Note3)	Actual (Note3)	Actual Amount Used	Interest rate interval	Nature of loan (Note2)	Amount of Amount	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Limit on Loans Granted to a Single Party	Total Loan Limit
													Name	Value		
8	MIC-Tech Electronics Engineering Corp.	Fuzhou Jiwei System Integrated Co., Ltd.	Other receivables	Yes	4,344	2,172	2,172	4%	2	-	Business operation	-	None	-	471,180	471,180
9	MIC-Tech (Shanghai) Corp.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Other receivables	Yes	26,063	13,032	13,032	4%	2	-	Business operation	-	None	-	459,552	459,552
9	MIC-Tech (Shanghai) Corp.	MIC-Tech (WuXi) Co., Ltd.	Other receivables	Yes	43,839	-	-	- %	2	-	Business operation	-	None	-	459,552	459,552
10	Marketech Integrated Manufacturing Co., Ltd.	Marketech Integrated Construction Co., Ltd.	Other receivables	Yes	7,134	4,152	4,152	7%	2	-	Business operation	-	None	-	91,679	183,357
11	Marketech Co., Ltd.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	9,600	-	-	- %	2	-	Business operation	-	None	-	11,731	11,731
12	ISKRATEL.,d.o.o.	S&T AG, Austria	Other receivables - related parties	Yes	308,502	308,502	156,600	3%	2	-	Business operation	-	None	-	755,272	1,888,181
13	T-Paragon Die Casting Co., Ltd.	T-Paragon Die Casting (THAILAND) Co., Ltd.	Other receivables - related parties	Yes	13,840	13,840	13,840	2%	2	-	Business operation	-	None	-	35,187	87,968
14	SUNLIT PRECISION TECHNOLOGY CO., LTD.	T-lamma (Guangdong) Tech Co., Ltd.	Other receivables - related parties	Yes	49,700	49,700	49,700	2%	2	-	Business operation	-	None	-	114,801	287,002
15	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Other receivables - related parties	Yes	69,200	69,200	69,200	1%	2	-	Business operation	-	None	-	184,394	921,969
16	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	345,446	345,446	345,446	1%	2	-	Business operation	-	None	-	571,473	571,473

Note1 : (1)Fill in 0 for issuer.

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

Note2 : 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.

Note3 : Limit to loans is resolved by the Board of Directors.

Ennoconn Technology Co., Ltd.
ENDORSEMENTS/GUARANTEES PROVIDED
For the Year Ended December 31, 2021

Table II

Unit: NT\$ thousand

Code	Company name	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for the period	Ending Balance of endorsement	Actual	Amount of endorsement secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement of the parent company to a subsidiary	Endorsement of a subsidiary to the Parent company	Endorsement for Mainland China
	of Endorser	Company name	Relationship				Amount Used						
0	Ennoconn Technology Co., Ltd.	Innovative Systems Integration Limited	2	13,905,623	830,400	830,400	2,768	-	8.96%	18,540,830	Y	N	Y
0	Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	2	13,905,623	1,000,000	1,000,000	50,000	-	10.79%	18,540,830	Y	N	N
0	Ennoconn Technology Co., Ltd.	HIGHAIM TECHNOLOGY INC.	2	13,905,623	179,920	41,520	-	-	0.45%	18,540,830	Y	N	N
0	Ennoconn Technology Co., Ltd.	HighAim Technology Inc.	2	13,905,623	664,320	664,320	221,440	-	7.17%	18,540,830	Y	N	Y
0	Ennoconn Technology Co., Ltd.	Thecus Technology Corp.	2	13,905,623	100,000	100,000	75,000	-	1.08%	18,540,830	Y	N	N
0	Ennoconn Technology Co., Ltd.	Dexatek Technology Ltd.	2	13,905,623	160,000	160,000	100,000	-	1.73%	18,540,830	Y	N	N
1	S&T AG, Austria	S&T Slovakia s.r.o.	2	18,821,601	125,280	125,280	54,465	-	1.00%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Plus s.r.o.	2	18,821,601	6,300	6,300	-	-	0.05%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T CZ s.r.o.	2	18,821,601	56,698	56,698	-	-	0.45%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Bulgaria e.o.o.d.	2	18,821,601	29,597	29,597	-	-	0.24%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Consulting Hungary Kft.	2	18,821,601	522,006	522,006	328,910	-	4.16%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Poland Sp.z.o.o.	2	18,821,601	349,117	340,664	-	-	2.71%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Slovenija d.d.	2	18,821,601	31,320	-	-	-	- %	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Deutschland GmbH	2	18,821,601	12,528	12,528	-	-	0.10%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron Europe GmbH	2	18,821,601	31,320	31,320	-	-	0.25%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Smart Energy GmbH	2	18,821,601	21,924	-	-	-	- %	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron Technologies GmbH	2	18,821,601	2,034	-	-	-	- %	25,095,468	Y	N	N

Code	Maximum amount of of Endorser	of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for the period	Ending Balance of endorsement	Actual Amount Used	Amount of endorsements secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement of the parent company to a subsidiary	Endorsement of a subsidiary to the Parent company	Endorsement for Mainland China
		Company name	Relationship										
1	S&T AG, Austria	diverse / Factoring CEE	2	18,821,601	563,760	501,120	319,053	-	3.99%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Albania Sh.p.k.	2	18,821,601	9,553	-	-	-	- %	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron Public Transportation	2	18,821,601	118,255	118,255	8,836	-	0.94%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron Transportation Austria AG	2	18,821,601	1,084,455	1,031,945	208,591	-	8.22%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron AIS GmbH(AIS Automation Dresden GmbH)	2	18,821,601	25,056	25,056	-	-	0.20%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Crna Gora d.o.o.	2	18,821,601	9,535	9,535	-	-	0.08%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T AG/ Kontron Transportation Austria AG/ S&T Smart Energy/Kontron s.r.o.	2	18,821,601	392,610	383,204	-	-	3.05%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron Transportation France	2	18,821,601	15,065	7,830	-	-	0.06%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron Austria GmbH	2	18,821,601	7,830	7,830	-	-	0.06%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron America Inc	2	18,821,601	553,064	553,064	193,960	-	4.41%	25,095,468	Y	N	N
1	S&T AG, Austria	Factoring Kontron Europe / Kontron Modular Computer	2	18,821,601	1,064,880	1,064,880	612,859	-	8.49%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron electronics GmbH	2	18,821,601	9,396	9,396	-	-	0.07%	25,095,468	Y	N	N
1	S&T AG, Austria	Kontron S&T AG	2	18,821,601	125,280	125,280	-	-	1.00%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T MEDTECH SRL(GADA GROUP ROMANIA SRL)	2	18,821,601	109,620	109,620	93,523	-	0.87%	25,095,468	Y	N	N
1	S&T AG, Austria	S&T Romania SRL	2	18,821,601	398,166	397,100	38,479	-	3.16%	25,095,468	Y	N	N
1	S&T AG, Austria	diverse / Factoring DACH	2	18,821,601	576,288	576,288	351,453	-	4.59%	25,095,468	Y	N	N
1	S&T AG, Austria	RTSoft Project OOO	2	18,821,601	76,086	73,435	-	-	0.59%	25,095,468	Y	N	N
1	S&T AG, Austria	RTSoft AO	2	18,821,601	18,086	-	-	-	- %	25,095,468	Y	N	N

Code	Maximum amount of of Endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for the period	Ending Balance of endorsement	Actual Amount Used	Amount of endorsement secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsemen t of the parent company to a subsidiary	Endorsemen t of a subsidiary to the Parent company	Endorsemen t for Mainland China
		Company name	Relationship										
2	HighAim Technology INC.	HighAim Technology Inc.	2	627,924	27,680	27,680	-	-	4.41%	627,924	Y	N	Y
3	Marketch International Corp.	MIC-Tech Electronics Engineering Corp.	2	3,282,645	1,781,943	1,373,105	211,430	-	20.91%	6,565,290	Y	N	Y
3	Marketch International Corp.	Marketch Integrated Pte. Ltd.	2	3,282,645	17,131	14,911	3,603	-	0.23%	6,565,290	Y	N	N
3	Marketch International Corp.	MIC-Tech (Shanghai) Corp.	2	3,282,645	859,442	756,561	34,680	-	11.52%	6,565,290	Y	N	Y
3	Marketch International Corp.	MIC-Tech (WuXi) Co., Ltd.	2	3,282,645	347,506	276,376	157,776	-	4.21%	6,565,290	Y	N	Y
3	Marketch International Corp.	Marketch International Corporation USA	2	3,400,540	1,403,100	1,401,360	1,284,382	-	21.34%	6,565,290	Y	N	N
3	Marketch International Corp.	Marketch International Sdn. Bhd.	2	3,282,645	227,840	166,080	32,843	-	2.53%	6,565,290	Y	N	N
3	Marketch International Corp.	Ezoom Information, Inc.	2	3,282,645	85,000	25,000	-	-	0.38%	6,565,290	Y	N	N
3	Marketch International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	3,282,645	318,971	296,340	207,518	-	4.51%	6,565,290	Y	N	Y
3	Marketch International Corp.	Te Chang Construction Co., Ltd.	5	3,282,645	174,000	174,000	65,248	-	2.65%	6,565,290	N	N	N
4	MIC-Tech Electronics Engineering Corp.	Marketch International Corp.	3	1,766,926	482,670	-	-	-	- %	2,944,876	N	Y	N
4	MIC-Tech Electronics Engineering Corp.	MIC-Tech (WuXi) Co., Ltd.	4	1,766,926	8,570	-	-	-	- %	2,944,876	N	N	Y
4	MIC-Tech Electronics Engineering Corp.	MIC-Tech Viet Nam Co., Ltd.	4	1,766,926	413,406	409,990	409,990	-	69.61%	2,944,876	N	N	N
4	MIC-Tech Electronics Engineering Corp.	The Fourth Construction Co., Ltd. of China Electronics System Engineering	5	1,766,926	808,756	801,400	778,920	-	136.07%	2,944,876	N	N	Y

Code	Maximum amount of of Endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for the period	Ending Balance of endorsement	Actual Amount Used	Amount of endorsements secured by the property	The ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement of the parent company to a subsidiary	Endorsement of a subsidiary to the Parent company	Endorsement for Mainland China
		Company name	Relationship										
5	Marketech Co., Ltd.	MIC-Tech Viet Nam Co., Ltd.	4	146,643	126,166	-	-	-	- %	146,643	N	N	N

Note 1: The No. column is filled as follows:

(1) Fill in 0 for issuer.

(2) The investee companies are numbered in order starting from 1. One company shall have an identical number.

Note2: The relationship between the endorsement and the endorsed object is as follows:

(1) A company with which it does business.

(2) A company in which the Company directly and indirectly holds more than 50% of the voting shares.

(3) A company that directly and indirectly holds more than 50% of the Company's voting shares.

(4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

(5) Based on the needs of the contracted project, the business in the same industry or joint manufacturers mutually insure each other in accordance with the contract.

(6) A company that is endorsed and guaranteed by all contributing shareholders according to their shareholding ratio due to joint investment.

(7) The performance guarantee and joint guarantee in the industry engaged in the pre-sale house sales contract in accordance with the consumer protection law.

Note3: The total external endorsement and guarantee shall not exceed 150% of the Company's net worth in recent financial statements.

Note4: 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.

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

As of December 31, 2021

Table III

Unit: thousand shares/NT\$ thousand

Held company	Marketable securities Type and name	Marketable securities Relationship with issuers	Financial Statement Account	Ending				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	38,039	20%	38,039	
"	SERVTECH Co., Ltd.	"	"	400	8,708	7%	8,708	
"	Augentix Inc.	"	"	667	50,025	5%	50,025	
TAIWAN APPLIED MODULE CORPORATION	SERVTECH Co., Ltd.	"	"	340	24,566	11%	24,566	
Goldtek Technology Co., Ltd.	Cloudtalk Inc.	"	"	484	123,501	-%	-	
"	EMBER TECHNOLOGIES, INC.	"	"	862	140,700	2%	140,700	
"	Augentix Inc.	"	"	333	24,975	3%	24,975	
SUNLIT PRECISION TECHNOLOGY CO., LTD.	LINKA GROUP LIMITED	"	"	143	27,693	8%	-	
Techno Precision ShenZhen Co., Ltd.	T-lamma (Guangdong) Tech Co., Ltd.	Other related parties	"	9,408	82,569	16%	28,214	
Ennoconn (Foshan) Investment Co., Ltd.	Foshan Zhaoke Innovative Intelligent Industry Investment Fund Partnership	None	"	RMB 65,000	279,240	19%	279,240	
"	Guangdong Hongfu Xinghe Hongtu Venture Capital Fund Partnership	"	"	RMB 50,000	214,800	10%	214,800	
APLIGO GmbH	Shares in Volksbank Karlsruhe	"	"	-	9	-%	9	
CASWELL, INC.	ADVANIO TECHNOLOGY CO., LTD.	"	"	1,045	-	19%	-	
NanJing Asiatek INC.	Shenzhen Executive Power System Technology Co., Ltd.	"	"	RMB 900	3,866	10%	3,866	
HighAim Technology Inc.	Shenzhen Tianlin Precision Technology Co., Ltd.	"	"	RMB 1,190	5,110	20%	5,110	
Dexatek Technology Ltd.	Eve Systems GmbH	"	"	53	78,875	19%	78,875	
S&T Hrvatska doo	Optima Telekom	"	"	EURO 68,093	2,133	-%	2,133	
SecureGuard GmbH	Erste Immobilienfonds Fonds	"	"	EURO 236,457	7,406	-%	7,406	
Iskratel d.o.o.	Others	"	"	EURO 158,812	4,974	-%	4,974	
Diverse	Diverse	"	"	EURO 1,085	34	-%	34	
S&T AG	Others	"	"	EURO 324,638	10,168	-%	10,168	
AO IskraUralTel Yekaterinburg	Others	"	"	EURO 491	15	-%	15	
	Less: Unrealized gain on financial assets at FVTOCI			-	(205,549)		-	
				-	921,857		921,857	

Held company	Marketable securities Type and name	Marketable securities Relationship with issuers	Financial Statement Account	Ending				Remarks
				Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	LaserTec Corporation	None	Financial assets at FVTPL-Current	20	169,745	1%	169,745	
"	Aerospace Industrial Development Corporation	"	"	51	1,495	1%	1,495	
				-	171,240		171,240	
Marketech International Corp.	TAIWAN COLOUR AND IMAGING TECHNOLOGY CORPORATION	None	Financial assets at FVTPL-Non-Current	1,700	-	12%	-	
"	Chung Hsin Electric & Machinery Manufacturing Corp.	"	"	581	26,290	-%	26,290	
"	WINGS GLOBAL TECHNOLOGY INC.	"	"	750	9,096	19%	9,096	
"	ProMOS TECHNOLOGIES INC.	"	"	250	-	1%	-	
"	Taiwan Puritic Corp.	"	"	5,352	405,427	9%	405,427	
"	SOPOWER TECHNOLOGY CORP.	"	"	189	-	1%	-	
"	VEEV Interactive Pte. Ltd.	"	"	840	-	6%	-	
"	Taiwan Intelligent Fiber Optic Network Co., Ltd.	"	"	3,868	25,145	1%	25,145	
"	CIVIL TECH HOLDINGS LTD.	"	"	336	-	1%	-	
"	Probeleader Co., Ltd.	Entities controlled or sign	"	966	16,315	3%	16,315	
"	TOP GREEN ENERGY TECHNOLOGIES INC.	"	"	1,111	-	1%	-	
"	Zhi-Yuan Venture Capital Co., Ltd.	"	"	818	7,991	2%	7,991	
"	Innorich Venture Capital Corp.	"	"	1,000	7,093	2%	7,093	
"	TAIWAN FORESIGHT CO., LTD.	"	"	380	4,310	2%	4,310	
"	Long Time Technology Co., Ltd.	"	"	346	16,422	-%	16,422	
"	PARADIGM I VENTURE CAPITAL COMPANY	"	"	77	1,126	4%	1,126	
"	TAIWAN SPECIALITY CHEMICALS CORPORATION.	"	"	2,269	88,451	2%	88,451	
"	ATECH TOTALSOLUTION CO., LTD.	"	"	128	-	-%	-	
"	EAST WIND LIFE SCIENCE SYSTEMS CO., LTD.	"	"	124	-	13%	-	
"	Ecoland Corporation	"	"	311	-	14%	-	
"	KCASHIN TECHNOLOGY CORPORATION	"	"	643	320	19%	320	
"	Radisen Co. Ltd	"	"	88	-	18%	-	
"	FORESIGHT ENERGY TECHNOLOGIES CO., LTD.	"	"	675	1,626	3%	1,626	
"	Mycropore Corporation	"	"	1,471	26,954	8%	26,954	
"	STEK CO., LTD.	"	"	507	24,006	6%	24,006	
"	Sum Capital Healthcare Investment Corp.	"	"	943	9,393	7%	9,393	

Held company	Marketable securities Type and name	Marketable securities Relationship with issuers	Financial Statement Account	Ending				Remarks
				Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Forward Science Corp.	Entities controlled	Financial assets at FVTPL-Non-Current	2,650	34,117	8%	34,117	
"	SHARPCON OPTICAL CO., LTD.	"	"	667	7,192	3%	7,192	
"	Everlasting Digital ESG Co., Ltd.	"	"	100	1,000	6%	1,000	
"	Artfil, Inc.	"	"	-	23,812	7%	23,812	
"	TAIWAN TRUEWIN TECHNOLOGY CO., LTD.	"	"	500	31,750	3%	31,750	
	Convertible corporate bonds:			-	767,836		767,836	
Marketech International Corp.	Kinestral Technologies, Inc.	None	Financial assets at FVTPL-Non-Current	-	-	-	-	
"	Radisen Co. Ltd	"	"	-	-	-	-	
"	Nitride Solutions Inc.	"	"	-	-	-	-	
"	HALLYS CORPORATION	"	"	-	-	-	-	
	Preferred shares:			-	-		-	
Marketech International Corp.	Adant Technologies Inc.	None	Financial assets at FVTPL-Non-Current	175	-	-	-	
"	Kinestral Technologies, Inc.	"	Financial assets at FVTPL-Non-Current	502	-	-	-	
	Fund beneficiary certificates:			-	-		-	
Marketech International Corp.	Vertex Growth(SG) LP	None	Financial assets at FVTPL-Non-Current	-	20,347	-%	20,347	
"	Zhuo Yi II Investment Limited Partnership	"	"	-	12,836	-%	12,836	
Ennoconn International Investment Co., Ltd.	Guotai Private Equity Smart Technology Co., Ltd	"	"	-	15,000	-%	15,000	
Goldtek Technology Co., Ltd.	Zhuo Yi II Investment Limited Partnership	"	"	-	114,028	-%	109,415	
CASWELL, INC.	Zhuo Yi II Investment Limited Partnership	"	"	-	26,473	-%	26,473	
	Less: Evaluation adjustment to financial assets measured at fair value through profit or loss			-	(4,613)		-	
				-	184,071	-%	184,071	

Note1: The above mentioned securities were not restricted for use due to guarantees, pledges, or other agreements as of the end of December2021.

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

Note 3: It refers to preferred shares.

Ennoconn Technology Co., Ltd.

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 Year Ended December 31, 2021

Table IV

Unit: thousand shares/NT\$ thousand

The purchasing/selling Company	Type and name of securities	Ledger account	Transaction Counterpart	Relationship	Beginning		Purchasing		Selling				Ending	
					Shares	cash	Shares	cash	Shares	Selling price	Book costs	Disposal profits/losses	Shares	cash
Ennoconn Technology Co., Ltd.	Stock AIS Cayman Technology	Investments accounted for using the equity method	Former shareholders of AIS Cayman Technology	Subsidiary	-	-	-	-	-	-	-	-	-	-
					-	-	4,028	922,170	-	-	-	-	4,028	922,170
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Investments accounted for using the equity method	Keenest Electronic Corp.	Subsidiary	20,500	510,287	3,500	96,757	-	-	-	-	24,000	376,265

Note: The ending amount includes evaluation profits/losses.

Ennoconn Technology Co., Ltd.

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

For the Year Ended December 31, 2021

Table V

Unit: NT\$ thousand

Purchases or Sales Company	Counterparty	Relationship	Transaction circumstances				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio to Total Purchase (Sales)	Payment term	Unit price	Payment term	Balance	% to Total Notes/Accounts Receivable or Payable	
Ennoconn Technology Co., Ltd.	Victor Plus Holdings Ltd.	Parent company to sub-subsidiary	Purchases	2,275,328	72.78 %	60 days monthly settlement	-	No significant discrepancy	(104,736)	(26.00) %	
Ennoconn Technology Co., Ltd.	Kontron Canada Inc.	Parent company to sub-subsidiary	Sales	(114,078)	(3.41) %	120 days monthly settlement	-	No significant discrepancy	16,533	2.00 %	
Ennoconn Technology Co., Ltd.	Kontron America Inc.	Parent company to sub-subsidiary	Sales	(180,693)	(5.40) %	120 days monthly settlement	-	No significant discrepancy	55,134	7.00 %	
Ennoconn Technology Co., Ltd.	Kontron Europe Gmbh	Parent company to sub-subsidiary	Sales	(506,794)	(15.16) %	120 days monthly settlement	-	No significant discrepancy	171,546	22.00 %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary company to sub-subsidiary	Purchases	437,638	11.58 %	120 days monthly settlement	-	No significant discrepancy	(124,446)	(15.00) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe Gmbh	Sub-subsidiary company to sub-subsidiary	Purchases	232,677	6.16 %	120 days monthly settlement	-	No significant discrepancy	(398,488)	(49.00) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	225,441	5.97 %	90 days monthly settlement	-	No significant discrepancy	(56,433)	(7.00) %	
Ennoconn (Suzhou) Technology Co., Ltd.	Kang zhun Electronic Technology (Kunshan) Co.,Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	139,377	3.69 %	90 days monthly settlement	-	No significant discrepancy	(16,540)	(2.00) %	

Purchases or Sales Company	Counterparty	Relationship	Transaction circumstances				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio to Total Purchase (Sales)	Payment term	Unit price	Payment term	Balance	% to Total Notes/Accounts Receivable or Payable	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe Gmbh	Sub-subsidiary company to sub-subsidiary	Sales	(116,506)	(3.00) %	120 days monthly settlement	-	No significant discrepancy	59,985	9.00 %	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(3,051,025)	(78.54) %	60 days monthly settlement	-	No significant discrepancy	56,433	9.00 %	
Caswell Ltd.	Victor Plus Holdings Ltd.	Subsidiary company to sub-subsidiary	Purchases	129,547	4.58 %	60 days monthly settlement	-	No significant discrepancy	(70,485)	(8.00) %	
Caswell Ltd.	Beijing Caswell Ltd.	Subsidiary company to sub-subsidiary	Sales	(168,970)	(5.19) %	O/A 90 days	-	No significant discrepancy	74,539	12.00 %	
Caswell Ltd.	CASO, inc.	Subsidiary company to sub-subsidiary	Sales	(177,449)	(5.45) %	O/A 70 days	-	No significant discrepancy	26,624	4.00 %	
Caswell Ltd.	Caswell Americas Inc.	Subsidiary company to sub-subsidiary	Sales	(186,436)	(5.72) %	O/A 90 days	-	No significant discrepancy	41,464	6.00 %	
Caswell Americas Inc.	Caswell Ltd.	Sub-subsidiary company to subsidiary	Purchases	186,436	99.41 %	O/A 90 days	-	No significant discrepancy	(41,464)	(96.00) %	
CASO, inc.	Caswell Ltd.	Sub-subsidiary company to subsidiary	Purchases	177,449	89.16 %	O/A 70 days	-	No significant discrepancy	(26,624)	(76.00) %	
APLIGO Gmbh	American Industrial Systems Inc.	Sub-subsidiary company to sub-subsidiary	Sales	(262,841)	(65.74) %	O/A 60 days	-	No significant discrepancy	34,380	46.00 %	
Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	3,056,688	97.31 %	90 days monthly settlement	-	No significant discrepancy	(353,474)	(97.00) %	

Purchases or Sales Company	Counterparty	Relationship	Transaction circumstances				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio to Total Purchase (Sales)	Payment term	Unit price	Payment term	Balance	% to Total Notes/Accounts Receivable or Payable	
Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(225,637)	(7.89) %	90 days monthly settlement	-	No significant discrepancy	56,433	19.00 %	
Victor Plus Holdings Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Sales	(2,567,098)	(89.81) %	60 days monthly settlement	-	No significant discrepancy	131,935	44.00 %	
Shenzhen Asiatek INC.	Nanjing Asiatek Inc.	Sub-subsidiary company to sub-subsidiary	Purchases	513,953	23.89 %	60 days monthly settlement	-	No significant discrepancy	-	- %	
Shenzhen Asiatek INC.	Shenzhen pictographic Technology Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	123,425	5.74 %	60 days monthly settlement	-	No significant discrepancy	(28,282)	(3.00) %	
Shenzhen Asiatek INC.	HeNan FuChi Technology Co., Ltd.	Sub-subsidiary to affiliated companies	Sales	(154,596)	(6.06) %	60 days monthly settlement	-	No significant discrepancy	146,329	17.00 %	
Shenzhen Asiatek INC.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Sub-subsidiary to affiliated companies	Sales	(381,807)	(14.97) %	90 days monthly settlement	-	No significant discrepancy	5,633	1.00 %	
Shenzhen Asiatek INC.	Shenzhenshi Yuzhan Precision Technology Co., Ltd.	Sub-subsidiary to affiliated companies	Sales	(387,172)	(15.18) %	60 days monthly settlement	-	No significant discrepancy	284,480	33.00 %	
Shenzhen Asiatek INC.	Futaihua Industry (Shenzhen) Co., Ltd.	Sub-subsidiary to affiliated companies	Sales	(637,429)	(25.00) %	60 days monthly settlement	-	No significant discrepancy	61,636	7.00 %	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary company to sub-subsidiary	Sales	(141,193)	(12.34) %	90 days monthly settlement	-	No significant discrepancy	59,479	13.00 %	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary company to sub-subsidiary	Sales	(359,919)	(31.46) %	90 days monthly settlement	-	No significant discrepancy	154,883	35.00 %	
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(527,029)	(13.84) %	60 days monthly settlement	-	No significant discrepancy	511,189	39.00 %	
T-Paragon Precision Die Casting Co., Ltd.	T-Paragon Hardware (Shenzhen) Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	245,368	68.46 %	90 days monthly settlement	-	No significant discrepancy	(238,579)	(89.00) %	
Beijing Caswell Ltd.	Caswell Ltd.	Sub-subsidiary company to subsidiary	Purchases	168,970	38.30 %	O/A 90 days	-	No significant discrepancy	(74,539)	(41.00) %	

Purchases or Sales Company	Counterparty	Relationship	Transaction circumstances				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio to Total Purchase (Sales)	Payment term	Unit price	Payment term	Balance	% to Total Notes/Accounts Receivable or Payable	
SUNLIT PRECISION TECHNOLOGY CO., LTD.	Techno Hardware (ShenZhen) Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	486,807	73.39 %	60 days monthly settlement	-	No significant discrepancy	-	- %	
SUNLIT PRECISION TECHNOLOGY CO., LTD.	Techno Hardware (ShenZhen) Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(182,907)	(26.80) %	60 days monthly settlement	-	No significant discrepancy	132,485	42.00 %	
MIC-Tech Global Corp.	Marketech International Corp.	Sub-subsidiary company to sub-subsidiary	Sales	(164,320)	(89.59) %	30-60 days monthly settlement	-	No significant discrepancy	49,199	88.00 %	
S&T IT Services S.R.L.	S&T Mold srl.	Sub-subsidiary company to sub-subsidiary	Sales	(151,921)	(57.45) %	90 days monthly settlement	-	No significant discrepancy	-	- %	
Kontron Transportation GmbH	Kontron Transportation France S.A.S.	Sub-subsidiary company to sub-subsidiary	Sales	(102,750)	(8.66) %	90 days monthly settlement	-	No significant discrepancy	64,054	17.21 %	
Kontron Transportation France S.A.S.	Kontron Transportation Austria AG	Sub-subsidiary company to sub-subsidiary	Sales	(151,117)	(15.96) %	90 days monthly settlement	-	No significant discrepancy	146,334	68.17 %	
Kontron Europe Gmbh	Kontron America Inc.	Sub-subsidiary company to sub-subsidiary	Sales	(992,962)	(15.26) %	90 days monthly settlement	-	No significant discrepancy	398,558	22.58 %	
Kontron Europe Gmbh	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	541,916	10.94 %	120 days monthly settlement	-	No significant discrepancy	(237,054)	(8.69) %	

Purchases or Sales Company	Counterparty	Relationship	Transaction circumstances				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio to Total Purchase (Sales)	Payment term	Unit price	Payment term	Balance	% to Total Notes/Accounts Receivable or Payable	
Kontron Europe Gmbh	Kontron Technology Beijing Co. Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(132,767)	(2.04) %	90 days monthly settlement	-	No significant discrepancy	8,303	0.47 %	
Kontron Europe Gmbh	RTSoft	Sub-subsidiary company to sub-subsidiary	Sales	(132,930)	(2.04) %	90 days monthly settlement	-	No significant discrepancy	44,974	2.55 %	
Kontron Europe Gmbh	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(233,477)	(3.59) %	120 days monthly settlement	-	No significant discrepancy	136,026	7.71 %	
Kontron Europe Gmbh	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Purchases	116,938	2.36 %	120 days monthly settlement	-	No significant discrepancy	(59,927)	(2.20) %	
Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary company to sub-subsidiary	Sales	(143,803)	(89.00) %	90 days monthly settlement	-	No significant discrepancy	4,304	67.49 %	
Kontron Canada Inc.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	117,960	16.12 %	120 days monthly settlement	-	No significant discrepancy	(17,683)	(12.16) %	
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary company to sub-subsidiary	Sales	(275,419)	(22.03) %	90 days monthly settlement	-	No significant discrepancy	51,943	26.35 %	
Kontron Austria GmbH	Kontron Electronics AG	Sub-subsidiary company to sub-subsidiary	Sales	(140,677)	(10.72) %	90 days monthly settlement	-	No significant discrepancy	6,165	3.33 %	
Kontron Austria GmbH	Kontron Europe Gmbh	Sub-subsidiary company to sub-subsidiary	Sales	(320,300)	(24.40) %	90 days monthly settlement	-	No significant discrepancy	74,535	40.29 %	
Kontron Asia Inc.	Kontron Europe Gmbh	Sub-subsidiary company to sub-subsidiary	Sales	(283,134)	(15.13) %	90 days monthly settlement	-	No significant discrepancy	34,252	10.32 %	
Kontron Asia Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary company to sub-subsidiary	Sales	(438,583)	(23.44) %	120 days monthly settlement	-	No significant discrepancy	124,325	37.44 %	
Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary company to sub-subsidiary	Sales	(134,074)	(7.17) %	90 days monthly settlement	-	No significant discrepancy	36,652	11.04 %	
Kontron Asia Inc.	Kontron Canada Inc.	Sub-subsidiary company to sub-subsidiary	Sales	(116,770)	(6.24) %	90 days monthly settlement	-	No significant discrepancy	4,110	1.24 %	

Purchases or Sales	Counterparty	Relationship	Transaction circumstances				The situation and reason for the difference between the trading terms and the general trading		Accounts/Notes Receivable or Payable		Remarks
			Purchases or Sales	Amount	Ratio to Total Purchase (Sales)	Payment term	Unit price	Payment term	Balance	% to Total Notes/Accounts Receivable or Payable	
Kontron America Inc.	Ennoconn Technology Co., Ltd.	Sub-subsidiary company to parent company	Purchases	174,321	8.06 %	120 days monthly settlement	-	No significant discrepancy	(80,089)	(11.41) %	
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary company to sub-subsidiary	Sales	(275,541)	(11.69) %	90 days monthly settlement	-	No significant discrepancy	117,892	24.72 %	
HighAim Technology INC.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary company to sub-subsidiary	Purchases	364,537	68.86 %	90 days monthly settlement	-	No significant discrepancy	(157,289)	(59.41) %	
HighAim Technology INC.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary company to sub-subsidiary	Purchases	141,275	26.69 %	90 days monthly settlement	-	No significant discrepancy	(58,614)	(22.14) %	

Ennoconn Technology Co., Ltd.
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
As of December 31, 2021

Table VI

Unit: NT\$ thousand

Accounts receivable from companies	Counterparty Name	Relationship	Balance due from related party	Turnover rate	Overdue receivables from related parties		Accounts receivable from related parties Allowance for bad debts recognized	Loss
					Amount	Treatment		
Ennoconn Technology Co., Ltd.	Kontron Europe Gmbh	Parent company to sub-subsiary	171,546	4.23%	-	-	-	-
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsiary company to sub-subsiary	353,609	2.06%	-	-	-	-
Victor Plus Holdings Ltd.	Ennoconn Technology Co., Ltd.	Sub-subsiary company to parent company	131,935	2.65%	-	-	-	-
Shenzhen Asiatek INC.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Sub-subsiary to affiliated companies	284,480	1.36%	-	-	-	-
Shenzhen Asiatek INC.	HeNan FuChi Technology Co., Ltd.	Sub-subsiary to affiliated companies	146,329	1.06%	-	-	-	-
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsiary company to sub-subsiary	155,194	2.24%	-	-	-	-
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsiary company to sub-subsiary	511,189	2.05%	-	-	437,856	-
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Sub-subsiary company to sub-subsiary	111,729	-%	-	-	-	-
SUNLIT PRECISION TECHNOLOGY CO., LTD.	Techno Hardware (ShenZhen) Co., Ltd.	Sub-subsiary company to sub-subsiary	132,485	1.23%	-	-	-	-
S&T AG	Kontron Europe Gmbh	Sub-subsiary company to sub-subsiary	1,823,944	-%	-	-	-	-
S&T AG	Kontron Beteiligungs GmbH	Sub-subsiary company to sub-subsiary	1,284,120	-%	-	-	-	-
S&T AG	S&T CEE Holding s.r.o.	Sub-subsiary company to sub-subsiary	475,890	-%	-	-	-	-
S&T AG	Kontron Transportation GmbH	Sub-subsiary company to sub-subsiary	445,348	-%	-	-	-	-
S&T AG	Kontron America Inc.	Sub-subsiary company to sub-subsiary	411,251	-%	-	-	-	-
S&T AG	Kontron Austria GmbH	Sub-subsiary company to sub-subsiary	323,765	-%	-	-	-	-
S&T AG	Kontron Electronics GmbH	Sub-subsiary company to sub-subsiary	311,451	-%	-	-	-	-
S&T AG	S&T Romania srl.	Sub-subsiary company to sub-subsiary	185,724	-%	-	-	-	-
S&T AG	RT Soft	Sub-subsiary company to sub-subsiary	115,217	-%	-	-	-	-
S&T AG	Kontron Modular Computers S.A.S.	Sub-subsiary company to sub-subsiary	105,705	-%	-	-	-	-

Accounts receivable from companies	Counterparty Name	Relationship	Balance due from related party	Turnover rate	Overdue receivables from related parties		Accounts receivable from related parties Allowance for bad debts recognized	Loss
					Transaction	Treatment		
Kontron Transportation GmbH	Kontron Transportation Sp .z.o.o.	Sub-subsidiary company to sub-subsidiary	106,477	-%	-	-	-	-
Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary company to sub-subsidiary	193,963	-%	-	-	-	-
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary company to sub-subsidiary	387,782	-%	-	-	-	-
Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary company to sub-subsidiary	249,924	-%	-	-	-	-
Kontron Europe GmbH	ENNOCONN(SUZHOU) TECHNOLOGY CO., LTD.	Sub-subsidiary company to sub-subsidiary	136,026	-%	-	-	-	-
Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary company to sub-subsidiary	135,288	-%	-	-	-	-
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary company to sub-subsidiary	1,292,196	-%	-	-	-	-
Kontron Asia Inc.	Ennoconn (Suzhou) Technology Co. Ltd	Sub-subsidiary company to sub-subsidiary	124,325	-%	-	-	-	-
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary company to sub-subsidiary	340,373	-%	-	-	-	-
Iskratel d.o.o.	S&T AG	Sub-subsidiary company to sub-subsidiary	150,317	-%	-	-	-	-

Ennoconn Technology Co., Ltd.
Re-investment information (excluding investees in Mainland China)
For the Year Ended December 31, 2021

Table VII

Unit: NTS 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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
				Ennoconn Technology Co., Ltd.	Innovative Systems Integration Limited	Hong Kong	Professional investment	1,785,425			
Ennoconn Technology Co., Ltd.	Ennoconn International Investment Co., Ltd.	Taiwan	Professional investment	7,010,000	7,010,000	711,735,000	100.00%	8,403,724	921,419	921,419	
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%	1,081,045	219,556	40,995	Note 2
Ennoconn Technology Co., Ltd.	Ennoconn Investment Holdings Co., Ltd.	Samoa	Manufacturing and marketing of industrial computers	6,625,485	6,816,973	239,360,000	100.00%	7,738,960	453,344	453,343	
Ennoconn Technology Co., Ltd.	AIS Cayman Technology	Cayman Islands	Professional investment	230,586	-	4,028,217	37.64%	280,666	166,431	62,652	
Innovative Systems Integration Limited	ENGA Technology Co., Ltd.	Hong Kong	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	97,475	99,680	3,500,000	100.00%	100,096	417	417	
Innovative Systems Integration Limited	Victor Plus Holdings Ltd.	Seychelles	Import and export trading	-	-	500,000	100.00%	12,030	(23)	(23)	
Ennoconn Investment Holdings Co., Ltd.	AIS Cayman Technology	Cayman Islands	Professional investment	264	271,514	6,672,469	62.36%	16,796	166,431	103,786	
Ennoconn Investment Holdings Co., Ltd.	S&T AG	Austria	Information system software and hardware integration service	4,399	5,565,694	16,835,008	26.41%	125,302	1,573,198	415,482	Note 2
Ennoconn Investment Holdings Co., Ltd.	Ennoconn Hungary Kft.	Hungary	Manufacturing and marketing of industrial computers	-	-	3,000,000	100.00%	274	(20)	(20)	
AIS Cayman Technology	American Industrial Systems Inc.	USA	Human-machine interface and industry 4.0 and other related products	1,500	42,720	1,500,000	100.00%	8,786	3,847	3,847	
AIS Cayman Technology	Vecow Co., Ltd.	Taiwan	Manufacturing, processing, trading, import and export of communication machinery and equipment, electronic equipment and electronic devices	3,229	91,962	20,000,000	100.00%	11,028	2,276	2,276	
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%	1,024,011	158,527	89,952	Note 2
Ennoconn International Investment Co., Ltd.	CASWELL, INC.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	149,500	1,031,800	3,250,000	4.44%	144,581	219,556	9,750	

Name of investor	Name of investee	Location	Primary Business	Original Investment Amount		Held at the end of the period			Current gain (loss) of the investee company during the period	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Ennoconn International Investment Co., Ltd.	EnnoMech Precision (Cayman) Co., Ltd.	Cayman Islands	Professional investment	13,800	393,024	13,800,000	100.00%	577,929	17,859	17,859	
Ennoconn International Investment Co., Ltd.	SyS-P Co., Ltd.	Taiwan	International trade, information software wholesale and services	-	30,000	-	- %	-	(1,472)	(1,472)	Note 2
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	75,029	10,400,000	100.00%	50,236	(20,877)	(20,877)	Note 2
Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	102,000	102,000	10,200,000	60.00%	(4,080)	(12,697)	(7,618)	Note 2
Ennoconn International Investment Co., Ltd.	Dexatek Technology Ltd.	Taiwan	Multimedia product R&D and design and manufacturing business	236,862	236,862	12,600,000	60.00%	307,737	104,162	62,497	Note 2
Ennoconn International Investment Co., Ltd.	S&T AG	Austria	Information system software and hardware integration service	7,523	263,455	750,000	1.17%	154,515	1,590,537	18,649	Note 2
Ennoconn International Investment Co., Ltd.	DIVA Laboratories, Ltd.	Taiwan	Research, development, manufacturing and sales of medical equipment and computer peripherals.	-	228,626	-	- %	-	22,276	22,276	
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	44.04%	5,643,304	1,547,480	681,510	
Ennoconn International Investment Co., Ltd.	POSLAB TECHNOLOGY CORPORATION	Taiwan	Manufacturing, wholesale and sales of electronic and its peripheral equipment	132,317	132,317	9,100,000	70.00%	125,958	1,536	1,075	
Ennoconn International Investment Co., Ltd.	RIGO GLOBAL CO., LTD.	Taiwan	Manufacturing, wholesale and sales of electronic and its peripheral equipment	32,000	32,000	1,066,667	26.23%	30,900	989	259	
Ennoconn International Investment Co., Ltd.	Renown Information Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale and information software services	24,000	30,000	2,000,000	23.76%	16,352	(17,351)	(4,123)	Note 2
EnnoMech Precision (Cayman) Co., Ltd.	HighAim Technology INC.	Samoa	Professional investment	10,843	308,809	3,302,618	67.65%	397,531	32,251	21,818	
EnnoMech Precision (Cayman) Co., Ltd.	DOMINATE UNITED ENTERPRISE LTD.	Samoa	Professional investment	2,100	59,808	2,100,000	100.00%	59,444	(25)	(25)	
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%	28,830	(3,447)	(3,447)	
HighAim Technology INC.	FUNOLOGY INVESTMENT INC.	Samoa	Import and export trading	28	28	1,000	100.00%	9,737	4,560	4,560	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
HighAim Technology INC.	ANDRIX INTERNATIONAL LIMITED	Anquila	Import and export trading	28	28	900	100.00%	9,826	40	40	
Caswell Ltd.	CASO Inc.	Japan	Netcom product selling	27,062	27,062	2,000	99.00%	82,197	27,402	27,128	
Caswell Ltd.	Caswell International investment Co., Ltd.	Samoa	Overseas investments	101,135	101,135	3,206,000	100.00%	206,356	36,902	36,902	
Caswell Ltd.	Caswell Americas, Inc	U.S.A.	Netcom product selling	92,460	92,460	3,000,000	100.00%	55,610	4,870	4,870	
Caswell Ltd.	Hawkeye Tech Co., Ltd.	Germany	Computer and peripheral commodity wholesale	602,041	602,041	24,000	60.64%	470,676	33,178	20,119	
Caswell Ltd.	APLIGO GMBH	Taiwan	Hub and SI Service	60,275	60,275	9,097,000	66.67%	63,990	4,311	2,874	Note 2
Thecus Technology Corp.	Thecus USA, Inc.	U.S.A.	Network storage device	23	23,367	750,000,000	100.00%	4,906	(71)	(71)	Note 2
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Samoa	Professional investment	664,320	567,440	24,000,000	100.00%	376,265	(198,164)	(198,164)	
Keenest Electronic Corp.	SUNLIT PRECISION TECHNOLOGY CO., LTD.	Hong Kong	Metal stamping and casting industry	282,679	282,679	7,500,000	40.30%	183,392	(7,536)	(3,212)	
SUNLIT PRECISION TECHNOLOGY CO., LTD.	T-Paragon Precision Die Casting Co., Ltd.	Hong Kong	Finance/Logistics	26,618	26,618	7,500,000	50.00%	75,954	(12,675)	(6,337)	
T-Paragon Precision Die Casting Co., Ltd.	T-Paragon Industrial (THAILAND) Co., Ltd.	Thailand	Metal stamping and casting industry	133,008	99,826	159,888,000	100.00%	117,777	(11,997)	(11,997)	
TAIWAN APPLIED MODULE CORPORATION	Hua Qun Venture Management Corporation	Taiwan	General investment and investment consultancy	400,000	-	40,000	40.00%	324,005	(190)	(76)	
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting of automation supply system business in semiconductor industry	233,306	233,306	10,085,678	100.00%	(43,049)	(7,915)	(7,915)	
Marketech International Corp.	Market Go Profits Ltd.	British Virgin Islands	Share holding and reinvestment business	1,328,547	1,328,547	41,069,104	100.00%	1,665,661	295,070	295,070	
Marketech International Corp.	MIC-Tech Global Corp.	Republic of Korea	General international trade	19,147	19,147	131,560	100.00%	11,571	409	409	
Marketech International Corp.	Headquarter International Ltd.	British Virgin Islands	Share holding and reinvestment business	42,475	42,475	1,289,367	100.00%	33,757	(586)	(586)	
Marketech International Corp.	Tiger United Finance Ltd.	British Virgin Islands	Share holding and reinvestment business	46,475	46,475	1,410,367	100.00%	31,391	(1,983)	(1,983)	
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%	(128)	(2,105)	(2,105)	
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Design, manufacture, assembly and other services of automatic production machinery, equipment and components.	478,985	478,985	1,535,600	100.00%	192,376	(76,361)	(76,361)	
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trade, installation and maintenance of various factory machinery and equipment and peripheral consumables; consultancy services and software execution services related to the installation of computer hardware	131,060	110,696	-	100.00%	123,939	11,394	11,394	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
				Marketech International Corp.	Marketech Co., Ltd.	Vietnam	Professional engineering contracting and related maintenance services; trading and repair of tools and machines, trading of cosmetics and daily necessities; software production, development, implementation and programming services; providing installation services for industrial machinery and equipment	72,596			
Marketech International Corp.	Ezoom Information, Inc.	Taiwan	R&D, trading, consulting and other services of information system software and hardware applications	225,737	195,737	23,000,000	100.00%	93,588	(37,275)	(37,275)	
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Professional engineering contracting and related maintenance services; medical equipment sales	77,803	77,803	12,242,750	100.00%	53,279	(1,563)	(1,563)	
Marketech International Corp.	Marketech International Corporation USA	USA	Engineering professional contracting and related maintenance services	110,309	23,086	3,750,000	100.00%	97,807	3,408	3,408	
Marketech International Corp.	Spiro Technology Systems Inc.	USA	General international trade	54,074	23,936	1,000,000	100.00%	50,535	2,656	2,656	
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	50,000	4,205,940	26.00%	26,756	(50,475)	(13,419)	
Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment and spare parts	38,042	38,042	1,199,000	99.92%	31,867	(447)	(447)	
Marketech International Corp.	Marketech Netherlands B.V.	Netherlands	International trade business and technical services of machinery, equipment and components	31,253	31,253	900,000	100.00%	3,288	(8,397)	(8,397)	
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%	65,340	6,374	1,864	
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Panel equipment and material sales	2,000	2,000	200,000	20.00%	1,814	(46)	(10)	
Marketech International Corp.	Smart Health Corp.	Taiwan	Smart medical consulting services and investment	500	500	50,000	100.00%	418	(58)	(58)	
Marketech International Corp.	Vertex Corporation	Taiwan	Trading of equipment used in 5G wireless communication private network (micro base station and core network) and IoT intelligent control gateway; maintaining the DMP cloud object management platform and providing integration services of software management platform, vertical domain IT and communication system CT	50,000	20,000	5,000,000	61.35%	45,080	(6,894)	(2,967)	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	Republic of Korea	R&D, sales and professional technical services of medical devices and components; general international trade and import and export business.	8,321	-	700,000	100.00%	5,880	(2,465)	(2,465)	
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman	Share holding and reinvestment business	1,323,049	1,323,049	40,966,604	100.00%	1,664,389	295,166	-	
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Share holding and reinvestment business	19,342	19,342	63,500	97.69%	(854)	(1,987)	-	
MIC-Tech Ventures Asia Pacific Inc.	Russky H.K. Limited	Hong Kong	Share holding and reinvestment business	34,551	34,551	833,000	100.00%	21,451	22,121	-	
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Share holding and reinvestment business	31,422	31,422	2,337,608	100.00%	3,153	(1,760)	-	
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Share holding and reinvestment business	132,282	132,282	5,400,000	60.00%	30,409	(11,932)	-	
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Share holding and reinvestment business	8,990	8,990	303,000	31.43%	(3,067)	1,090	-	
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Share holding and reinvestment business	45,985	45,985	500,000	27.78%	8,233	(9,742)	-	
Russky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment and spare parts	32	32	1,000	0.08%	28	(447)	-	
S&T AG, Austria	S&T CEE Holding s.r.o., Slovakia	Bratislava, SK	IT Services	(167,393)	(187,182)	1,881,565	100.00%	15,485,786	208,753	208,753	
S&T CEE Holding s.r.o., Slovakia	S&T CZ s.r.o., Czech Republic	Prague, CZ	IT Services	256,419	286,709	49,500,000	99.00%	6,560,605	35,725	35,368	
S&T CEE Holding s.r.o., Slovakia	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	14,756	16,494	9,900,000	99.00%	2,817,064	29,285	28,992	
S&T CEE Holding s.r.o., Slovakia	S&T Services Polska Sp.z.o.o., Poland	Warsaw, PL	IT Services	83,040	92,838	2,120	100.00%	2,257,869	10,788	10,788	
S&T CEE Holding s.r.o., Slovakia	S&T Crna Gora d.o.o., Montenegro	Podgoriza, ME	IT Services	1,037	1,156	25,000	100.00%	1,033,899	4,895	4,895	
S&T CEE Holding s.r.o., Slovakia	S&T Bulgaria e.o.o.d., Bulgaria	Sofia, BG	IoT Solutions Europe	39,806	44,510	13,126	100.00%	2,846,095	26,357	26,357	
S&T CEE Holding s.r.o., Slovakia	S&T Poland Sp.z.o.z., Poland	Warsaw, PL	IT Services	-	-	26,974	100.00%	19,678,595	223,231	223,231	
S&T CEE Holding s.r.o., Slovakia	S&T Slovenija d.d., Slovenia	Ljubljana, SL	IT Services	485,970	543,370	31,410	100.00%	9,651,431	184,493	184,493	
S&T Slovenija d.d., Slovenia	S&T Hrvatska d.o.o., Croatia	Zagreb, HR	IT Services	34,267	38,312	221,300	100.00%	14,523,550	75,011	75,011	
S&T Slovenija d.d., Slovenia	S&T Macedonia d.o.o.e.l., Macedonia	Skopje, MK	IT Services	2,676	2,977	568,000	100.00%	4,365,908	15,695	15,695	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
S&T AG, Austria	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	2,872	3,222	100,000	1.00%	28,455	29,285	293	
S&T AG, Austria	S&T CZ s.r.o., Czech Republic	Prague, CZ	IT Services	1,923	2,136	500,000	1.00%	66,269	35,725	357	
S&T AG, Austria	S&T Romania S.R.L., Romania	Bucharest, RO	IT Services	101,073	113,010	2,461	31.00%	2,283,138	45,084	13,976	
S&T AG, Austria	S&T Serbia d.o.o., Serbia	Belgrade, RS	IT Services	111,586	124,776	8,786	100.00%	2,916,847	21,238	21,238	
S&T AG, Austria	S&T Albania Sh.p.k., Albania	Tirana, AL	IT Services	8,821	9,876	100	100.00%	759,483	7,794	7,794	
S&T AG, Austria	S&T Mold srl., Moldova	Chisinau, MD	IT Services	56,376	63,036	578,898	51.00%	4,841,281	7,042	3,591	
S&T Mold srl., Moldova	S&T IT Technologie srl., Moldova	Chisinau, MD	IT Services	76	70	50,000	100.00%	5,237	3,203	3,203	
S&T AG, Austria	S&T Consulting Hungary Kft., Hungary	Budapest, HU	IT Services	374,169	418,384	100,000	100.00%	6,425,204	13,236	13,236	
S&T Consulting Hungary Kft., Hungary	S&T Services Kft., Hungary	Budapest, HU	IT Services	113,608	127,018	268,000	100.00%	2,398,846	14,620	14,620	
S&T AG, Austria	S&T Deutschland GmbH, Germany	Mendig, DE	IT Services	266,227	297,670	25,000	100.00%	9,136,603	29,684	29,684	
Kontron S&T AG, Germany	Kontron Asia Inc., Taiwan	Taipei, TW	IoT Solutions Europe	87,605	97,951	13,000	100.00%	2,690,671	21,311	21,311	
S&T Deutschland GmbH, Germany	XTRO AG, Germany	Ismaning, DE	IT Services	-	87,550	-	100.00%	-	-	-	
S&T AG, Austria	Computer Betting Company GmbH, Austria	Linz, AT	IoT Solutions Europe	1,181,946	1,321,585	36,336	100.00%	17,956,598	76,915	76,915	
computer betting company gmbh, Austria	S&T Romania S.R.L., Romania	Bucharest, RO	IT Services	52,923	59,184	5,460	69.00%	5,065,230	45,084	31,108	
computer betting company gmbh, Austria	S&T Slovakia s.r.o., Slovakia	Bratislava, SK	IT Services	218,323	244,124	1,659,696	100.00%	4,704,665	(8,257)	(8,257)	
S&T AG, Austria	SecureGUARD GmbH, Austria	Linz, AT	IoT Solutions Europe	74,260	83,032	92,460	69.00%	1,000,393	(3,246)	(2,240)	
Kontron Europe GmbH, Germany	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IoT Solutions Europe	2,212	2,486	3,634	10.00%	1,009,678	(5,166)	(517)	
S&T AG, Austria	S&T Smart Energy GmbH, Austria	Linz, AT	IoT Solutions Europe	-	248,852	-	100.00%	-	-	-	
S&T AG, Austria	Amanox Solutions AG; Switzerland	Bern, CH	IT Services	487,900	545,542	105,000	100.00%	6,331,910	21,964	21,964	
S&T AG, Austria	Hamcos IT Service GmbH, Germany	Sigmaringen, DE	IT Services	56,445	63,106	98,000	49.00%	1,054,328	9,603	4,705	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Kontron Austria GmbH, Austria	Kontron Electronics AG, Switzerland	Rotkreuz, CH	IoT Solutions Europe	-	-	1,000	100.00%	(2,339,354)	(9,583)	(9,583)	
S&T AG, Austria	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IoT Solutions Europe	230,039	147,854	32,702	90.00%	9,087,101	(5,166)	(4,649)	
S&T AG, Austria	Kontron Technologies GmbH(Original: S&T Technologies GmbH), Austria	Linz, AT	IoT Solutions Europe	387,694	132,130	35,000	100.00%	11,093,469	494	494	
S&T AG, Austria	S&T MEDTECH SRL(Original: GADA GROUP ROMANIA SRL), Romania	Bucharest, RO	IoT Solutions Europe	365,656	408,859	105,000	100.00%	9,334,064	(23,433)	(23,433)	
S&T AG, Austria	S&T Services Bel LLC	Minsk, BYN	IT Services	16,857	18,841	113,267	100.00%	554,924	(9,288)	(9,288)	
Kontron Europe GmbH, Germany	Kontron Electronics GmbH, Germany	Grosbettlingen, DE	IoT Solutions Europe	603,270	674,555	102,150	100.00%	20,647,432	20,989	20,989	
Kontron electronics GmbH, Germany	Kontron Electronics Kft.	Kapoly, HU	IoT Solutions Europe	4,541	5,078	3,000,000	100.00%	2,050,748	(9,716)	(9,716)	
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Ismaning, DE	IoT Solutions Europe	6,557,617	7,332,313	23,600,000	100.00%	105,397,250	23,503	23,503	Note IV
Kontron Europe GmbH, Germany	Kontron America Inc.	SAN DIEGO / USA	IoT Solutions America	557,191	623,006	2,036,040	100.00%	6,853,760	(293,141)	(293,141)	
Kontron Europe GmbH, Germany	Kontron Canada Inc.	BOISBRIAND / CANADA	IoT Solutions America	1,885,863	2,108,659	50,000,200	100.00%	33,235,304	(15,453)	(15,453)	
Kontron Europe GmbH, Germany	Kontron Asia Pacific Design Sdn. Bhd.	PENANG / MALAYSIA	IoT Solutions Europe	158,833	177,586	44,581,102	100.00%	(3,652,908)	(3,090)	(3,090)	
Kontron Europe GmbH, Germany	Kontron Technology Beijing Co. Ltd.	BEIJING / CHINA	IoT Solutions Europe	28,760	32,148	15,398,961	100.00%	13,273,465	47,909	47,909	
Kontron Europe GmbH, Germany	Kontron Modular Computers S.A.S.	Toulon / France	IoT Solutions Europe	161,557	180,633	344,503	100.00%	5,500,561	(2,311)	(2,311)	
Kontron Europe GmbH, Germany	Kontron UK Ltd.	Chichester / UK	IoT Solutions Europe	53,609	59,954	172,550	100.00%	4,068,904	2,758	2,758	
Kontron Europe GmbH, Germany	Kontron ECT design s.r.o.	Pilsen / Czech Republic	IoT Solutions Europe	-	-	500,000	100.00%	-	(6,152)	(6,152)	
S&T AG, Austria	Affair OOO, Russia	Moscow, RU	IoT Solutions Europe	183,848	205,567	4,800,000	48.00%	3,720,595	66	32	
Affair OOO, Russia	RTSoft Project OOO, Russia	Moscow, RU	IoT Solutions Europe	207,828	232,393	372,500	74.50%	5,669,668	4,156	3,096	
S&T AG, Austria	Kontron Transportation GmbH	Vienna, AT	IoT Solutions Europe	341,447	381,788	10,000,000	100.00%	11,743,427	346,505	346,505	
Kontron Transportation Austria AG	Kapsch CarrierCom Sp. z o.o.	Warsaw, PL	IoT Solutions Europe	-	-	100,000	100.00%	(1,311,158)	38,797	38,797	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
Kontron Transportation Austria AG	Kontron Transportation Espana, S.L.	Madrid, Spain	IoT Solutions Europe	-	-	250,000	100.00%	298,410	(1,244)	(1,244)	
Kontron Transportation Austria AG	Kontron Transportation Portugal - Unipessoal LDA	Lisboa, Portugal	IoT Solutions Europe	-	-	5,000	100.00%	1,222,174	(1,123)	(1,123)	
Kontron Asia Inc.	Kontron Transportation Taiwan Co., Ltd	Taipei, TW	IoT Solutions Europe	-	-	50,000,000	100.00%	105,566	5,221	5,221	
Kontron Transportation Austria AG	Kontron Transportation s.r.o.	Prague, CZ	IoT Solutions Europe	-	-	30,400,000	100.00%	2,200,020	5,410	5,410	Note IV
Kontron Transportation Austria AG	Kontron Transportation Hungary Kft.	Budapest, HU	IoT Solutions Europe	-	-	67,000,000	100.00%	(1,021,166)	(11,539)	(11,539)	
Kontron Transportation Austria AG	Kapsch CarrierCom Saudi Arabia LLC	Riyadh, SA	IoT Solutions Europe	-	-	475,000	95.00%	163,142	(1,809)	(1,719)	
Kontron Transportation France S.A.S.	Kontron Transportation Saudi for Comstraction LLC	Riyadh, SA	IoT Solutions Europe	-	-	25,000	5.00%	8,586	(1,809)	(90)	
Kontron Transportation Austria AG	Kontron Transportation Deutschland GmbH	Neu-Isenburg, GE	IoT Solutions Europe	-	-	25,000	100.00%	(3,425,358)	7,755	7,755	
Kontron Technology Beijing Co. Ltd.	Kontron (Beijing) Information and communication Technology Co., Ltd	BEIJING / CHINA	IoT Solutions Europe	-	-	1,000,000	100.00%	-	(5,351)	(5,351)	
Kontron Transportation Austria AG	Kontron Transportation France S.A.S	Paris, FR	IoT Solutions Europe	-	-	8,600,000	100.00%	5,779,702	115,416	115,416	
Kontron Transportation Austria AG	Kontron Transportation UK Ltd.	Harrow, UK	IoT Solutions Europe	-	-	415,950	100.00%	2,693,183	12,429	12,429	
S&T AG, Austria	Kontron Public Transportation(Original: Kontron Transportation Belgium NV)	Diegem, BE	IoT Solutions Europe	-	-	11,318,887	99.97%	(1,784,372)	6,400	6,398	
S&T AG, Austria	S&T IT Services S.R.L.	Chisinau, MD	IT Services	-	456,276	-	51.00%	-	41,478	21,154	
S&T AG, Austria	Kontron AIS GmbH	Dresden, Germany	IoT Solutions Europe	412,644	461,389	51,000	100.00%	11,828,609	18,022	18,022	
S&T AG, Austria	Kontron Beteiligungs GmbH	Augsburg, DE	IoT Solutions Europe	6,581,759	7,335,254	25,001	100.00%	209,657,367	1,314,663	1,314,663	
S&T AG, Austria	CITYCOMP Service GmbH	Ostfilden, DE	IoT Solutions Europe	532,460	210,120	255,900	100.00%	18,907,532	42,158	42,158	
S&T AG, Austria	FinTel Holding d.o.o.& co k.d., holdinska druzba	Kranj, SI	IoT Solutions Europe	938,578	1,049,444	2,179,070	100.00%	2,233,219	(9)	(9)	
S&T AG, Austria	FinTel holding d.o.o.	Kranj, SI	IoT Solutions Europe	957,131	1,072,211	601,838	100.00%	1,238,623	(150)	(150)	

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	Investment profit or loss recognized in the current period	Remarks
				End of the period	End of previous year	Shares	%	Book value			
FinTel Holding d.o.o. & co k.d., holdin?ka dru?ba / FinTel holding d.o.o.	Iskratel d.o.o.	Kranj, SI	IoT Solutions Europe	67,861	75,888	109,275	100.00%	60,012,999	(17,996)	(17,996)	
Iskratel d.o.o.	ITS Skopje	Skopje, MK	IoT Solutions Europe	12,424	13,903	309,200	100.00%	150,672	52	52	
ITS Skopje	ITS Softver d.o.o.	Skopje, MK	IoT Solutions Europe	157	175	309,000	100.00%	234,609	1,173	1,173	
Iskratel d.o.o.	IskraCom	Almaty, KZ	IoT Solutions Europe	-	-	15,365,000	100.00%	42,108	(2,043)	(2,043)	
Iskratel d.o.o.	OOO Iskratel Tashkent	Tashkent, UZ	IoT Solutions Europe	60	70	8,798,207	76.00%	226,206	(1,605)	(1,220)	
Iskratel d.o.o.	AO Iskra Ura Tel Yekaterinburg	Yekaterinburg, RU	IoT Solutions Europe	35,422	39,608	760,000	48.40%	3,128,118	12,811	6,201	
Iskratel d.o.o.	Iskratel Ukrain LTD	Kiew, UA	IoT Solutions Europe	5,638	6,304	10,938,820	100.00%	211,785	5,000	5,000	
Kontron Technologies GmbH	HC Solutions GesmbH	Linz, AT	IoT Solutions Europe	-	-	-	100.00%	-	-	-	
S&T Deutschland GmbH, Germany	Axino Solutions GmbH	Aachen, DE	IT Services	52,801	-	2,300,000	100.00%	2,956,145	40,459	40,459	
CITYCOMP Service GmbH	PSB IT-Service GmbH	Ober-Morlen, DE	IT Services	-	-	255,646	100.00%	(121,925)	(3,883)	(3,883)	
S&T AG, Austria	S&T Austria GmbH	Wien, AT	IT Services	1,096	-	35,000	100.00%	33,164	(58)	(58)	
S&T Romania srl.	Enterprise Concept S.R.L	Bukarest, RO	IT Services	78,300	-	1,010	100.00%	2,492,745	(1,058)	(1,058)	
Iskratel d.o.o.	BeeIN d.o.o.	Kranj, SI	IoT Solutions Europe	235	-	7,500	75.00%	(392,717)	(16,996)	(12,747)	

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

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

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

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

Ennoconn Technology Co., Ltd.
Information on Investments in Mainland China
For the Year Ended December 31, 2021

Table VIII

Unit: NT\$ thousand

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

Name of the investee in Mainland China	Primary Business Item	Paid-in Capital	Investment mode	Accumulated investment amount remitted out of Taiwan at the beginning of the period	Investment amount of outward remittance or collection for the period		Accumulated investment amount remitted out of Taiwan at the end of the period	Current gain (loss) of the investee company during the period	The Company's shareholding ratio of direct or indirect investment	Investment recognized for the period	Carrying amount of the investment at the end of the period	Repatriated investment income by year end
					Outflow	Inflow						
Nanjing Asiatek Inc.	Engage in the research, development and sales of software and hardware products, and provide installation, commissioning and technical consultation.	83,550	(2)	29,094	-	-	29,040	452	100.00%	452	249,113	-
Shenzhen Asiatek INC.	Engage in R&D, production and sales of electronic materials required for software and hardware products	110,780	(3)	-	-	-	-	27,143	70.00%	19,000	114,630	-
Shenzhen pictographic Technology Co., Ltd.	Sales of mechanical equipment and accessories, molds, etc.	64,650	(3)	-	-	-	-	(21,174)	20.00%	(4,235)	36,093	-
Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	483,087	(2)	271,524	-	-	271,524	(93)	100.00%	(93)	502,540	-
Ennoconn (Suzhou) Technology Co., Ltd.	R&D, production and sales of industrial computers	835,500	(2)	835,800	-	-	835,800	(27,056)	100.00%	(27,056)	854,771	-
Ennoconn (Kunshan) Technology Co., Ltd.	Intelligent technology development and hardware sales	2,155	(3)	-	-	-	-	3,042	70.00%	2,129	13,616	-
Ennoconn Investment Co., Ltd.	Professional investment	557,000	(2)	557,200	-	-	557,200	(1,243)	100.00%	(1,243)	574,932	-
Beijing Caswell Ltd.	Production of electronic monitoring products and network communication products.	105,830	(1)	86,781	-	-	86,781	30,489	26.05%	6,513	56,247	-
HighAim Technology Inc.	Design, development and production of various molds, servers and communication equipment.	278,500	(2)	302,086	-	-	302,086	(9,990)	66.05%	(6,599)	356,594	-
Kunshan HiaiM Intelligent Equipment Co., Ltd.	Leasing, sales and after-sales service of intelligent machines, equipment and their accessories.	4,310	(3)	-	-	-	-	(9,990)	66.05%	(6,598)	(2,319)	-
HighAim Technology (Shenzhen) Inc.	Automatic fixtures, inspection tools and molds	11,637	(3)	-	-	-	-	(2,361)	66.05%	(1,599)	(2,349)	-
Goldtek Technology (Shenzhen) Co., Ltd.	R&D, wholesale and processing of electronic products and intelligent home security system equipment.	359,840	(2)	262,960	96,880	-	359,840	(267,644)	56.74%	(151,861)	24,405	-
Techno Hardware (ShenZhen) Co., Ltd.	Stamping / assembly	81,627	(3)	-	-	-	-	(2,659)	22.87%	(608)	10,706	-

Name of the investee in Mainland China	Primary Business Item	Paid-in Capital	Investment mode	Accumulated investment amount remitted out of Taiwan at the beginning of the period Accumulated investment amount	Investment amount of outward remittance or collection for the period		Accumulated investment amount remitted out of Taiwan at the end of the period	Current gain (loss) of the investee company during the period	The Company's shareholding ratio of direct or indirect investment	Investment recognized for the period	Carrying amount of the investment at the end of the period	Repatriated investment income by year end
					Outflow	Inflow						
					T-Paragon Hardware (ShenZhen) Co., Ltd.	Zinc / aluminum alloy die casting						
Shenzhen Shengrong Plastic Co., Ltd	Plastic, metal mold manufacturing, production and marketing	34,752	(3)	-	-	-	-	(1,319)	16.01%	(211)	5,871	-
T-MAXX Technology Co., Ltd.	Intelligent home security system equipment	10,647	(3)	-	-	-	-	(950)	22.87%	(217)	2,451	-
MIC-Tech (WuXi) Co., Ltd.	Design, manufacturing, installation and maintenance services of semiconductor components and crystal special equipment, electronic components special equipment and environmental pollution prevention and control equipment; assembly of special packaging equipment and refrigeration equipment; barbecue oven assembly	705,840	(2)	567,440	-	-	567,440	40,207	44.04%	17,939	25,267	-
MIC-Tech (Shanghai) Corp.	Semiconductor production, maintenance of semiconductor equipment, testing equipment and consumables, wholesale, commission agency, import and export of power generation boilers and other related supporting businesses; warehousing and distribution business focusing on chemical and boiler products	228,111	(2)	13,840	-	-	13,840	146,165	44.04%	64,371	281,913	-
Fuzhou Jiwei System Integrated Co., Ltd.	Dust-free room and power system equipment, piping system equipment installation and related supporting services	8,304	(2)	8,304	-	-	8,304	(346)	44.04%	(152)	(944)	-
Shanghai Maohua Electronics Engineering Co., Ltd.	Design, installation, debugging and technical services of pesticide control and regeneration, pipeline system and related facilities for semiconductor manufacturing industry, equipment maintenance for semiconductor manufacturing industry, and technical consultation of electronic and medical devices	16,608	(2)	16,691	-	-	16,691	25,468	38.31%	9,758	8,329	-
MIC-Tech Electronics Engineering Corp.	Mechanical and electrical installation, engineering construction general contracting, electrical engineering professional contracting, chemical petroleum equipment pipeline installation, pipeline professional contracting and post-engineering warranty services, relevant engineering and technical consulting services	487,694	(2)	235,834	-	-	235,834	72,327	44.04%	31,853	266,761	-

Name of the investee in Mainland China	Primary Business Item	Paid-in Capital	Investment mode	Accumulated investment amount remitted out of Taiwan at the beginning of the period	Investment amount of outward remittance or collection for the period		Accumulated investment amount remitted out of Taiwan at the end of the period	Current gain (loss) of the investee company during the period	The Company's shareholding ratio of direct or indirect investment	Investment recognized for the period	Carrying amount of the investment at the end of the period	Repatriated investment income by year end
					Outflow	Inflow						
Frontken-MIC (Wuxi) Co., Ltd.	Special cleaning of semiconductor components and integrated circuits, parts for semiconductor devices, parts for integrated circuits and micro-components, wafer cleaning; development of semiconductor cleaning technology; assembly, installation and maintenance of refrigeration equipment;	63,885	(2)	25,554	-	-	25,554	(1,755)	44.04%	(773)	-	-
Integrated Manufacturing & Services Co., Ltd.	Development and production of special equipment for solar cell production, manufacturing of key parts such as optical engine, light source, projection screen, high-definition projection tube, and micro display projection equipment module for large screen color projection display, manufacturing of new electronic components, cleaning and regeneration services.	193,760	(2)	107,952	-	-	107,952	(11,932)	26.42%	(3,153)	13,087	-
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	41,520	(2)	41,520	-	-	41,520	27,645	44.04%	12,175	26,544	-
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	26,487	(2)	8,325	-	-	8,325	1,090	13.84%	151	(1,352)	-
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	33,216	(2)	13,840	-	-	13,840	(9,728)	12.23%	(1,190)	1,596	-

(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.	1,692,966	2,606,446	5,640,777
Goldtek Technology Co., Ltd.	644,195	644,195	1,057,111
CASWELL, INC.	86,781	86,781	1,895,019
Ennoconn International Investment Co., Ltd.	301,978	301,978	5,046,527
Marketech International Corp.	1,084,773	1,807,973	4,681,284

Note1: Investment methods are divided into below three types with remark by type only:

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

Note2: The column of investment profit or loss recognized for the period:

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

Note 3: The conversion rate is the spot average exchange rate of the Bank of Taiwan on December 31, 2021.

Note4: It is a non-significant associate, and its financial statements not audited by certified public accountants shall not have a significant impact.

Ennoconn Technology Co., Ltd.
Statement of Cash and Cash Equivalents

As of December 31, 2021

Unit: NT\$ 1,000

<u>Item</u>	<u>Summary (exchange rate)</u>	<u>Original currency</u>	<u>Amount</u>
Cash on hand	NTD-	\$ -	240
Cash	USD (27.68)	1.99	55
	Euro (31.32)	10.24	321
	RMB (4.34)	4.57	20
	HKD (3.55)	9.32	33
	JPY (0.24)	414.00	99
	CAD (21.62)	42.56	920
	GBP (37.30)	1.33	50
	SGD (22.55)	0.37	8
Demand deposit	NTD-	-	990,268
Foreign currency demand deposits	USD (27.68)	13,106.65	362,792
	HKD (3.55)	25.10	89
	JPY (0.24)	354.55	85
	GBP (37.30)	2.06	77
Checks and demand deposits		-	<u>2</u>
			<u>\$ 1,355,059</u>

Ennoconn Technology Co., Ltd.

Statement of Financial Assets Measured at Amortized Cost - Current

As of December 31, 2021

Unit: NT\$ 1,000

<u>Bank</u>	<u>Summary</u>	<u>Amount</u>
First Bank Zhonghe Branch	Fixed deposit	<u>\$ 4,225</u>

Ennoconn Technology Co., Ltd.

Statement of Trade Receivable

As of December 31, 2021

Unit: NT\$ 1,000

<u>Name of clients</u>	<u>Summary</u>	<u>Amount</u>
Non-related party		
Company A	Revenue	\$ 155,154
Company B	Revenue	121,849
Company C	Revenue	55,514
Company D	Revenue	45,186
Company E	Revenue	43,996
Others (less than 5% of the balance of this account)	Revenue	<u>180,491</u>
Sub-total		602,190
Less: Allowance for impairment loss		<u>61,604</u>
Total		<u>\$ 540,586</u>
Related party		
Kontron Europe Gmbh	Revenue	\$ 171,546
Kontron America Inc.	Revenue	55,134
Kontron Canada Inc.	Revenue	16,533
Others (less than 5% of the balance of this account)	Revenue	<u>3,592</u>
		<u>\$ 246,805</u>

Ennoconn Technology Co., Ltd.

Statement of Inventories

As of December 31, 2021

Unit: NT\$ 1,000

<u>Item</u>	<u>Amount</u>	
	<u>Costs</u>	<u>Net Realizable Value</u>
Stock in hand	\$ 11	-
Finished goods	43,753	39,901
Semi-finished products	66,422	53,003
Raw materials	385,736	284,072
Work in progress	61,433	61,433
Inventory in transit	19,436	19,436
Less: Allowance for market price decline	(118,946)	-
Total	<u>\$ 457,845</u>	<u>457,845</u>

Ennoconn Technology Co., Ltd.
Statement of Changes in Investments accounted for using the equity method
As of December 31, 2021

Unit: NT\$ 1,000

Name	Opening balance		Increase in the period		Decrease in the period		Investment Profit (Loss)	Conversion adjustment	Recognized in other comprehensive income	Others (note 1)	Ending balance			Net Worth of Shareholding	Conditions of Guarantee or Pledge Provided
	Number of Shares (thousand)	Amount	Number of Shares (thousand)	Amount	Number of Shares (thousand)	Amount	Amount	Amount	Amount	Amount	Number of Shares (thousand)	Shareholdings (%)	Amount		
Non-publicly traded company															
Innovative Systems Integration Limited	518,217	\$ 2,139,276	-	-	-	-	(3,683)	(16,277)	-	223	518,217	100.00%	2,119,539	2,119,539	None
Ennoconn International Investment Co., Ltd.	711,735	7,895,696	-	-	-	-	921,419	(77,775)	(14,656)	(320,959)	711,735	100.00%	8,403,725	8,421,933	None
CASWELL, INC.	20,000	1,112,372	-	-	-	-	40,995	(5,691)	-	(66,631)	20,000	27.33%	1,081,045	832,833	None
ENNOCONN Samoa	239,360	7,917,767	-	-	-	-	453,343	(633,722)	780	792	239,360	100.00%	7,738,960	7,738,690	None
AIS	-	-	4,028	922,170	-	-	62,652	(5,600)	-	(698,556)	4,028	37.64%	280,666	280,632	None
		\$ 19,065,111		922,170		-	1,474,726	(739,065)	(13,876)	(1,085,131)			19,623,935	19,393,627	

Note 1: It refers to received cash dividend \$(607,373) thousand, adjustment to net equity \$(482,806) thousand and unrealized sales gross margin \$5,048thousand.

Ennoconn Technology Co., Ltd.
Statements of Short-term Borrowings
As of December 31, 2021

Unit: NT\$ 1,000

<u>Type of loans</u>	<u>Description</u>	<u>Ending Balance</u>	<u>Contract period</u>	<u>Interest rate</u>	<u>Unused quota</u>	<u>Collateral or pledge</u>
Credit borrowings	First Bank Zhonghe Branch	\$ 1,000,000	December 27, 2021- December 27, 2022	0.70%	-	None
Credit borrowings	Bank SinoPac	-	September 29, 2021- September 30, 2022		1,000,000	None
Credit borrowings	Shanghai Commercial Bank	300,000	December 24, 2021- December 24, 2022	0.70%	-	None
Credit borrowings	Land Bank of Taiwan	-	July 20, 2021- July 20, 2022		600,000	None
Credit borrowings	E.SUN Commercial Bank, Liancheng Branch	-	March 22, 2021- March 22, 2022		1,000,000	None
Credit borrowings	Taishin International Bank	-	August 31, 2021- August 31, 2022		800,000	None
Credit borrowings	Cathay United Bank	800,000	November 30, 2021- November 30, 2022	0.65%	800,000	None
Credit borrowings	KGI Bank	-	January 28, 2021- January 28,		1,500,000	None

			2022			
Credit borrowings	Citibank Taiwan	-	Undated		700,000	None
Credit borrowings	CTBC Bank	-	January 31, 2021- January 31, 2022		800,000	None
Credit borrowings	Chang Hwa Bank	<u>200,000</u>	December 24, 2021- December 24, 2022	1.00%	<u>600,000</u>	None
		<u>\$ 2,300,000</u>			<u>7,800,000</u>	

Ennoconn Technology Co., Ltd.

Statement of Trade Payable

As of December 31, 2021

Unit: NT\$ 1,000

<u>Name of clients</u>	<u>Summary</u>	<u>Amount</u>
Non-related party		
Company A	Loan	\$ 45,370
Company B	Loan	29,410
Company C	Loan	19,865
Company D	Loan	15,322
Others (less than 5% of the balance of this account)	Loan	<u>136,543</u>
Total		<u>\$ 246,510</u>
Related party		
Victor Plus Holdings Ltd.	Loan	\$ 121,154
FIH (Hong Kong) Limited	Loan	30,907
Others (less than 5% of the balance of this account)	Loan	<u>9,627</u>
		<u>\$ 161,688</u>

Ennoconn Technology Co., Ltd.
Statement of corporate bonds Payable
As of December 31, 2021

Unit: NT\$ 1,000

Bond name	Trustee	Date of issuance	Interest rate	Amount					Repayment	Status of guarantee
				Issued amount	Repaid amount	Ending Balance	Unamortized discount	Book value		
Second domestic unsecured convertible corporate bonds in 2016	Bank SinoPac	May 13, 2016	- %	\$ 1,800,000	1,800,000	-	-	-	Note 6(12)	None
Third domestic unsecured convertible corporate bonds in 2019	Yuanta Securities	February 26, 2019	- %	6,000,000	364,900	5,635,100	137,771	5,497,329	Note 6(12)	None
Fourth domestic unsecured convertible corporate bonds in 2021	Bank SinoPac	November 16, 2021	- %	1,000,000	-	1,000,000	47,317	952,683	Note 6(12)	None
First foreign unsecured convertible corporate bonds in 2017	Citicorp international limited	March 10, 2017	- %	6,330,600	5,191,092	1,139,508	2,473	1,137,035	Note 6(12)	None
First unsecured privately placed convertible corporate bonds in 2021		September 2, 2021	- %	1,500,000	-	1,500,000	33,112	1,466,888	Note 6(12)	None
Less: parts able to exercise redemption rights within one year			- %	-	-	-	-	(1,137,035)		
				\$ 16,630,600	7,355,992	9,274,608	220,673	7,916,900		

To be modified

Ennoconn Technology Co., Ltd.
Statement of Operating Revenue
For the Year Ended December 31, 2021

Unit: NT\$ 1,000

<u>Item</u>	<u>Amount</u>
Motherboard	\$ 3,405,286
Repairs and maintenance	660
Operating return and allowance	<u>(62,928)</u>
	<u>\$ 3,343,018</u>

Ennoconn Technology Co., Ltd.

Statement of Operating Cost

For the Year Ended December 31, 2021

Unit: NT\$ 1,000

<u>Item</u>	<u>Amount</u>
Raw materials, beginning	\$ 177,197
Materials purchased in the period	727,247
Transferred costs and others	(43,727)
Raw materials, ending (including inventory in transit)	<u>(405,172)</u>
Materials consumed in the period	455,545
Manufacturing expenses	<u>147,197</u>
Manufacturing cost	602,742
Work in progress, beginning	4,757
Work in progress, ending	<u>(61,433)</u>
Manufacturing cost of finished goods	546,066
Semi-finished goods, beginning	72,334
Semi-finished goods purchased in the period	785,640
Transferred costs and others	(3,549)
Semi-finished goods, ending	<u>(66,422)</u>
Cost of semi-finished goods and finished goods	1,334,069
Finished goods, beginning	47,315
Finished goods purchased in the period	1,576,658
Transferred costs and others	(1,473)
Finished goods, ending	<u>(43,753)</u>
Cost of finished goods sold	<u>2,912,816</u>
Merchandise cost	
Inventory, beginning	11
Commodity purchased in the period	37
Inventory, ending	<u>(11)</u>
Cost of purchase and sale	<u>37</u>
Gains on price recovery of inventory	<u>39,436</u>
Manufacturing overheads	<u>18,527</u>
Operating costs	<u>2,970,816</u>
Operating cost in this period	<u><u>\$ 2,970,816</u></u>

Ennoconn Technology Co., Ltd.
Statement of Operating Expense
For the Year Ended December 31, 2021

<u>Item</u>	<u>Selling Expenses</u>	<u>General and administrative expenses</u>	<u>Research and development expense</u>	<u>Expected credit losses</u>
Salary and bonus	\$ 45,629	97,342	70,919	-
Expected credit gains (losses)	-	-	-	11
Insurance expense	3,405	5,232	5,282	-
Testing fees	5,862	-	-	-
Miscellaneous purchases	5,291	-	-	-
Labor service expenses	-	14,563	-	-
Other (Note)	21,115	21,136	12,336	-
Total	\$ 81,302	138,273	88,537	11

Note: the amount of each item does not exceed 5% of the balance of this account.