

Ennoconn Corporation and Subsidiaries
Consolidated Financial Statements and
Independent Auditors' Review Report

For the Six Months Ended June 30, 2023 and 2022

Address: 3F. ~ 6F., No. 10, Jiankang Rd., Zhonghe Dist., New Taipei City
Tel: (02)5590-8050

Table of Contents

Item	Page
1. Cover	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to Consolidated Financial Statements	
(a) Company Overview	8
(b) Date and Procedures of Authorization of Financial Statements	8
(c) Application of New and Amended Standards and Interpretations	8-11
(d) Summary of Significant Accounting Policies	11-16
(e) Primary Sources of Uncertainties in Major Accounting Judgments, Estimates, and Assumptions	16
(f) Details of Significant Accounts	16-64
(g) Related Party Transactions	64-70
(h) Pledged Assets	71
(i) Significant Contingent Liabilities and Unrecognized Contract Commitments	71
(j) Significant Disaster Loss	71
(k) Significant Events after Balance Sheet Date	71-72
(l) Others	72-74
(m) Supplementary Disclosures	
1. Information on Significant Transactions	75, 78-97
2. Information on Reinvestment	75, 98-106
3. Information on Investments in Mainland China	75, 107-109
4. Information on Major Shareholders	75
(n) Department Information	76~77

Independent Auditors' Review Report

To the Board of Directors of Ennoconn Corporation:

Foreword

We have reviewed the accompanying consolidated balance sheets of Ennoconn Corporation and its subsidiaries as of June 30, 2023 and 2022 (after restatement), consolidated statements of comprehensive income for the three months ended June 30, 2023 and 2022 (after restatement) and for the six months ended June 30, 2023 and 2022 (after restatement), changes in equity and cash flows for the six months ended June 30, 2023 (after restatement), and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with SRE 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” Except for the effects of the matter(s) described in the Basis for Qualified Conclusion paragraph, a review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note IV (b) to the consolidated financial statements, a part of its insignificant subsidiaries has been included in the aforesaid consolidated financial statements based on the financial statements of these invested companies not reviewed by the independent auditors for the same period. As of June 30, 2023 and 2022, these subsidiaries had total assets of NT\$1,289,659 thousand and NT\$ 2,670,746 thousand, representing 1.10% and 2.61% of the consolidated total assets; and total liabilities of NT\$366,161 thousand and NT\$1,579,314 thousand, representing 0.51% and 2.29% of the

consolidated total liabilities; and they realized comprehensive profit (loss) of NT\$(78,536) thousand, NT\$69,722 thousand and NT\$(142,858) thousand and NT\$63,516 thousand for the three months ended June 30, 2023 and 2022 and six months ended June 30, 2023 and 2022, respectively, representing (3.38)%, 5.64% and (4.20)% and 2.52% of the consolidated comprehensive profit (loss).

Besides the above-mentioned in the previous paragraph, as stated in Note VI (d) of the consolidated financial statements, investments accounted for under the equity method of Ennoconn Corporation and its subsidiaries amounted to NT\$335,610 thousand and NT\$303,735 thousand as of June 30, 2023 and 2022. The profit or loss of associates under equity method were NT\$4,975 thousand, NT\$(6,160) thousand, NT\$12,730 thousand and NT\$(3,700) thousand for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022, respectively. Those amounts were recognized based on financial statements of the investees for the same period and have not been reviewed by the independent auditors.

Qualified Conclusion

Based on our reviews, except for possible effects from financial statements of these investees mentioned in the paragraph titled "Basis for Qualified Conclusion" if they were reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Ennoconn Corporation and its subsidiaries as of June 30, 2023 and 2022, and of its consolidated financial performance for the three months ended June 30, 2023 and 2022, and for the six months ended June 30, 2023 and 2022, and its consolidated cash flows for the six months ended June 30, 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG

CPA:

Securities and Futures : Jin-Guan-Zheng-Shen
Commission Approval No. No.1040003949
Tai-Cai-Cheng (6)
No.0920122026

August 14, 2023

Notices to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Ennoconn Corporation and Subsidiaries

Consolidated Balance Sheets

June 30, 2023, December 31, June 30, and January 1, 2022

Unit: NT\$1,000

Assets	2023.6.30		2022.12.31 (after restatement)		2022.6.30 (after restatement)		2022.1.1 (after restatement)			Liabilities and Equity	2023.6.30		2022.12.31 (after restatement)		2022.6.30 (after restatement)		2022.1.1 (after restatement)	
	Amount	%	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%	Amount	%
Current assets:										Current Liabilities:								
1100 Cash and cash equivalents (Note VI (a) and (x))	\$ 22,789,700	19	25,963,256	22	13,925,677	14	17,522,321	17	2100 Short-term loans (Notes VI (m) and (x))	\$ 12,974,684	11	15,115,437	13	9,484,562	9	9,476,954	9	
1110 Financial assets measured at fair value through profit and loss - current (Note VI (x))	97,619	-	103,087	-	72,583	-	189,816	-	2120 Financial liabilities measured at fair value through profit and loss - current (Note VI (x))	-	-	215	-	1,211	-	713	-	
1120 Financial assets measured at fair value through other comprehensive income - current (Note (x))	-	-	-	-	-	-	96,772	-	2130 Contract liabilities - current (Notes VI (u) and (x))	10,301,042	10	9,508,609	8	9,190,110	9	7,151,404	7	
1136 Financial assets measured at amortized cost - current (Notes VI (x) and VIII)	220,980	-	23,655	-	23,130	-	864,112	1	2150 Notes payable (Note VI (x))	1,728,147	2	2,159,990	2	2,594,955	3	1,721,962	2	
1140 Contract assets - current (Notes VI (u) and (x))	13,124,663	12	10,834,081	9	8,812,356	9	9,538,944	10	2160 Notes payable - related parties (Notes VI (x) and VII)	4,189	-	7,487	-	10,628	-	15,218	-	
1150 Notes receivable, net (Notes VI(b), (u), and (x))	148,885	-	42,133	-	51,668	-	60,171	-	2170 Accounts payable (Note VI (x))	15,791,964	13	19,229,648	16	16,788,593	16	18,718,569	19	
1170 Accounts receivable, net (Notes VI (b), (u), (x) and VIII)	14,937,203	13	17,111,050	14	17,422,974	17	16,550,819	16	2180 Accounts payable - related parties (Notes VI (x) and VII)	44,296	-	151,330	-	68,293	-	709,342	1	
1180 Accounts receivable - related parties, net (Notes VI(b), (u), (x), and VII)	123,202	-	279,448	-	272,127	-	769,363	1	2200 Other payables - related parties (Notes VI (x) and VII)	7,343,525	6	5,210,456	4	6,008,108	6	5,181,431	5	
130X Inventories (Notes VI (c) and VIII)	23,149,893	20	21,987,870	19	21,301,065	21	15,971,415	16	2230 Current income tax liabilities	1,165,580	1	963,755	-	571,733	1	454,685	-	
1460 Other non-current assets (Note VI (d))	-	-	206,496	-	-	-	-	-	2250 Provisions for liabilities - current	810,229	1	887,944	1	990,742	1	992,243	1	
1470 Other current assets (Note VI (l))	7,507,560	7	9,540,219	8	5,562,768	5	4,917,814	5	2260 Liabilities directly related to non-current assets held for sale (Note VI (d))	-	-	155,725	-	-	-	-	-	
Total Current Assets	82,099,705	71	86,091,295	72	67,444,348	66	66,481,547	66	2280 Lease liabilities - current (Note VI (x))	1,142,908	1	1,073,368	1	969,669	1	974,736	1	
Non-Current Assets:									2321 Corporate bonds matured or exercised redemption rights within one year or one operating cycle (Notes VI (o) and (x))	2,793,601	2	812,275	1	166,237	-	1,137,035	1	
1510 Financial assets measured at fair value through profit and loss - Non current (Note VI (x))	1,350,436	1	1,046,133	1	923,184	1	984,540	1	2322 Long-term loans matured within one year or one operating cycle (Notes VI (n) and (x))	4,501,152	3	1,369,006	1	480,648	-	11,926	-	
1517 Financial assets measured at fair value through other comprehensive income - non current (Note VI (x))	1,381,914	1	1,031,281	1	1,083,796	1	829,983	1	2399 Other current liabilities	576,802	-	954,521	1	787,347	1	768,632	1	
1550 Investments accounted for using equity method (Note VI(e))	485,584	-	553,155	-	606,898	1	128,693	-	Total Current Liabilities	59,178,119	50	57,599,766	48	48,112,836	47	47,314,850	47	
1600 Property, plant, and equipment (Note VI (j))	6,862,534	6	6,209,063	5	6,441,682	6	6,697,993	7	Non-current Liabilities:									
1760 Investment properties, net (Note VIII)	51,052	-	51,099	-	51,375	-	51,656	-	2500 Financial liabilities measured at fair value through profit and loss - Non current (Note VI (x))	-	-	1,423	-	-	-	-	-	
1755 Right-of-use assets	3,645,914	3	3,263,759	3	2,988,190	3	2,977,436	3	2530 Corporate bonds payable (Notes VI (o) and (x))	4,326,360	4	7,996,895	7	8,599,491	8	8,967,735	9	
1805 Goodwill (Note VI (k))	13,510,918	12	13,300,272	11	13,494,831	13	13,285,999	13	2540 Long-term borrowings (Notes VI (n) and (x))	2,981,928	2	6,713,309	6	7,552,992	7	7,833,098	8	
1821 Other intangible assets (Note VI (k))	5,252,073	4	5,174,060	5	6,135,138	6	6,374,149	6	2550 Provisions for liabilities - non-current	441,060	-	433,136	-	467,205	-	485,942	-	
1840 Deferred tax assets (Note VI (q))	1,592,312	1	1,534,717	1	1,610,577	2	1,614,123	2	2570 Deferred tax liabilities	641,873	1	504,114	-	663,655	1	584,675	1	
1960 Advance payment for investment (Note VI (l))	234,617	-	22,944	-	29,720	-	27,680	-	2580 Lease liabilities - Non current (Note (x))	3,031,089	3	2,591,985	2	2,455,627	2	2,485,942	2	
1990 Other Non current assets (Note VI (l))	996,223	1	1,015,264	1	1,405,385	1	1,221,508	1	2640 Net defined benefit liability - non-current	382,254	-	373,121	1	473,434	1	475,690	1	
Total Non-current Assets	35,363,577	29	33,201,747	28	34,770,776	34	34,193,760	34	2670 Other non-current liabilities	464,480	-	362,757	-	622,258	1	1,156,520	1	
									Total Non-current Liabilities	12,269,044	10	18,976,740	16	20,834,662	20	21,989,602	22	
									Total Liabilities	71,447,163	60	76,576,506	64	68,947,498	67	69,304,452	69	
									Equity attributable to owners of parent (Notes VI (r) and (s)):									
									3110 Share capital	1,241,354	1	1,060,370	1	1,060,370	1	1,018,120	1	
									3200 Capital surplus	13,054,738	11	9,285,324	8	9,300,086	9	8,865,780	9	
									Retained earnings:									
									3310 Legal reserve	1,161,514	1	812,521	1	812,521	1	754,561	1	
									3320 Special reserve	905,934	1	1,768,490	1	1,768,490	2	1,010,924	1	
									3350 Unappropriated earnings	3,435,513	3	3,515,665	3	779,890	1	1,157,465	1	
									Total retained earnings	5,502,961	5	6,096,676	5	3,360,901	4	2,922,950	3	
									3400 Other equity	(503,134)	-	(905,934)	(1)	(1,295,252)	(1)	(1,768,490)	(2)	
									3500 Treasury stock	-	-	-	-	-	-	(233,608)	-	
									Total equity attributable to owners of parent	19,295,919	17	15,536,436	13	12,426,105	13	10,804,752	11	
									36XX Non-controlling equity (Note VI (i))	26,720,200	23	27,180,100	23	20,841,521	20	20,566,103	20	
									Total Equity	46,016,119	40	42,716,536	36	33,267,626	33	31,370,855	31	
Total Assets	\$ 117,463,282	100	119,293,042	100	102,215,124	100	100,675,307	100	Total Liabilities and Equity	\$ 117,463,282	100	119,293,042	100	102,215,124	100	100,675,307	100	

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income

For the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022

Unit: NT\$1,000

	April to June, 2023		April to June, 2022 (after restatement)		January to June, 2023		January to June, 2022 (after restatement)	
	Amount	%	Amount	%	Amount	%	Amount	%
4100 Sales revenue, net (Notes VI (u) and VII)	\$ 28,961,587	100	24,159,143	100	57,452,897	100	45,832,267	100
5000 Operating costs (Notes VI (c), (j), (k), (p), (v) and VII)	23,231,479	80	19,644,145	81	46,210,099	80	36,901,886	81
5900 Gross operating profit	5,730,108	20	4,514,998	19	11,242,798	20	8,930,381	19
Operating expenses (Notes VI (b), (j), (k), (p) and (v)):								
6100 Selling Expenses	806,168	3	454,873	2	1,567,202	3	1,187,041	3
6200 General and administrative expenses	1,349,007	5	1,194,144	5	2,642,518	5	2,362,892	5
6300 Research and development expense	2,114,966	7	1,872,222	8	4,129,736	7	3,696,837	8
6450 Expected credit losses	(12,070)	-	32,772	-	148,690	-	104,974	-
Total operating expenses	4,258,071	15	3,554,011	15	8,488,146	15	7,351,744	16
6900 Net operating profit	1,472,037	5	960,987	4	2,754,652	5	1,578,637	3
Non-operating income and expenses (Notes VI (e), (h) and (w)):								
7100 Interest income	123,089	-	12,051	-	231,628	-	23,761	-
7190 Other income	7,057	-	5,122	-	13,260	-	10,214	-
7020 Other gains and losses	929,490	3	553,004	2	1,308,300	2	1,004,561	2
7050 Financial costs	(258,900)	-	(126,832)	-	(482,743)	-	(242,813)	-
7060 Share of profit or loss of associates accounted for using the equity method	10,138	-	2,184	-	17,893	-	4,644	-
Total non-operating income and expenses	810,874	3	445,529	2	1,088,338	2	800,367	2
Net profit before tax	2,282,911	8	1,406,516	6	3,842,990	7	2,379,004	5
7950 Less: Income tax expense (Note VI (q))	772,823	3	430,239	2	1,158,028	2	687,946	1
8000 Net profit for continuing operations	1,510,088	5	976,277	4	2,684,962	5	1,691,058	4
8100 Gain or loss on discontinued operations (Note XII (c))	53,081	-	117,455	1	53,276	-	168,680	-
8200 Net income for period	1,563,169	5	1,093,732	5	2,738,238	5	1,859,738	4
8300 Other comprehensive income:								
8310 Items that will not be reclassified to profit or loss								
8311 Remeasurement of defined benefit plans	311	-	-	-	1,534	-	-	-
8316 Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	(1,081)	-	125,898	-	(13,865)	-	56,318	-
8320 Share of other comprehensive income of associates accounted for using the equity method	-	-	13	-	-	-	13	-
8349 Less: Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
Total of components of other comprehensive income that will not be reclassified to profit or loss	(770)	-	125,911	-	(12,331)	-	56,331	-
8360 Components of other comprehensive income that will be reclassified subsequently to profit or loss								
8361 Exchange differences on translation of foreign financial statements	706,401	2	19,850	-	707,890	1	605,516	2
8370 Share of other comprehensive income of associates accounted for using the equity method (Note VI (e))	(1,532)	-	(1,509)	-	(1,252)	-	(95)	-
8399 Less: Income tax relating to items that will be reclassified to profit or loss	1,993	-	-	-	1,577	-	-	-
Total of components of other comprehensive income that will be reclassified subsequently to profit or loss	702,876	2	18,341	-	705,061	1	605,421	2
8300 Other comprehensive income for period	702,106	2	144,252	-	692,730	1	661,752	2
Total comprehensive income for period	\$ 2,265,275	7	1,237,984	5	3,430,968	6	2,521,490	6
Net income attributable to:								
Owners of parent	\$ 579,807	2	441,754	3	1,072,253	2	756,062	2
Non-controlling interests	983,362	3	651,978	2	1,665,985	3	1,103,676	2
	\$ 1,563,169	5	1,093,732	5	2,738,238	5	1,859,738	4
Total comprehensive income attributable to:								
Owners of parent	\$ 970,959	3	654,785	3	1,413,805	2	1,229,300	3
Non-controlling interests	1,294,316	4	583,199	2	2,017,163	4	1,292,190	3
	\$ 2,265,275	7	1,237,984	5	3,430,968	6	2,521,490	6
9750 Basic earnings per share (Unit: NT\$) (Note VI (t))		5.14		4.17		9.79		7.15
9850 Diluted earnings per share (Unit: NT\$) (Note VI (t))		4.10		3.27		7.57		5.59

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Corporation And Subsidiaries
Consolidated Statements of Changes in Equity
For the six months ended June 30, 2023 and 2022

Unit: NT\$1,000

	Equity attributable to owners of parent											Total equity	
	Retained earnings						Other equity interest						
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at FVTOCI	Total	Treasury stock	Total equity attributable to owners of parent		Non-controlling interests
Balance as of January 1, 2022	\$ 1,018,120	8,865,780	754,561	1,010,924	1,157,171	2,922,656	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,458	20,565,729	31,370,187
Adjustment impact of applying new standards retrospectively	-	-	-	-	294	294	-	-	-	-	294	374	668
Balance as of January 1, 2022 after restatement	1,018,120	8,865,780	754,561	1,010,924	1,157,465	2,922,950	(1,673,323)	(95,167)	(1,768,490)	(233,608)	10,804,752	20,566,103	31,370,855
Net income for period	-	-	-	-	756,062	756,062	-	-	-	-	756,062	1,103,676	1,859,738
Other comprehensive income for period	-	-	-	-	-	-	418,026	55,212	473,238	-	473,238	188,514	661,752
Total comprehensive income for period	-	-	-	-	756,062	756,062	418,026	55,212	473,238	-	1,229,300	1,292,190	2,521,490
Legal reserve	-	-	57,960	-	(57,960)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	757,566	(757,566)	-	-	-	-	-	-	-	-
Cash dividend on ordinary shares	-	(424,148)	-	-	(318,111)	(318,111)	-	-	-	-	(742,259)	-	(742,259)
Capital increase by cash	48,800	1,056,570	-	-	-	-	-	-	-	-	1,105,370	-	1,105,370
Cancellation of treasury stock	(6,550)	(227,058)	-	-	-	-	-	-	-	233,608	-	-	-
Changes in ownership interests in subsidiaries	-	28,942	-	-	-	-	-	-	-	-	28,942	(28,942)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,174,655)	(1,174,655)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	186,825	186,825
Balance as of June 30, 2022	\$ 1,060,370	9,300,086	812,521	1,768,490	779,890	3,360,901	(1,255,297)	(39,955)	(1,295,252)	-	12,426,105	20,841,521	33,267,626
Balance as of January 1, 2023	\$ 1,060,370	9,285,324	812,521	1,768,490	3,513,463	6,094,474	(830,267)	(75,667)	(905,934)	-	15,534,234	27,177,156	42,711,390
Adjustment impact of applying new standards retrospectively	-	-	-	-	2,202	2,202	-	-	-	-	2,202	2,944	5,146
Balance as of January 1, 2023 after restatement	1,060,370	9,285,324	812,521	1,768,490	3,515,665	6,096,676	(830,267)	(75,667)	(905,934)	-	15,536,436	27,180,100	42,716,536
Net income for period	-	-	-	-	1,072,253	1,072,253	-	-	-	-	1,072,253	1,665,985	2,738,238
Other comprehensive income for period	-	-	-	-	426	426	221,142	119,984	341,126	-	341,552	351,178	692,730
Total comprehensive income for period	-	-	-	-	1,072,679	1,072,679	221,142	119,984	341,126	-	1,413,805	2,017,163	3,430,968
Legal reserve	-	-	348,993	-	(348,993)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(862,556)	862,556	-	-	-	-	-	-	-	-
Cash dividend on ordinary shares	-	-	-	-	(1,604,720)	(1,604,720)	-	-	-	-	(1,604,720)	-	(1,604,720)
Convertible corporate bonds converted	180,984	3,631,470	-	-	-	-	-	-	-	-	3,812,454	-	3,812,454
Change in associates accounted for using the equity method	-	2,673	-	-	-	-	-	-	-	-	2,673	-	2,673
Changes in ownership interests in subsidiaries	-	135,271	-	-	-	-	-	-	-	-	135,271	(135,271)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,400,940)	(2,400,940)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	59,148	59,148
Disposal of equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(61,674)	(61,674)	-	61,674	61,674	-	-	-	-
Balance as of June 30, 2023	\$ 1,241,354	13,054,738	1,161,514	905,934	3,435,513	5,502,961	(609,125)	105,991	(503,134)	-	19,295,919	26,720,200	46,016,119

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Corporation And Subsidiaries
Consolidated Statements of Cash Flows
For the six months ended June 30, 2023 and 2022

Unit: NT\$1,000

	January to June, 2023	January to June, 2022
Cash flows of operating activities:		
Cash flows of continuing operations	\$ 3,842,990	2,379,004
Unit Net income before tax of discontinued operations	53,276	222,513
Net profit before income tax for the period	3,896,266	2,601,517
Adjustments:		
Adjustments for:		
Depreciation expenses	832,647	888,612
Amortization expenses	452,135	625,053
Expected credit losses	148,690	104,974
Net (profit) loss of financial assets or liabilities at fair value through profit or loss	(338,245)	183,435
Interest expenses	482,743	269,764
Interest income	(231,628)	(25,684)
Dividend income	(1,970)	(341)
Share-based payment compensation	-	89
Share of profits of associates accounted for using the equity method	(17,893)	(4,644)
Loss (Gains) on disposal of property, plant, and equipment	13,985	(16,837)
Gains on disposal of investments	(127,567)	(43,172)
Disposal of gains from non-current assets held for sale and discontinued operations	(43,090)	-
Gains on lease modification	2	169
Inventory price loss (recovery gain)	(60,545)	126,374
Loss on inventory scrap	123,811	212,169
Total adjustments to reconcile profit (loss)	1,233,075	2,319,961
Changes in operating assets and liabilities:		
Contract assets	(2,290,582)	726,588
Notes and accounts receivable	2,082,666	(1,089,307)
Inventories	(1,326,372)	(5,894,560)
Other current assets	2,041,621	(677,977)
Contract liabilities	792,433	2,038,707
Notes payable (including related parties)	(435,141)	868,401
Accounts payable (including related parties)	(3,544,718)	(1,800,399)
Other payables	(82,400)	963,797
Liability provisions	(69,790)	(20,238)
Other current liabilities	(377,721)	85,911
Other liabilities	110,170	(536,769)
Total adjustments	(1,866,759)	(3,015,885)
Cash inflow (outflow) generated from operations	2,029,507	(414,368)
Interest received	231,628	25,684
Dividends received	1,970	341
Interest paid	(443,260)	(233,497)
Income taxes paid	(858,232)	(549,506)
Net cash inflow (outflow) from operating activities	961,613	(1,171,346)

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Corporation And Subsidiaries
Consolidated Statements of Cash Flows (Continued)
For the six months ended June 30, 2023 and 2022

Unit: NT\$1,000

	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Cash flows of investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	\$ (115,573)	(111,886)
Disposal of financial assets measured at fair value through other comprehensive income	122,496	-
Financial assets measured at amortized cost decrease (increase)	(197,324)	840,982
Acquisition of financial assets at FVTPL	(146,769)	(35,467)
Disposal of financial assets at FVTPL	30,849	26,452
Return of capital from financial assets at FVTPL	1,215	3,299
Acquisition of investments accounted for using the equity method	-	(305,000)
Disposal of investments accounted for using the equity method	64,314	31,238
Increase in prepayments for investments	(266,906)	(2,040)
Acquisition of subsidiaries (after deduction of cash obtained)	-	760
Disposal of subsidiaries	73,070	45,899
Disposal of non-current assets held for sale and discontinued operations	(52,916)	-
Acquisition of property, plant, and equipment	(861,548)	(475,257)
Proceeds from disposal of property, plant, and equipment	8,538	138,534
Acquisition of intangible assets	(388,075)	(425,768)
Proceeds from disposal of intangible assets	42,181	-
Acquired Right-of-use assets	(2,035)	-
(Increase) decrease in other non-current assets	(143,857)	(305,729)
Net cash outflow from investment activities	<u>(1,832,340)</u>	<u>(573,983)</u>
Cash flows of financing activities:		
Increase (decrease) in short-term loans	(2,140,754)	89,420
Issue company debt	2,495,000	-
Repayments of corporate bonds payable	(151,549)	(1,139,508)
Proceeds from long-term loans	442,449	188,615
Repayments of long-term loans	(1,041,684)	-
Reduction in financial liabilities designated as measured at fair value through profit or loss	(20)	-
Repayments of lease principal	(373,490)	(439,616)
Distribution of cash dividends	-	(742,259)
Capital increase by cash	-	1,105,370
Cash dividends paid to non-controlling interests	(1,503,952)	(1,174,655)
Change in non-controlling interests	(280,221)	7,920
Net cash outflow from financing activities	<u>(2,554,221)</u>	<u>(2,104,713)</u>
Effect of exchange rate changes on cash and cash equivalents	251,392	253,398
Net decrease in cash and cash equivalents	(3,173,556)	(3,596,644)
Cash and cash equivalents at the beginning of the period	25,963,256	17,522,321
Cash and cash equivalents at the end of the period	<u>\$ 22,789,700</u>	<u>13,925,677</u>

(Please refer to Notes to the Consolidated Financial Statements)

Chairman: Fu-Chuan Chu

Manager: Neng-Chi Tsai

Chief Accountant: Tsung-Hsien Chuang

Ennoconn Corporation And Subsidiaries
Notes to Consolidated Financial Statements
For the Six Months Ended June 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

I. Company Overview

Ennoconn Corporation (“the Company”) was established on July 12, 1999. The registered place of business operations of the Company is 3–6F, No. 10, Jiankang Rd., Zhonghe Dist., New Taipei City. The Company and its subsidiaries (“the Group”) mainly engage in data storage, processing equipment, and manufacturing and sales of industrial motherboards.

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

II. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were approved by the Board of Directors and authorized for issue on August 14, 2023.

III. Application of New and Amended Standards and Interpretations

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

The Group has initially adopted the following new amendments from January 1, 2023 with the impact as described below:

1. Amendments to IAS 12 “Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction”

The amendments restrict the scope of the exemption from recognition of deferred tax assets and liabilities arising from the initial recognition of assets or liabilities that are relevant to a certain transaction so that they are no longer applicable to the equivalent taxable and transactions for which temporary differences can be deducted, such as leases and decommissioning liabilities, that is, the Group should separately recognize the deferred income tax for the temporary differences arising from the initial recognition of these transactions, and cannot be measured on a net basis. For lease and decommissioning liabilities, it should be applied retroactively from the start date of the comparative period first expressed in this consolidated financial report (i.e. January 1, 2022) according to regulations, and the cumulative effect of the initial application of these amendments will be listed as the adjustment of the initial balance of daily retained earnings. As for all other transactions that only occurred after January 1, 2022, the amendments apply. Due to the above amendments, the Group recognized the deferred

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

tax assets and liabilities for the temporary differences related to the transaction of right-of-use assets and lease liabilities on January 1, 2022.

The related impacts are summarized as follows:

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>	<u>2022.1.1</u>
Deferred tax assets	\$ 200,690	128,229	55,712	49,414
Deferred tax liabilities	189,444	123,083	52,880	48,746
Retained earnings	4,807	2,202	1,222	294
Non-controlling interests	6,439	2,944	1,610	374

	<u>April to June, 2023</u>	<u>April to June, 2022</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Income tax expense (gains)	<u>\$ (3,391)</u>	<u>(1,006)</u>	<u>(6,100)</u>	<u>(2,164)</u>

2. Others

The following new amendments were effective for annual period beginning on January 1, 2023, and would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”

(b) The impact of IFRSs issued by the IASB but not yet endorsed by the FSC

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

New, Revised, or Amended Standards and Interpretations	Major Amendments	Effective Date Issued by IASB
Amendment to IAS 1 “Classification of Liabilities as Current or Non-current”	According to IAS 1, the liabilities of those without having an unconditional right to defer settlement for at least 12 months after the reporting period are classified as current. The unconditional provision is deleted, which changes to such right shall exist and have substance on the end of the reporting period. The amended provision clarifies how the enterprise should classify liabilities that are settled by issuing equity instruments (such as convertible bonds).	January 1, 2024
Amendment to IAS 1 “Non-current Liabilities with Covenants”	After reconsidering certain aspects of the 2020 amendments to IAS1, the new amendment clarifies that only covenants with which a company must	January 1, 2024

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

New, Revised, or Amended Standards and Interpretations	Major Amendments	Effective Date Issued by IASB
	<p>comply on or before the reporting date affect the classification of a liability as current or non-current.</p> <p>Covenants with which the Company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date</p>	
Amendment to International Accounting Standards 7 and International Financial Reporting Standards 7 "Supplier Financing Lease Arrangements"	The amendment stipulates that enterprises should disclose information about their supplier financing arrangements, so that financial statement users can evaluate the impact of these arrangements on the company's liabilities and cash flows, as well as the company's liquidity risk exposure.	January 1, 2024
Amendment to International Accounting Standard No. 12 "International Tax Reform - Pillar 2 Rule Template"	<ul style="list-style-type: none"> • Provide temporary mandatory exemptions for enterprises regarding the impact of supplementary tax on the accounting treatment of deferred income tax; meanwhile • Require companies to provide additional disclosure information. 	May 23, 2023

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

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”
- Amendments to IFRS 17 “Insurance Contracts” and IFRS 17
- Amendments to IFRS 17 “Initial application of IFRS 17 and IFRS 9 comparative information”
- Amendment to IFRS 16 "Lease Liabilities in Sale and Leaseback"

IV. Summary of Significant Accounting Policies

(a) Statement of Compliance

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

Except the accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2022. For the related information, please refer to Note IV of the consolidated financial statements for the year ended December 31, 2022.

(b) Basis for Consolidation

1. Subsidiaries included in consolidated financial statements

Subsidiaries included in the consolidated financial statements are as below:

Name of Investor	Name of subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2023.6.30	2022.12.31	2022.6.30	
The Company	Innovative Systems Integration Limited (Innovation Systems)	Professional investment	100.00%	100.00%	100.00%	
The Company	Ennoconn International Investment Co., Ltd. (Ennoconn International)	Professional investment	100.00%	100.00%	100.00%	
The Company	Ennoconn Investment Holdings Co.,Ltd (EIH)	Professional investment	100.00%	100.00%	100.00%	
The Company and EIH	AIS Cayman Technology	Professional investment	100.00%	100.00%	100.00%	
EIH	Ennoconn Hungary KFT	Manufacturing and marketing of industrial computers	100.00%	100.00%	100.00%	
The Company and Ennoconn International	Caswell, Inc. and its subsidiaries (Caswell)	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	31.70%	31.77%	31.77%	Note 1
Innovation Systems	NanJing Asiatek INC. (Nanjing Asiatek)	Engaged in the research, development and sales of software and hardware products, and provide installation,	100.00%	100.00%	100.00%	

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

Name of Investor	Name of subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2023.6.30	2022.12.31	2022.6.30	
		commissioning, and technical consultation.				
Innovation Systems	ENGA Technology Co., Ltd.	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	100.00%	100.00%	100.00%	
Innovation Systems	Ennoconn (Suzhou) Technology Co., Ltd. (Suzhou Ennoconn)	R&D, production, and sales of industrial computers	100.00%	100.00%	100.00%	
Innovation Systems	Victor Plus Holdings Ltd. (Victor Plus)	Import and export trading	100.00%	100.00%	100.00%	
Innovation Systems	Hua-En Investment Co., Ltd. (Hua-En)	Professional investment	100.00%	100.00%	100.00%	
Innovation Systems and Hua-En	Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	100.00%	100.00%	100.00%	
Suzhou Ennoconn	Ennoconn (Kunshan) Technology Co., Ltd. (Kunshan Ennoconn)	Intelligent technology development and hardware sales	70.00%	70.00%	70.00%	
Nanjing Asiatek	Shenzhen Asiatek INC.(Shenzhen Asiatek)	R&D, production, and sales of electronic materials required for software and hardware products	- %	25.00%	25.00%	Note 2
Ennoconn International	Goldtek Technology Co., Ltd. (Goldtek)	Wholesale and retail of telecommunications control RF equipment input and information software	56.74%	56.74%	56.74%	
Ennoconn International	EnnoMech Precision (Cayman) Co., Ltd.	Professional investment	100.00%	100.00%	100.00%	
Ennoconn International	Ennowyse Corporation (Ennowyse)	Research, design and sales of mobile payment, electronic signature, and information security products	100.00%	100.00%	100.00%	
Ennoconn International	Thecus Technology Corp.	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	60.00%	60.00%	60.00%	
Ennoconn International	Dexatek Technology Ltd.	Multimedia product R&D and design and manufacturing business	56.00%	56.00%	56.36%	Note 3
Ennoconn International	Marketech International Corp. and its subsidiary (MIC Inc.)	High-tech industry plant services and process system planning integration service	42.69%	42.80%	42.80%	Note 4

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

Name of Investor	Name of subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2023.6.30	2022.12.31	2022.6.30	
Ennoconn International	Poslab Technology Corporation (Poslab)	Manufacturing, wholesale and sales of electronic and peripheral equipment	70.00%	70.00%	70.00%	
Ennoconn International	Renown Information Technology Corp. (Renown Information)	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	37.11%	37.14%	37.14%	Note 5
Goldtek	Keenest Electronic Corp.	Professional investment	100.00%	100.00%	100.00%	
Keenest Electronic Corp.	Goldtek Technology (Shenzhen) Co., Ltd.	Research, design and sales of electronic products, communication devices and their spare parts, and after-sales service of the above products.	100.00%	100.00%	100.00%	
Keenest Electronic Corp.	Techno Precision Co., Ltd. (Techno)	Metal stamping and casting industry	40.30%	40.30%	40.30%	
Ennoconn International and EIH	Kontron AG and its subsidiary	Information system software and hardware integration service	27.82%	27.64%	27.64%	Note 6
AIS Cayman	American Industrial Systems Inc. (AIS)	Human-machine interface, industry 4.0, and other related products	100.00%	100.00%	100.00%	
AIS Cayman	Vecow Co., Ltd.	Manufacturing, processing, trading, import and export of communication machinery and equipment, electronic equipment, and electronic devices	100.00%	100.00%	100.00%	
EnnoMech Cayman	DOMINATE UNITED ENTERPRISE LTD.	Professional investment	- %	- %	100.00%	Note 7
EnnoMech Cayman	ENNOMECH PRECISION Co., Ltd.	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	100.00%	100.00%	100.00%	
EnnoMech Cayman	HighAim Technology Inc. (HighAim)	Professional investment	67.65%	67.65%	67.65%	
HighAim	HighAim Technology Inc. and its subsidiary	Design, development and production of various molds, servers and communication equipment.	100.00%	100.00%	100.00%	
HighAim	Andrix International LTD.	Import and export trading	100.00%	100.00%	100.00%	
HighAim	Funology Investment Inc.	Import and export trading	100.00%	100.00%	100.00%	

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

Name of Investor	Name of subsidiary	Nature of Business	Proportion of Ownership (%)			Remark
			2023.6.30	2022.12.31	2022.6.30	
Thecus Technology	Thecus U.S.A.,Inc.	Sales of network storage equipment and maintenance services	100.00%	100.00%	100.00%	
Ennowyse Corporation	Hua Qun Venture Management Corporation (Hua Qun)	General investment and investment consultancy	40.00%	40.00%	40.00%	

- Note 1: The Company and Ennoconn International hold 27.27% and 4.43% of equity, respectively. The Group acquires the majority voting rights of the board of directors of CASwell Inc. and could dominantly make personnel, financial and operational decisions, so it is listed as a subsidiary. During the holding period, the shareholding ratio decreased due to the increase in the number of shares from the exercise of stock options issued by the Company.
- Note 2: Nanjing Asiatek disposed of a 45% equity interest in Shenzhen Astronergy in June 2022, thus losing control of the company. In addition, the remaining equity interest in Shenzhen Astronergy will be disposed of in March 2023.
- Note 3: During the shareholding period, the shareholding ratio decreased due to the increase of equity resulted from the exercise of stock options issued by this company.
- Note 4: The Group considered the proportion of voting rights held by other shareholders, and it was judged to have substantial control. Therefore, it was listed as a subsidiary. During the holding period, the shareholding ratio decreased due to the increase of equity from the exercise of stock options issued by the Company.
- Note 5: Renown Information was formerly an investee accounted for using the equity method of Ennoconn International. Ennoconn International originally indirectly held 21.03% of Renown Information through Caswell, Goldtek, and MIC Inc. As a result of these companies' participation in the capital increase by cash of Renown Information on May 27, 2022, the shareholdings in Renown Information held by Ennoconn International, Caswell, Goldtek, and MIC Inc. increased to 20%, 12.4%, 12.4%, and 14.4%, respectively, totaling 59.2%. The percentage of indirect shareholding increased to 37.14%, thus obtaining substantial control over the company and classifying it as a subsidiary. Due to the partial conversion of Fanxuan convertible corporate bonds into ordinary shares in this period, the company and its subsidiaries' indirect shareholding in Renown decreased to 37.11%.
- Note 6: The company (formerly known as S&T AG, renamed Kontron AG in June 2022) is a listed company in Frankfurt, Germany, and is a group holding company. Due to the dispersed equity structure of the company, the shareholding ratio of the Group relative to other shareholders is significant, and it is the largest shareholder and takes up more than half of the board seats, with substantial control. Therefore, it is listed as a subsidiary. During the holding period in Quarter 1, 2023, the overall shareholding ratio increased due to Kontron AG executing the buyback of treasury stakes.
- Note 7: At the end of September 2022, the company ended its operations and went through dissolution procedures

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

2. Subsidiaries excluded from consolidated financial statements: None.

(c) Non-current assets held for sale (disposal group) and discontinued operations

1. Non-current assets held for sale and discontinued operations (disposal group)

Kontron AG approved the sale of some IT service businesses through a board resolution on August 11, 2022, and passed an antitrust review on December 29, 2022. Therefore, it adopts accounting policies related to non-current assets held for sale (disposal group).

Non-current assets or disposal group composed of assets and liabilities are classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The components in the asset or disposal group are remeasured in accordance with the accounting policies of the Group before being originally classified for sale. After being classified as held for sale, it is measured

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

on the basis of the lower of its carrying amount and fair value less costs to sell. Any impairment loss on a disposal group will first be allocated to goodwill, and then the remaining assets and liabilities will be apportioned on a pro rata basis, except that no loss is allocated to assets not in the scope of IAS 36 - Impairment of Assets. Such assets will continue to be measured in accordance with the Group's accounting policies. Impairment losses on assets initially classified as held for sale and any subsequent gains or losses on re-measurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

When the assets classified as held for sale are intangible assets or property, plant, and equipment. In addition, when an associate recognized by the equity method is classified as held for sale, the equity method shall not be adopted.

2. Discontinued operation

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale, and

- (1) represents a separate major line of business or geographical area of operations,
- (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or
- (3) is a subsidiary acquired exclusively with a view to resale.

The operation should be classified as a discontinued operation at the earlier of its disposal date, or when that operation meets the held-for-sale criteria.

(d) Employee benefits

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

(a) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34 "Interim Reporting."

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

The temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time the asset or liability is

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

recovered or settled, and recognized directly in equity or other comprehensive income as tax expense.

V. Primary Sources of Uncertainties in Major Accounting Judgments, Estimates, and Assumptions

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the Note V of the consolidated financial statements for the year ended December 31, 2022.

VI. Details of Significant Accounts

(a) Cash and cash equivalents

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Cash on hand	\$ 25,362	46,657	21,845
Demand deposits and check deposits	21,423,340	25,172,531	13,587,731
Time deposits	1,340,998	744,068	316,101
Cash and cash equivalents listed on the consolidated statement of cash flow	<u>\$ 22,789,700</u>	<u>25,963,256</u>	<u>13,925,677</u>

Please refer to Note VI (x) for the disclosure of interest rate risk and sensitivity analysis of the Group’s financial assets and liabilities.

(b) Notes receivable and accounts receivable

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Notes receivable	\$ 148,885	42,133	51,588
Accounts receivable	16,088,420	18,195,678	18,434,853
Accounts receivable - related parties	129,297	279,448	272,207
Less: Allowance for loss	(1,157,312)	(1,084,628)	(1,011,879)
	<u>\$ 15,209,290</u>	<u>17,432,631</u>	<u>17,746,769</u>

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

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

	2023.6.30		
	Carrying amount of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
Not past due	\$ 12,569,264	0.19%	23,454
1–30 days past due	976,722	1.17%	11,440
31–150 days past due	1,019,698	4.01%	40,873
151–270 days past due	493,636	30.59%	151,016
271–365 days past due	202,428	19.20%	38,869
1–2 years past due	564,015	62.20%	350,821
Over 2 years past due	540,839	100.00%	540,839
	\$ 16,366,602		1,157,312

	2022.12.31		
	Carrying amount of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
	\$ 14,019,317	0.60%	85,704
1–30 days past due	1,866,594	1.18%	21,972
31–150 days past due	1,242,737	5.78%	71,863
151–270 days past due	283,051	6.93%	19,626
271–365 days past due	197,791	13.20%	26,110
1–2 years past due	357,030	86.44%	308,614
Over 2 years past due	550,739	100%	550,739
	\$ 18,517,259		1,084,628

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

	2022.6.30		
	Carrying amount of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
	\$ 14,651,065	0.17%	25,121
1–30 days past due	1,113,594	0.60%	6,658
31–150 days past due	1,466,046	3.27%	47,872
151–270 days past due	290,330	11.72%	34,041
271–365 days past due	104,124	13.19%	13,739
1–2 years past due	627,975	60.34%	378,934
Over 2 years past due	505,514	100%	505,514
	<u>\$ 18,758,648</u>		<u>1,011,879</u>

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

	January to June, 2023	January to June, 2022
Beginning Balance	\$ 1,084,628	897,495
Impairment losses recognized	205,474	104,974
Impairment loss reversal	(64,799)	-
Write-off due to being unrecoverable this year	(46,680)	(14,324)
Profit/loss from foreign currency translation	(21,220)	26,579
Acquisition through combinations	(91)	(2,845)
Ending Balance	<u>\$ 1,157,312</u>	<u>1,011,879</u>

Please refer to Note VIII for details of the pledge of accounts and notes receivable set as loan guarantee by the Group as of June 30, 2023, December 31 and June 30, 2022.

Please refer to Note VI (x) for other credit risk information.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

(c) Inventories

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Raw materials	\$ 16,309,616	15,734,400	13,743,048
Raw materials in transit	324,877	210,687	171,029
Work in progress	1,691,966	1,419,205	1,780,281
Semi-finished products	1,295,041	1,016,661	1,055,124
Finished products	3,309,590	3,118,647	2,693,932
Merchandise inventory	2,155,598	2,580,757	3,561,889
Less: Allowance for inventory market price decline	<u>(1,936,795)</u>	<u>(2,092,487)</u>	<u>(1,704,238)</u>
	<u>\$ 23,149,893</u>	<u>21,987,870</u>	<u>21,301,065</u>

The inventory related expenses and losses recognized by the Group for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022 were NT\$(6,413) thousand, NT\$484,712 thousand, NT\$63,266 thousand and NT\$338,543 thousand respectively, under the operating costs, and the details are as below:

	<u>April to June, 2023</u>	<u>April to June, 2022</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Inventory price loss (recovery gain)	\$ (121,381)	278,396	(60,545)	126,374
Loss on inventory scrap	<u>114,968</u>	<u>206,316</u>	<u>123,811</u>	<u>212,169</u>
Total	<u>\$ (6,413)</u>	<u>484,712</u>	<u>63,266</u>	<u>338,543</u>

Inventory costs recognized as operating costs and expenses for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022 were:

	<u>April to June, 2023</u>	<u>April to June, 2022</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Inventory costs recognized as operating costs and expenses	\$ 23,322,758	20,881,206	46,290,952	40,195,950
Less: operating costs attributable to the discontinued operation	<u>(84,866)</u>	<u>(1,721,773)</u>	<u>(144,119)</u>	<u>(3,632,607)</u>
Total	<u>\$ 23,237,892</u>	<u>19,159,433</u>	<u>46,146,833</u>	<u>36,563,343</u>

Please refer to Note VIII for details of the pledge of inventory by the Group as of June 30, 2023, December 31 and June 30, 2022.

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

(d) Disposal group held for sale

Kontron AG approved the sale of some IT service businesses through a board resolution on August 11, 2022, and passed an antitrust review on December 29, 2022. Therefore, the assets and liabilities related to the business would be reported in the disposal group held for sale. The assets of the disposal group to be sold on December 31, 2022 were NT\$206,496 thousand and liabilities were \$155,725 thousand respectively, and the assets and liabilities were fully disposed of on June 30, 2023, and the details are as follows:

	2022.12.31
Property, plant and equipment	\$ 12,478
Inventories	37,501
Accounts receivable and other receivables	110,914
Cash and cash equivalents	45,603
Assets of the group to be sold	\$ 206,496
Accounts payable and other payables	\$ 155,725
Liabilities of the group to be sold	\$ 155,725

(e) Investment based on equity method

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

	2023.6.30	2022.12.31	2022.6.30
Associates	\$ 485,584	553,155	606,898

1. Associates

The Group participated in the private placement of new shares of Arbor Technology Corporation on February 24, 2022, and it acquired 16,000 thousand shares of the company for NT\$296,000 thousand with a shareholding ratio of about 17.11%, resulting in the acquisition of significant influence in the company, which engaged in major operating projects of the R&D, manufacturing and sales of industrial computers.

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

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

In March 2023, the Group disposed of equity interest in Shenzhen Asiatek Inc. and lost

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

its significant influence, for a consideration of NT\$128,628 thousand (RMB30,000 thousand). The gains on disposal of NT\$44,927 thousand was included in other gains and losses in the statement of comprehensive income.

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

	2023.6.30	2022.12.31	2022.6.30
Ending summary carrying amount of equity of individual insignificant associates	\$ 485,584	553,155	606,898
	April to June, 2023	April to June, 2022	January to June, 2023
Shares attributable to the Group:			
Net Income for continuing operations	\$ 10,138	2,184	17,893
Other comprehensive income	(1,532)	(1,509)	(1,252)
Total comprehensive income	\$ 8,606	675	16,641
	4,644	(95)	4,549

As of June 30, 2023 and 2022, the affiliated enterprises that the Group adopts the equity method did not provide pledge, guarantee or without the restrictive circumstances.

(f) **Business Combination**

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

	Main operating activities	Acquisition date	Proportion purchased	Fair value of transfer consideration
CNP GmbH/CNT GmbH	Information services	2022.01.01	100.00%	14,594 (Note)
Renown Information Technology Corp.	Information software services	2022.05.27	59.20%	10,000
Nationgate Integration (M) SDN. BHD.	Eletronic product manufacturing	2022.06.01	60.00%	4,072

Note: consolidation by merger.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

The main categories of transfer consideration, asset acquisition, and liability assumption on the acquisition date and the amount of goodwill recognized are as follows:

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

June 30, 2022:

	CNP GmbH/ CNT GmbH	Renown Information	Nationgate Integration (M) SDN. BHD.
Transfer consideration			
Cash	<u>\$ 14,594</u>	<u>10,000</u>	<u>4,072</u>

- Fair value of net identifiable assets acquired and liabilities assumed:

June 30, 2022:

	CNP GmbH/ CNT GmbH	Renown Information	Nationgate Integration (M) SDN. BHD.
Cash and cash equivalents	\$ -	25,354	6,330
Notes and accounts receivable	-	13,219	-
Inventories	-	11,244	-
Other current assets	-	6,449	-
Property, plant and equipment	914	1,094	-
Right-of-use assets	10,926	-	-
Intangible assets	8,280	6,031	-
Lease liabilities - current	(1,971)	-	(93)
Other payables	(405)	(25,940)	-
Other current liabilities	-	(251)	-
Deferred tax liabilities	(2,484)	-	-
Lease liabilities - non-current	(8,955)	-	-
	<u>\$ 6,305</u>	<u>37,200</u>	<u>6,237</u>

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

3. Goodwill

Goodwill generated from the acquisition:

For the six months ended June 30, 2022:

	CNP GmbH/ CNT GmbH	Renown Information	Nationgate Integration (M) SDN. BHD.
Transfer consideration	\$ 14,594	10,000	4,072
Less: fair value of identifiable net assets (liabilities) acquired	6,305	37,200	6,237
Add: non-controlling interests (measured as the ratio of identifiable net assets to non-controlling interests)	-	23,384	2,495
Add: fair value of the original interest in the acquiree	-	11,393	-
Goodwill arising on acquisition	<u>\$ 8,289</u>	<u>7,577</u>	<u>330</u>

The Group recognized an interest of NT\$1,758 thousand due to remeasurement of the fair value of the 48% equity held in Renown Information Technology Corp. prior to the acquisition date. This interest is recognized under the "Disposal of Investment Interests" section of the consolidated comprehensive income statement.

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

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

For the six months ended June 30, 2022:

	CNP GmbH/CNT GmbH	Renown Information	Nationgate Integration (M) SDN. BHD.
Operating revenue	\$ -	3,477	-
Net income for period	\$ -	(346)	(5)

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

(g) Changes in ownership interests in subsidiaries

The transactions in which the Group changed its equity in subsidiaries and did not change its control over the company for the six months ended June 30, 2023 and 2022 are as follows: In January 2022, Nanjiang Asiatek did not subscribe Shenzhen Aisatek's capital increase by its shareholding ratio, which shares are decreased from 73.51% to 70%.

Nanjing Asiatek disposed of 45% and 25% equity interests in Shenzhen Asiatek in June 2022 and March 2023, respectively. After the disposal, Nanjing Asiatek no longer held any shares of Shenzhen Asiatek.

MIC INC. increased shares through exercising the share option for the six months ended June 30, 2023 and 2022, resulting in Ennoconn International holding its shares reduced from 42.80% to 42.69%, and from 44.04% to 42.80%, respectively.

Kontron AG increased its investment in its subsidiary for the six months ended June 30, 2022, respectively, resulting in a change in net equity. Kontron AG exercised the treasury stock repurchase for the six months ended June 30, 2023, resulting in EIH and Ennoconn International's consolidated shareholding increasing from 27.64% to 27.82%.

CASWELL, INC. exercised the conversion right of convertible corporate bonds for the six months ended June 30, 2023, resulted the shares held by the Company and Ennoconn International reduced from 31.77% to 31.70%.

From January 1 to June 30, 2023, Renown increased its equity by converting some convertible corporate bonds of Marketech International Corp. into ordinary shares, resulting in the Company's indirect shareholding in Renown decreased from 37.14% to 37.11%.

As all the above transactions do not change the control over the subsidiary, they are regarded as equity transactions.

The impact of changes in the Group's ownership interest in the abovementioned subsidiary on equity attributable to owners of the parent company is listed as follows:

For the six months ended June 30, 2023:

	Marketech International Corp.	Kontron AG	Caswell, Inc.	Renown	Total
The amount of non-controlling interests that should be transferred out (in) is calculated by the carrying amount of net assets of subsidiaries calculated by the equity change.	\$ 92,526	31	1	2,522	(8)
Difference in equity transactions	\$ 92,526	31	1	2,522	(8)
		40,2			135,271
		40,2			135,271
		31	1	2,522	(8)
		31	1	2,522	(8)
		31	1	2,522	(8)
		31	1	2,522	(8)

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

For the six months ended June 30, 2022:

	Marketech International Corp.	Kontron AG	Shenzhen Asiatek	Total
The amount of non-controlling interests that should be transferred out (in) is calculated by the carrying amount of net assets of subsidiaries calculated by the equity change.	\$ 21,909	8,705	(1,672)	28,942
Difference in equity transactions	<u>\$ 21,909</u>	<u>8,705</u>	<u>(1,672)</u>	<u>28,942</u>

The above difference in equity transactions is an adjustment to the capital surplus.

(h) Loss of control over subsidiaries

For the six months ended June 30, 2023, the Group liquidated HighAim Technology (Shenzhen) Inc. and disposed of S&T Plus s.r.o and Thecus U.S.A., Inc, respectively, and lost its control over subsidiaries. Relevant information is as below:

1. Consideration received

	HighAim Technology (Shenzhen) Inc.	S&T Plus s.r.o	Thecus U.S.A., Inc
Cash and cash equivalents	\$ -	118,335	1,715

2. Assets and liabilities that have lost control

	HighAim Technology (Shenzhen) Inc.	S&T Plus s.r.o	Thecus U.S.A., Inc
Cash and cash equivalents	\$ 5	45,260	1,715
Other receivables	-	107,917	-
Inventories	-	101,084	-
Property, plant and equipment	-	11,696	-
Goodwill	-	41,509	-
Deferred tax assets	-	-	4,005
Other payables	(12,248)	(273,991)	-
Deferred tax liabilities	-	27,633	-
	<u>\$ (12,243)</u>	<u>61,108</u>	<u>5,720</u>

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

3. Gains (loss) on disposal of subsidiaries

	HighAim Technology (Shenzhen) Inc.	S&T Plus s.r.o	Thecus U.S.A., Inc
Consideration received	\$ -	118,335	1,715
Net liabilities (assets) disposed of	12,243	(61,108)	(5,720)
Non-controlling interests	-	-	-
Reclassification of other comprehensive income (loss)	-	17,176	-
	\$ 12,243	74,403	(4,005)

4. Net cash inflow and outflow from subsidiaries

	HighAim Technology (Shenzhen) Inc.	S&T Plus s.r.o	Thecus U.S.A., Inc
Consideration received	\$ -	118,335	1,715
Less: Disposal of cash and cash equivalents	(5)	(45,260)	(1,715)
Net cash (outflow) inflow from subsidiaries	\$ (5)	73,075	-

For the six months ended June 30, 2022, the Group disposed of Shenzhen Asiatek and RTSoft Project OOO, Russia, respectively, and lost its control over subsidiaries. Relevant information is as below:

1. Consideration received

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Cash and cash equivalents	\$ 121,721	406

2. Assets and liabilities that have lost control

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Cash and cash equivalents	\$ 45,843	30,385
Notes and accounts receivable	578,780	31,861
Inventories	196,379	41,232
Other current assets	61,144	29,910
Property, plant and equipment	204,430	-
Goodwill	-	14,438
Other Intangible Assets	-	80,635
Deferred tax assets	-	5,100

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Short-term borrowing	(80,527)	(1,291)
Accounts payable	(776,541)	-
Other payables	6,828	(166,342)
Other current liabilities	(63,146)	-
Deferred tax liabilities	-	(282)
Other non-current liabilities	-	(4,050)
	\$ 173,190	61,596

3. Losses incurred by subsidiaries

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Consideration received	\$ 121,721	406
Net assets disposed of	(173,190)	(61,596)
Investment Amount obtained	67,623	144
Non-controlling interests	51,957	37,890
Reclassification of other comprehensive income (loss)	-	(11,242)
	\$ 68,111	(34,398)

4. Net cash outflow from subsidiaries

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Consideration received	\$ 121,721	406
Less: Disposal of cash and cash equivalents	(45,843)	(30,385)
Net cash (outflow) inflow from subsidiaries	\$ 75,878	(29,979)

(i) Subsidiary with significant non-controlling interests

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

Name of subsidiary	Country of main business premises/ registration	Proportion of ownership interests and voting rights of non-controlling interests		
		2023.6.30	2022.12.31	2022.6.30
Caswell, Inc.	Taiwan	68.30%	68.23%	68.23%
Kontron AG	Austria	72.18%	72.36%	72.36%
MIC Inc.	Taiwan	57.31%	57.20%	57.20%

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

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

1. Summary financial information of Caswell, Inc. and its subsidiary

	2023.6.30	2022.12.31	2022.6.30
Current assets	\$ 3,794,682	4,537,955	4,372,192
Non-current assets	1,284,289	761,511	686,139
Current liabilities	(1,105,926)	(1,646,584)	(1,669,662)
Non-current liabilities	(487,413)	(108,109)	(102,169)
Net assets	\$ 3,485,632	3,544,773	3,286,500
Ending carrying amount of non-controlling interests	\$ 2,517,774	2,578,755	2,420,964

	January to June, 2023	January to June, 2022
Operating revenue	\$ 2,089,499	2,382,320
Net income for period	\$ 201,402	205,790
Other comprehensive income	(12,141)	687
Total comprehensive income	\$ 189,261	206,477
Current net profit (loss) attributable to non-controlling interests	\$ 114,748	119,239
Total comprehensive profit and loss attributable to non-controlling interests	\$ 106,212	119,959

	January to June, 2023	January to June, 2022
Cash flows of operating activities	\$ 418,270	(70,344)
Cash flows of investing activities	(603,262)	(126,201)
Cash flows of financing activities	206,182	(27,942)
Effect of exchange rate changes on cash	(12,652)	1,159
Increase (decrease) in cash and cash equivalents	\$ 8,538	(223,328)
Dividends paid to non-controlling interests	\$ 180,323	99,879

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

2. Financial information of Kontron AG and its subsidiary

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Current assets	\$ 28,601,870	33,661,106	23,375,142
Non-current assets	14,223,596	13,483,831	15,865,819
Current liabilities	(18,022,035)	(18,080,002)	(15,691,295)
Non-current liabilities	(4,591,248)	(8,265,936)	(10,122,044)
Net assets	<u>\$ 20,212,183</u>	<u>20,798,999</u>	<u>13,427,622</u>
Ending carrying amount of non- controlling interests	<u>\$ 16,902,334</u>	<u>17,423,504</u>	<u>12,091,461</u>
		<u>January to June, 2023</u>	<u>January to June, 2022</u>
Operating revenue		<u>\$ 18,706,768</u>	<u>20,751,802</u>
Net income for period		\$ 1,179,341	765,631
Other comprehensive income		(116,633)	154,739
Total comprehensive income		<u>\$ 1,062,708</u>	<u>920,370</u>
Current net profit (loss) attributable to non-controlling interests		<u>\$ 759,380</u>	<u>447,473</u>
Total comprehensive profit and loss attributable to non- controlling interests		<u>\$ 1,223,125</u>	<u>558,632</u>
		<u>January to June, 2023</u>	<u>January to June, 2022</u>
Cash flows of operating activities		\$ 20,846	(2,370,557)
Cash flows of investing activities		1,987,654	(416,828)
Cash flows of financing activities		(5,693,108)	(1,392,310)
Effect of exchange rate changes on cash		(53,715)	130,813
Increase (decrease) in cash and cash equivalents		<u>\$ (3,738,323)</u>	<u>(4,048,882)</u>
Dividends paid to non-controlling interests		<u>\$ 1,503,952</u>	<u>502,818</u>

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

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Current assets	\$ 33,893,039	30,098,714	27,498,924
Non-current assets	6,251,734	5,228,344	4,961,396
Current liabilities	(25,581,531)	(23,946,207)	(22,046,571)
Non-current liabilities	(4,693,509)	(1,899,849)	(2,336,483)
Net assets	<u>\$ 9,869,733</u>	<u>9,481,002</u>	<u>8,077,266</u>
Ending carrying amount of non- controlling interests	<u>\$ 5,734,176</u>	<u>5,514,864</u>	<u>4,715,510</u>

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

	January to June, 2023	January to June, 2022
Operating revenue	\$ 27,508,126	21,491,469
Net income for period	\$ 1,245,735	830,470
Other comprehensive income	(26,257)	65,450
Total comprehensive income	\$ 1,219,478	895,920
Current net profit (loss) attributable to non-controlling interests	\$ 688,132	448,725
Total comprehensive profit and loss attributable to non-controlling interests	\$ 673,159	486,385
	January to June, 2023	January to June, 2022
Cash flows of operating activities	\$ (3,117,309)	49,065
Cash flows of investing activities	(370,168)	70,943
Cash flows of financing activities	3,434,110	(47,673)
Effect of exchange rate changes on cash	(31,001)	83,534
Increase (decrease) in cash and cash equivalents	\$ (84,368)	155,869
Dividends paid to non-controlling interests	\$ 634,183	491,794

(j) Property, plant and equipment

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

	Land	Houses and buildings	Machinery and equipment	Leasehold improvements	Other equipment	Total
Cost:						
Balance as of January 1, 2023	\$ 596,263	5,652,411	3,408,266	43,114	1,009,414	10,709,468
Additions	259,830	8,984	186,388	19,328	387,018	861,548
Disposal	-	(604)	(143,751)	(86)	(30,963)	(175,404)
Reclassification	83,580	34,274	13,556	10,890	16,844	159,144
Effects of exchange rate changes	478	36,922	18,730	(129)	(5,719)	50,282
Balance as of June 30, 2023	\$ 940,151	5,731,987	3,483,189	73,117	1,376,594	11,605,038
Balance as of January 1, 2022	\$ 592,113	6,004,696	3,526,732	56,363	769,179	10,949,083
Additions	-	57,738	289,308	-	128,211	475,257
Acquisition through business combinations	-	470	771	86	3,280	4,607
Disposal	(32,178)	(131,673)	(457,850)	(10,616)	(74,481)	(706,798)
Reclassification	-	(134,177)	169,304	-	(33,044)	2,083
Effects of exchange rate changes	2,209	46,559	82,196	12,946	8,010	151,920

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

	Land	Houses and buildings	Machinery and equipment	Leasehold improvements	Other equipment	Total
Balance as of June 30, 2022	<u>\$ 562,144</u>	<u>5,843,613</u>	<u>3,610,461</u>	<u>58,779</u>	<u>801,155</u>	<u>10,876,152</u>
Depreciation:						
Balance as of January 1, 2023	\$ -	1,943,357	2,025,550	18,141	513,357	4,500,405
Depreciation of the current year	-	120,399	198,547	6,979	56,605	382,530
Disposal	-	(329)	(125,162)	(86)	(27,303)	(152,880)
Reclassification	-	-	1,223	-	(1,223)	-
Effects of exchange rate changes	-	4,501	13,603	(167)	(5,488)	12,449
Balance as of June 30, 2023	<u>\$ -</u>	<u>2,067,928</u>	<u>2,113,761</u>	<u>24,867</u>	<u>535,948</u>	<u>4,742,504</u>
Balance as of January 1, 2022	\$ -	1,881,964	1,894,118	29,668	445,340	4,251,090
Depreciation of the current year	-	117,580	261,632	6,327	57,342	442,881
Acquisition through business combinations	-	-	104	86	2,409	2,599
Disposal	-	(52,949)	(269,556)	(10,616)	(47,535)	(380,656)
Reclassification	-	(149,491)	144,235	-	32,094	26,838
Effects of exchange rate changes	-	19,729	67,327	131	4,531	91,718
Balance as of June 30, 2022	<u>\$ -</u>	<u>1,816,833</u>	<u>2,097,860</u>	<u>25,596</u>	<u>494,181</u>	<u>4,434,470</u>
Book value:						
December 31, 2022	<u>\$ 596,263</u>	<u>3,709,054</u>	<u>1,382,716</u>	<u>24,973</u>	<u>496,057</u>	<u>6,209,063</u>
June 30, 2023	<u>\$ 940,151</u>	<u>3,664,059</u>	<u>1,369,428</u>	<u>48,250</u>	<u>840,646</u>	<u>6,862,534</u>
June 30, 2022	<u>\$ 562,144</u>	<u>4,026,780</u>	<u>1,512,601</u>	<u>33,183</u>	<u>306,974</u>	<u>6,441,682</u>

The Group in 2023 and 2022 sets out the assets as pledged collateral for bank loans. Please refer to Note VIII for details.

(k) Intangible assets

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

	Goodwill	Trademarks	Patent right	Computer software	Customer relations	Others	Total
Cost or recognized cost:							
Balance as of January 1, 2023	\$ 13,368,787	2,098,787	619,206	5,441,115	2,040,585	2,137,107	25,705,587
Acquired separately	-	-	69	388,006	-	-	388,075
Disposal	(40,551)	-	-	(13,101)	-	(52,189)	(105,841)
Reclassification	-	-	-	1,407	-	-	1,407
Effects of exchange rate changes	252,145	53,503	-	125,791	59,057	44,755	535,251
Balance as of June 30, 2023	<u>\$ 13,580,381</u>	<u>2,152,290</u>	<u>619,275</u>	<u>5,943,218</u>	<u>2,099,642</u>	<u>2,129,673</u>	<u>26,524,479</u>
Balance as of January 1, 2022	\$ 13,347,834	2,165,186	621,691	4,954,251	1,964,731	2,527,167	25,580,860

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

	Goodwill	Trademarks	Patent right	Computer software	Customer relations	Others	Total
Acquired separately	-	-	-	422,493	-	3,275	425,768
Acquired through business combinations	15,866	-	-	10,252	-	8,280	34,398
Disposal	(14,606)	-	-	(102,707)	-	(11,833)	(129,146)
Reclassification	-	-	(3,000)	-	-	(36,242)	(39,242)
Effects of exchange rate changes	212,069	(3,529)	-	278,280	(14,629)	34,989	507,180
Balance as of June 30, 2022	<u>\$ 13,561,163</u>	<u>2,161,657</u>	<u>618,691</u>	<u>5,562,569</u>	<u>1,950,102</u>	<u>2,525,636</u>	<u>26,379,818</u>
Amortization and impairment loss:							
Balance as of January 1, 2023	\$ 68,515	605,130	437,187	3,271,650	1,289,794	1,558,979	7,231,255
Current amortization	-	39,997	30,929	187,009	121,737	72,463	452,135
Disposal	-	-	-	(11,470)	-	(52,189)	(63,659)
Effects of exchange rate changes	948	6,943	-	65,592	38,439	29,835	141,757
Balance as of June 30, 2023	<u>\$ 69,463</u>	<u>652,070</u>	<u>468,116</u>	<u>3,512,781</u>	<u>1,449,970</u>	<u>1,609,088</u>	<u>7,761,488</u>
Balance as of January 1, 2022	\$ 61,835	627,328	378,377	2,207,176	1,010,259	1,635,737	5,920,712
Current amortization	-	42,910	30,905	291,611	116,861	142,766	625,053
Acquired through business combinations	-	-	-	4,221	-	-	4,221
Disposal	-	-	-	(21,137)	-	(11,833)	(32,970)
Reclassification	-	-	(3,000)	-	-	3,000	-
Effects of exchange rate changes	4,497	1,690	-	209,798	(8,398)	25,246	232,833
Balance as of June 30, 2022	<u>\$ 66,332</u>	<u>671,928</u>	<u>406,282</u>	<u>2,691,669</u>	<u>1,118,722</u>	<u>1,794,916</u>	<u>6,749,849</u>
Book value:							
December 31, 2022	<u>\$ 13,300,272</u>	<u>1,493,657</u>	<u>182,019</u>	<u>2,169,465</u>	<u>750,791</u>	<u>578,128</u>	<u>18,474,332</u>
June 30, 2023	<u>\$ 13,510,918</u>	<u>1,500,220</u>	<u>151,159</u>	<u>2,430,437</u>	<u>649,672</u>	<u>520,585</u>	<u>18,762,991</u>
June 30, 2022	<u>\$ 13,494,831</u>	<u>1,489,729</u>	<u>212,409</u>	<u>2,870,900</u>	<u>831,380</u>	<u>730,720</u>	<u>19,629,969</u>

1. Impairment loss

The accumulated and amortized amount of computer software includes a impairment loss of NT\$813,734 thousand, which is due to Kontron AG's restructuring of the overall organization in 2022, including the disposal of the IT Service department, resulting in the termination of some software development projects. Therefore, a impairment loss is included.

2. Intangible assets with indefinite useful lives

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

3. Guarantee

As of June 30, 2023 and 2022, the Group had no intangible assets used as pledge guarantee.

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

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Other receivables	\$ 1,038,900	1,099,860	1,665,806
Current income tax assets	25,011	101,519	141,078
Prepayments	1,897,623	1,556,041	1,394,845
Other financial assets	294,037	44,525	48,683
Refundable deposits	583,898	112,092	448,135
Prepayments for equipment	36,126	16,165	87,619
Contract assets-non-current	36,000	34,711	6,047
Others	4,592,188	7,590,570	3,175,940
	<u>\$ 8,503,783</u>	<u>10,555,483</u>	<u>6,968,153</u>
Current	\$ 7,507,560	9,540,219	5,562,768
Non-current	996,223	1,015,264	1,405,385
	<u>\$ 8,503,783</u>	<u>10,555,483</u>	<u>6,968,153</u>

Other financial assets are mainly pledged bank deposits, which are used as guarantees for long-term loans and financing lines. Please refer to Note VIII for details.

(m) Short-term borrowing

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Unsecured bank borrowings	\$ 12,284,901	14,514,898	8,736,002
Guaranteed bank loan	689,783	600,539	748,560
	<u>\$ 12,974,684</u>	<u>15,115,437</u>	<u>9,484,562</u>
Unused quota	<u>\$ 34,531,393</u>	<u>21,943,239</u>	<u>23,030,680</u>
Interest rate range	<u>0.70%~12.20%</u>	<u>0.50%~19.25%</u>	<u>0.25%~8.53%</u>

1. Issuance and repayment of loans

For the six months ended June 30, 2023, the Group has no significant issuance, or repayment of the short-term loans. Please refer to Note VI (w) for interest expenses.

2. Collateral for bank loans

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

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

(n) Long-term loans

	2023.6.30		
	Interest rate range (%)	Maturity year	Amount
Unsecured bank borrowings	1.10%~3.32%	2025~2028	\$ 6,375,030
Guaranteed bank loan	0.44%~3.81%	2030~2043	<u>1,108,050</u>
Subtotal			7,483,080
Less: Those maturing within one year			<u>(4,501,152)</u>
Total			<u>\$ 2,981,928</u>
	2022.12.31		
	Interest rate range (%)	Maturity year	Amount
Unsecured bank borrowings	1.05%~3.32%	2023~2031	\$ 7,106,552
Guaranteed bank loan	0.44%~2.03%	2030~2038	<u>975,763</u>
Subtotal			8,082,315
Less: Those maturing within one year			<u>(1,369,006)</u>
Total			<u>\$ 6,713,309</u>
	2022.6.30		
	Interest rate range (%)	Maturity year	Amount
Unsecured bank borrowings	1.00%~1.74%	2023~2031	\$ 6,900,605
Guaranteed bank loan	0.54%~1.78%	2031~2038	<u>1,133,035</u>
Subtotal			8,033,640
Less: Those maturing within one year			<u>(480,648)</u>
Total			<u>\$ 7,552,992</u>

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

(o) Bonds payable

The Group has the following balance of corporate bonds payable:

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
The 3rd domestic unsecured convertible bonds	\$ 2,261,996	5,560,778	5,528,996
The 4th domestic unsecured convertible bonds	478,571	962,204	957,437
The 1st privately placed unsecured convertible bonds	1,477,438	1,473,913	1,470,396
Unsecured convertible corporate bonds of subsidiaries	2,901,956	812,275	808,899
Less: Those maturing or able to have redemption rights exercised within one year	<u>(2,793,601)</u>	<u>(812,275)</u>	<u>(166,237)</u>
Ending balance of corporate bonds payable	<u>\$ 4,326,360</u>	<u>7,996,895</u>	<u>8,599,491</u>

1. To meet the needs of working capital and repayment for borrowings, the Company issued the domestic 3rd unsecured convertible corporate bonds on February 26, 2019. The issuance condition is as follows:

- (1) Total issuance: NT\$6,000,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.1542%
- (5) Book value at issuance: NT\$5,665,424 thousand
- (6) Duration: 2019.02.26 - 2024.02.26
- (7) Conversion period:

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

- A. During the book closure period, the transfer of ordinary shares is suspended in accordance with the law.
- B. The Company will negotiate with Taipei Exchange on the period from the 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of ordinary shares for cash to the record date of rights distribution.

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

C. The date of capital reduction is cut off one day before the commencement of capital reduction.

D. Other suspension periods of stock transfer by law.

(8) Conversion price and adjustment:

The conversion price at the time of initial issuance is set at NT\$272.8. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of June 30, 2023, the conversion price was adjusted to NT\$213.6.

(9) Redemption rights of creditors:

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

(10) The Company's redemption option:

From the day following the expiration of three months from the issuance date of corporate bonds (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 on conversion method and call back all the corporate bonds by cash at par value.

These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. As of June 30, 2023, the fair value of the embedded derivative financial products is NT\$(684) thousand. As of June 30, 2023, the measured amount of non-derivative financial liabilities is NT\$2,261,996 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (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%	274,284
Loss (benefit) from financial product evaluation	(5,451)
Converting corporate bonds payable into ordinary shares	<u>(3,682,537)</u>
The liability components as of June 30, 2023	<u>\$ 2,261,312</u>

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

- (1) Total issuance: NT\$1,500,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 0.479%
- (5) Book value at issuance: NT\$1,464,589 thousand
- (6) Duration: 2021.09.02 ~ 2026.09.02
- (7) Conversion period:

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

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

The conversion price at the time of initial issuance is set at NT\$220.7. In the event

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

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 June 30, 2023, the conversion price was adjusted to NT\$205.6.

(9) Redemption rights of creditors:

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

(10) The Company's redemption option:

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

(11) Repayment upon maturity of bonds:

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

These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. As of June 30, 2023, the fair value of the embedded derivative financial products is NT\$(600) thousand. As of June 30, 2023, the measured amount of non-derivative financial liabilities is NT\$1,477,438 thousand at amortized cost, and its effective interest rate initially recognized is 0.479%.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

Issue proceeds (less transaction costs of NT\$165 thousand)	\$ 1,499,835
Equity components	<u>(35,396)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$1,464,589 thousand and financial liabilities at fair value through profit or loss - non-current of NT\$150 thousand)	1,464,439
Interest calculated at effective interest rate of 0.479%	12,849
Loss (benefit) from financial asset evaluation	<u>(450)</u>
The liability components as of June 30, 2023	<u>\$ 1,476,838</u>

3. 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: 0.9994%
- (5) Book value at issuance: NT\$951,494 thousand
- (6) Duration: 2021.11.16 ~ 2026.11.16
- (7) Conversion period:

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

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

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of June 30, 2023, the conversion price was adjusted to NT\$211.6.

(9) Redemption rights of creditors:

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

(10) The Company's redemption option:

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

A. Repayment upon maturity of bonds:

Unless the bonds have been redeemed, repurchased, and written-off or the bondholder has exercised the conversion right, the issuer will repay the bonds in full cash on the maturity date according to the nominal amount of the bonds. These convertible corporate bonds comprise liabilities and equity component. The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. As of June 30, 2023, the fair value of the embedded derivative financial products is NT\$(940) thousand. As of June 30, 2023, the measured amount of non-derivative financial liabilities is NT\$478,571 thousand at amortized cost, and its effective interest rate initially recognized is 0.9994%.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

Issue proceeds (less transaction costs of NT\$3,480 thousand)	\$ 1,001,520
Equity components	<u>(49,428)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$951,494 thousand and financial liabilities at fair value through profit or loss - non-current of NT\$598 thousand)	952,092
Interest calculated at effective interest rate of 0.9994%	15,043
Loss (benefit) from financial product evaluation	(1,276)
Converting corporate bonds payable into ordinary shares	<u>(488,228)</u>
The liability components as of June 30, 2023	<u>\$ 477,631</u>

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

- (1) Total issuance: NT\$700,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 0.5%
- (5) Duration: 2020.02.10 ~ 2023.02.10
- (6) Conversion period: The bondholders may, from the day following the expiration of three months from the issuance date of the convertible corporate bonds to the expiration date, except for the period when ordinary shares are ceased from transferring by law, the period from the 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividends, or the book closure date of the cash capital increase to the record date of rights distribution of the issuer, or from the record date of the capital reduction to one day before the trading date starting to process the capital reduction for issuance of new shares, at which point conversion may not be requested, file a request at any time to convert the convertible corporate bonds held into the issuer's ordinary shares in accordance with regulation through trading securities firms, and will inform the Taiwan Depository & Clearing Corporation and the issuer's stock affairs agency.
- (7) Conversion price and adjustment:
The conversion price at issue was NT\$104.1 and has been adjusted to NT\$96.5 since August 21, 2022.
- (8) Redemption right:
 - A. From the day following the expiration of three months from the issuance date to 40 days before the expiration of the issuance period, if the closing price of the ordinary shares of the issuer at the business premises of the securities firm exceeds the current conversion price by more than 30% (inclusive) for 30 consecutive business days, the issuer may redeem all the outstanding

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

convertible corporate bonds in cash according to the face value of the bonds within the next 30 business days.

- B. From the day following the expiration of three months from the date of issuance to 40 days before the expiration of the issuance period, if the outstanding balance of the convertible corporate bonds is less than 10% of the total amount of the original issuance, the issuer may redeem all the outstanding convertible corporate bonds in cash at any time thereafter according to the face value of the bonds.
 - C. If the bondholder fails to reply in writing to the agency of the issuer before the benchmark date of bond retirement specified in the "Bond Retirement Notice", the issuer will redeem all outstanding principal convertible corporate bonds in cash according to the face value of the bonds within five business days after the benchmark date of bond retirement.
5. The main conditions related to the issuance of unsecured convertible corporate bonds of subsidiaries are as follows:
- (1) Total issuance: NT\$1,500,000 thousand
 - (2) Face value: NT\$100 thousand each
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 1.0255%
 - (5) Duration: 2020.12.15 ~ 2023.12.15
 - (6) Conversion period: from the day after the expiration of three months after the date of bond issuance to the maturity date, except for the period during which the transfer of ownership is suspended in accordance with the conversion measures or laws and regulations, the bondholders may request the subsidiary to convert into ordinary shares of the subsidiary. The rights and obligations of the ordinary shares after conversion are the same as those of the originally issued ordinary shares.
 - (7) Conversion price and adjustment:
The conversion price of this convertible corporate bond is determined in accordance with the prescribed model set forth in the conversion regulations. In case of the Company's anti-dilution clause coming into effect, the conversion price will be adjusted in accordance with the prescribed model set forth in the conversion regulations; subsequently, on the benchmark date of the regulation, the conversion price shall be re-set according to the setting mode specified in the conversion regulation. If it is higher than the conversion price before the re-setting in the current year, it shall not be adjusted.
 - (8) Redemption right:

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

- A. Redemption at maturity: After the issuance of this bond expires, the subsidiary will repay the principal at one time.
 - B. Early redemption: From the day following the expiration of three months from the issuance date of the convertible corporate bonds to 40 days before the expiration of the issuance period, when the closing price of the ordinary shares of the subsidiary exceeds the current conversion price by 30% for 30 consecutive business days, or from the day following the expiration of three months from the issuance date of the convertible corporate bonds to 40 days before the expiration of the issuance period, when the outstanding balance of the convertible corporate bonds is less than 10% of the total face value of the original issue, the subsidiary may redeem all its bonds in cash at any time thereafter according to the face value of the bonds.
 - C. According to the regulations on conversion method, all redeemed, repaid, or converted corporate bonds of all subsidiaries will be written-off, and all the rights and obligations attached to the corporate bonds will be extinguished and will not be issued.
6. The main conditions related to the issuance of unsecured convertible corporate bonds of subsidiaries are as follows:
- (1) Total issuance: NT\$2,500,000 thousand
 - (2) Face value: NT\$100 thousand each
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 1.7960%
 - (5) Duration: 2023.06.27 ~ 2026.06.27
 - (6) Conversion period: from the day after the expiration of three months after the date of bond issuance to the maturity date, except for the period during which the transfer of ownership is suspended in accordance with the conversion measures or laws and regulations, the bondholders may request the subsidiary to convert into ordinary shares of the subsidiary. The rights and obligations of the ordinary shares after conversion are the same as those of the originally issued ordinary shares.
 - (7) Conversion price and adjustment:
The conversion price of this convertible corporate bond is determined in accordance with the prescribed model set forth in the conversion regulations. In case of the Company's anti-dilution clause coming into effect, the conversion price will be adjusted in accordance with the prescribed model set forth in the conversion regulations; subsequently, on the benchmark date of the regulation, the conversion price shall be re-set according to the setting mode specified in the conversion

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

regulation. If it is higher than the conversion price before the re-setting in the current year, it shall not be adjusted.

(8) Redemption right:

- A. Redemption at maturity: After the issuance of this bond expires, the subsidiary will repay the principal at one time.
- B. Early redemption: From the day following the expiration of three months from the issuance date of the convertible corporate bonds to 40 days before the expiration of the issuance period, when the closing price of the ordinary shares of the subsidiary exceeds the current conversion price by 30% for 30 consecutive business days, or from the day following the expiration of three months from the issuance date of the convertible corporate bonds to 40 days before the expiration of the issuance period, when the outstanding balance of the convertible corporate bonds is less than 10% of the total face value of the original issue, the subsidiary may redeem all its bonds in cash at any time thereafter according to the face value of the bonds.
- C. According to the regulations on conversion method, all redeemed, repaid, or converted corporate bonds of all subsidiaries will be written-off, and all the rights and obligations attached to the corporate bonds will be extinguished and will not be issued.

(p) Employee benefits

1. Defined benefit plan

There were no major market fluctuations, significant reductions, liquidations, or other one-time-only significant events in the previous fiscal year. Therefore, the Group measures and discloses the interim period pension costs based on the actuated amount on December 31, 2022 and 2021.

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

April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
\$ 8,973	21,174	18,570	17,223

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

2. Defined contribution plans

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

April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
\$ 58,132	25,425	119,754	106,808

(q) Income taxes

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

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Income tax expenses for the period				
Recognized for the period	\$ 805,001	432,744	1,130,384	680,060
Deferred income tax expenses				
Occurrence and reversal of temporary differences	(30,992)	33,298	30,050	61,719
Income tax expenses	\$ 774,009	466,042	1,160,434	741,779
Less: income tax expenses attributable to the discontinued operation	(1,186)	(35,803)	(2,406)	(53,833)
Income tax expenses	\$ 772,823	430,239	1,158,028	687,946

The income tax returns of the Company, Ennoconn International, Goldtek Technology, Thecus Technology, Caswell and MIC Inc. through 2020 have been assessed by the tax authorities. The Company disagrees with the approved contents through 2015 to 2018, and is currently processing administrative litigations. However, the Company has assessed the relevant income tax based on the principle of prudence.

(r) Capital and other equity

Apart from the matters described in the following paragraphs, there were no major changes in the Group's capital and other equity for the six months ended June 30, 2023 and 2022. For relevant information, please refer to Note VI (r) of the consolidated financial statements for the year ended December 31, 2022.

1. Issuance of ordinary shares

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

On January 4, 2022, the Group adopted the private placement of ordinary share at the special meeting of shareholders. The placement issues 4,880 thousand shares at NT\$226.92 per share. The reference date for capital increase is January 11, 2022, and the relevant legal registration procedures have been completed.

The transfer of the above-mentioned privately placed ordinary shares and the subsequent issuance of bonus shares shall be handled under the provisions of Article 43-8 of the Securities and Exchange Act, and the Company must arrange with the Financial Supervisory Commission for a public offering, at least 3 full years after the delivery date of the privately placed ordinary shares, before it may apply to the Stock Exchange for listing and trading.

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

For the three months ended March 31, 2023, the Company issued 18,098 thousand new shares at face value with a total amount of NT\$180,984 thousand due to the holders of corporate bonds exercising their conversion rights. The aforementioned new share issuance industry has completed the statutory registration procedures, the paid in capital after the change is NT\$ 1,241,354 thousand.

2. Capital surplus

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

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Premium of issued shares	\$ 5,039,717	5,039,717	5,039,717
Issuance of new shares for other company's shares	1,372,670	1,372,670	1,372,670
Premium on conversion of convertible corporate bonds	5,597,619	1,797,651	1,797,651
Share options for convertible corporate bonds	228,259	396,757	396,757
Expired stock options	385,261	385,261	385,261
Changes in percentage of ownership in subsidiaries and associates	431,212	293,268	308,030
	<u>\$ 13,054,738</u>	<u>9,285,324</u>	<u>9,300,086</u>

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

3. Retained earnings

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

The Company lies in a growth stage of industrial development, and there will be plans to expand production lines and funding needs in the coming years. Therefore, a residual dividend policy is adopted. The remaining earnings shall be paid in the form of cash dividends after the retained earnings are used to cope with the required funds and pay cash dividends of not less than 10% of the dividends distributed in the current year.

(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 June 30, 2023 and 2022, the balance of such special reserve was NT\$905,934 thousand and NT\$1,768,490 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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

in shareholders' equity, the reversal may be distributed in the form of a surplus.

(3) Earnings distribution

The Company's shareholders meeting proposed the earnings distribution for the year ended December 31, 2022 on May 30, 2023, and it resolved the cash dividends amount for distributing earnings proposal for the year ended December 31, 2021, in the shareholders meeting on June 23, 2022, and the amount related to the dividends distributed to the owner are as follows:

	2022		2021	
	Payout (NT\$)	Amount	Payout (NT\$)	Amount
Distributed to owners of ordinary shares:				
Cash	\$ 15	1,604,720	3	318,111

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

	Exchange differences on translation of foreign financial statements	Unrealized gain or loss on financial assets at FVTOCI	Non- controlling interests	Total
Balance as of January 1, 2023	\$ (830,267)	(75,667)	27,177,156	26,271,222
Adjustment impact of applying new standards retrospectively	-	-	2,944	2,944
Net income for period	-	-	1,665,985	1,665,985
Exchange differences on translating the net assets of foreign operations	222,493	-	483,820	706,313
Share of associates accounted for using the equity method	(1,351)	-	99	(1,252)
Unrealized gain or loss on financial assets at FVTOCI	-	119,984	(133,849)	(13,865)
Remeasurement of defined benefit plan	-	-	1,108	1,108
Cash dividends distributed by subsidiaries	-	-	(2,400,940)	(2,400,940)
Disposal of equity instruments designated as at fair value through other comprehensive income	-	61,674	-	61,674
Changes in percentage of ownership in subsidiaries	-	-	(135,271)	(135,271)
Other changes	-	-	59,148	59,148
Balance as of June 30, 2023	\$ (609,125)	105,991	26,720,200	26,217,066

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

	Exchange differences on translation of foreign financial statements	Unrealized gain or loss on financial assets at FVTOCI	Non-controlling interests	Total
Balance as of January 1, 2022	\$ (1,673,323)	(95,167)	20,565,729	18,797,239
Adjustment impact of applying new standards retrospectively	-	-	374	374
Net income for period	-	-	1,103,676	1,103,676
Exchange differences on translating the net assets of foreign operations	418,008	-	187,508	605,516
Share of conversion difference of associates accounted for using the equity method	18	13	(113)	(82)
Unrealized gain or loss on financial assets at FVTOCI	-	55,199	1,119	56,318
Cash dividends distributed by subsidiaries	-	-	(1,174,655)	(1,174,655)
Changes in percentage of ownership in subsidiaries	-	-	(28,942)	(28,942)
Non-controlling interests acquired through combinations	-	-	23,384	23,384
Effect of loss of control	-	-	(89,847)	(89,847)
Other changes	-	-	253,288	253,288
Balance as of June 30, 2022	<u>\$ (1,255,297)</u>	<u>(39,955)</u>	<u>20,841,521</u>	<u>19,546,269</u>

(s) Share-based payment

Apart from the matters described in the following paragraphs, there were no major changes in the Group's share-based payment for the six months ended June 30, 2023 and 2022. For relevant information, please refer to Note VI (s) of the consolidated financial statements for the year ended December 31, 2022.

- MIC INC. and ADAT (a subsidiary of MIC INC.) paid the share-based payment for the six months ended June 30, 2023 and 2022 as below:

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

- The above mentioned share-based payment agreements are equity-settled share-based payment transactions.

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

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

ADAT:

	January to June, 2022	
	Weighted average performance price (NT\$)	Stock option quantity
Outstanding stock options as of January 1	10.00	122
Granted in the period	10.00	11
Exercise of stock options in the current period	10.00	(15)
Forfeiture of stock options in the current period	-	(6)
Outstanding stock options as of June 30	10.00	112
Exercisable options as of June 30		60

Note: The subsidiary-ADAT employee stock option scheme expired on December 31, 2022.

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

			2022.6.30	
Issuer	Approved issue date	Maturity date	Number of shares (thousand shares)	Performance price (NT\$)
ADAT	April 1, 2019	March 31, 2025	50	10.00
"	May 1, 2020	April 30, 2026	20	10.00
"	September 1, 2020	August 31, 2026	42	10.00

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

Issuer	Category of agreements	Granting day	Share price (NT\$)	Performance price (NT\$)	Expected volatility	Expected duration	Expected dividends yield	Risk-free interest rate	Fair value per unit (NT\$)
ADAT	Employee stock options plan	April 1, 2019	10.00	10.00	47.77%	3.550 years	0%	0.61%	2.4727
"	"	September 1, 2019	10.00	10.00	44.29%	3.550 years	0%	0.54%	2.7873
"	"	May 1, 2020	10.00	10.00	38.58%	3.550 years	0%	0.38%	10.4014
"	"	September 1, 2020	10.00	10.00	38.10%	3.550 years	0%	0.29%	9.9910

- (5) ADAT paid NT\$0 thousand, NT\$45 thousand, NT\$0 thousand and NT\$89 thousand shared-based payment for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022, respectively.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

(t) Earnings per Share

The relevant calculations of the Group's basic earnings per share and diluted earnings per share are as follows:

1. Basic Earnings per Share

(1) Net profit attributable to the Company

	<u>Continuing operations</u>	<u>Discontinued operation</u>	<u>Total</u>
April to June, 2023	\$ 565,040	14,767	579,807
April to June, 2022	\$ 411,821	29,933	441,754
January to June, 2023	\$ 1,057,432	14,821	1,072,253
January to June, 2022	\$ 709,446	46,616	756,062

(2) Weighted average outstanding ordinary shares

	<u>April to June, 2023</u>	<u>April to June, 2022</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Ordinary shares issued as of January 1	\$ 106,037	101,812	106,037	101,812
Effects of treasury stock	-	(655)	-	(655)
The impact of stock dividends and corporate bond conversion	6,738	-	3,454	-
Effect of cash capital increase on the issuance of new shares	-	4,880	-	4,610
Weighted average outstanding ordinary shares as of June 30	<u>\$ 112,775</u>	<u>106,037</u>	<u>109,491</u>	<u>105,767</u>

(3) Basic Earnings per Share

	<u>Continuing operations</u>	<u>Discontinued operation</u>	<u>Total</u>
April to June, 2023	\$ 5.01	0.13	5.14
April to June, 2022	\$ 3.88	0.29	4.17
January to June, 2023	\$ 9.66	0.13	9.79
January to June, 2022	\$ 6.71	0.44	7.15

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

2. Diluted earnings per share

(1) Net profit attributable to ordinary equity holders of the company (diluted)

	Continuing operations	Discontinued operation	Total
April to June, 2023			
Net profit attributable to the holders of ordinary share equity of the Company (basic)	\$ 565,040	14,767	579,807
After tax interest expenses and financial debts evaluation gains and losses of convertible corporate bonds	13,443	-	13,443
	\$ 578,483	14,767	593,250
April to June, 2022			
Net profit attributable to the holders of ordinary share equity of the Company (basic)	\$ 411,821	29,933	441,754
After tax interest expenses and financial debts evaluation gains and losses of convertible corporate bonds	26,435	-	26,435
	\$ 438,256	29,933	468,189
January to June, 2023			
Net profit attributable to the holders of ordinary share equity of the Company (basic)	\$ 1,057,432	14,821	1,072,253
After tax interest expenses and financial debts evaluation gains and losses of convertible corporate bonds	23,934	-	23,934
	\$ 1,081,366	14,821	1,096,187
January to June, 2022			
Net profit attributable to the holders of ordinary share equity of the Company (basic)	\$ 709,446	46,616	756,062
After tax interest expenses and financial debts evaluation gains and losses of convertible corporate bonds	50,588	-	50,588
	\$ 760,034	46,616	806,650

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

(2) Weighted average share outstanding (diluted)

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Weighted average number of outstanding ordinary shares (basic)	112,775	106,037	109,491	105,767
Effect of employee remuneration	58	236	256	204
Effect of conversion of convertible corporate bonds	31,834	37,085	35,049	38,242
Weighted average outstanding ordinary shares (diluted) as of June 30	144,667	143,358	144,796	144,213

(3) Diluted earnings per share

	Continuing operations	Discontinued operation	Total
April to June, 2023	\$ 4.00	0.10	4.10
April to June, 2022	\$ 3.06	0.21	3.27
January to June, 2023	\$ 7.47	0.10	7.57
January to June, 2022	\$ 5.27	0.32	5.59

(u) Revenue from customer contracts

1. Description of Revenue

The Group has the following revenues:

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Commodity sales revenue	\$ 19,308,435	18,731,737	37,146,795	36,958,056
Service revenue	870,353	565,655	1,776,617	1,157,829
Project revenue	8,884,780	7,541,960	18,707,769	12,995,787
	\$ 29,063,568	26,839,352	57,631,181	51,111,672
Less: operating revenue attributable to the discontinued operation	\$ (101,981)	(2,680,209)	(178,284)	(5,279,405)
	\$ 28,961,587	24,159,143	57,452,897	45,832,267

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

2. Balance of contracts

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Net accounts receivable	<u>\$ 15,060,405</u>	<u>17,390,498</u>	<u>17,695,101</u>
Contract assets-construction contracts	\$ 11,421,598	9,059,781	7,721,894
Contract assets-sales contracts	1,019,851	1,398,269	305,773
Contract assets-labor service contracts	<u>719,214</u>	<u>410,742</u>	<u>790,736</u>
Total	<u>\$ 13,160,663</u>	<u>10,868,792</u>	<u>8,818,403</u>
Contract liabilities-construction contracts	\$ 6,099,732	5,723,089	4,930,546
Contract liabilities-sales contracts	1,993,304	1,688,212	2,340,446
Contract liabilities-labor service contracts	1,958,788	1,681,358	2,012,427
Contract liabilities-extended warranty service	<u>509,722</u>	<u>596,973</u>	<u>407,362</u>
Total	<u>\$ 10,561,546</u>	<u>9,689,632</u>	<u>9,690,781</u>

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

(v) Remuneration for employees and directors

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 associates who met certain conditions.

The accrued amount of compensation of employees for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022 were NT\$20,035 thousand, NT\$11,639 thousand, NT\$30,337 thousand and NT\$23,552 thousand, respectively, and the estimate amount of compensation to directors and supervisors were NT\$765 thousand, NT\$765 thousand, NT\$1,530 thousand and NT\$1,530 thousand. The Company's net profit before tax for the period is estimated by multiplying the amount of the Company's net profit before issuing the compensation of employees, directors and supervisors by the proportion of the Company's compensation distribution to employees, directors and supervisors as provided in the Company's Articles of Incorporation, and is reported as operating costs or expenses for that period. The difference between accrual and

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

actual payment, if any, is treated as the change in accounting estimate and recognized in profit or loss in the following year.

For the years ended December 31, 2022 and 2021, the Company provided its remuneration to employees amounted to NT\$89,000 thousand and NT\$36,000 thousand, respectively, and the remuneration to directors and supervisors both amounted to NT\$2,850 thousand and NT\$3,060 thousand, which was consistent with the actual status of the distribution. The information can be obtained on the TWSE MOPS website.

(w) Non-operating income and expenses

1. Other income

The Group has the following other income:

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Rental income	\$ 6,870	6,096	11,330	11,889
Dividend income	201	77	1,970	341
	<u>7,071</u>	<u>6,173</u>	<u>13,300</u>	<u>12,230</u>
Less: other income attributable to the discontinued operation	<u>(14)</u>	<u>(1,051)</u>	<u>(40)</u>	<u>(2,016)</u>
Total other income	<u>\$ 7,057</u>	<u>5,122</u>	<u>13,260</u>	<u>10,214</u>

2. Other gains and losses

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

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Gains (losses) from disposal of property, plant and equipment	\$ (15,468)	16,376	(13,985)	16,837
Gains on disposal of investments	111,869	37,228	170,656	43,172
Gain (loss) on foreign exchange	163,519	257,292	98,775	415,846
Net (loss) gain of financial assets and liabilities	257,821	(71,544)	338,245	(183,435)
Estimated benefits of contingent consideration	-	358,710	-	358,710

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Others	473,756	(58,464)	778,111	312,397
	\$ 991,497	539,598	1,371,802	963,527
Less: other gains and losses attributable to the discontinued operation	(62,007)	13,406	(63,502)	41,034
Other net gains and losses	\$ 929,490	553,004	1,308,300	1,004,561

3. Financial costs

The Group has the following financial costs:

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Interest on bank loans	\$ 215,297	97,632	388,667	189,127
Interest on lease liabilities	29,679	16,320	57,492	33,797
Accrued interest on corporate bonds payable	15,512	22,922	39,766	46,840
	\$ 260,488	136,874	485,925	269,764
Less: financial costs attributable to the discontinued operation	(1,588)	(10,042)	(3,182)	(26,951)
Net financial cost	\$ 258,900	126,832	482,743	242,813

(x) Financial instruments

1. Credit Risks

(1) The maximum credit risk exposure

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

(2) Concentrations of credit 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.

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

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

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

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

2. Liquidity Risks

The contracts of financial liabilities are sorted by their maturity dates as follows. The estimated interests are included.

	<u>Book value</u>	<u>Contract cash flow</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>More than 1 year</u>
June 30, 2023					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 24,912,121	(24,912,121)	(24,912,121)	-	-
Lease liabilities	4,173,997	(4,467,677)	(970,210)	(66,537)	(3,430,930)
Floating rate instruments	20,457,764	(20,578,626)	(12,000,771)	(5,501,444)	(3,076,411)
Instruments with fixed interest rates	7,119,961	(7,252,105)	(534,100)	(2,261,996)	(4,456,009)
	<u>\$ 56,663,843</u>	<u>(57,210,529)</u>	<u>(38,417,202)</u>	<u>(7,829,977)</u>	<u>(10,963,350)</u>
December 31, 2022					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 26,758,911	(26,758,911)	(26,758,911)	-	-
Lease liabilities	3,665,353	(4,106,392)	(875,771)	(234,078)	(2,996,543)
Floating rate instruments	23,197,752	(23,992,694)	(14,496,598)	(2,782,786)	(6,713,310)
Instruments with fixed interest rates	8,809,170	(8,815,490)	(167,395)	(651,200)	(7,996,895)
	<u>\$ 62,431,186</u>	<u>(63,673,487)</u>	<u>(42,298,675)</u>	<u>(3,668,064)</u>	<u>(17,706,748)</u>
June 30, 2022					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 25,470,577	(25,470,577)	(25,470,577)	-	-
Lease liabilities	3,425,296	(3,438,234)	(922,255)	(46,075)	(2,469,904)
Floating rate instruments	17,518,202	(17,542,423)	(8,703,101)	(1,280,955)	(7,558,367)
Instruments with fixed interest rates	8,765,728	(8,765,728)	-	(166,237)	(8,599,491)
	<u>\$ 55,179,803</u>	<u>(55,216,962)</u>	<u>(35,095,933)</u>	<u>(1,493,267)</u>	<u>(18,627,762)</u>

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

3. Market Risks

(1) Exchange Rate Risks

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

	2023.6.30			2022.12.31			2022.6.30		
	Foreign currency	Rate	TWD	Foreign currency	Rate	TWD	Foreign currency	Rate	TWD
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 365,678	31.14 (USD:NTD)	11,387,213	395,448	30.71 (USD:NTD)	12,144,208	387,196	29.72 (USD:NTD)	11,507,465
USD	74,675	0.9210 (USD:EUR)	2,325,306	100,746	0.9386 (USD:EUR)	3,094,010	80,077	0.9572 (USD:EUR)	2,379,973
USD	7,079	7.2757 (USD:RMB)	220,440	43,616	6.9637 (USD:RMB)	1,339,444	34,106	6.6937 (USD:RMB)	1,013,631
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	202,193	31.14 (USD:NTD)	6,296,290	170,153	30.71 (USD:NTD)	5,255,399	182,891	29.72 (USD:NTD)	5,435,521
USD	73,310	0.9210 (USD:EUR)	2,282,801	70,469	0.9386 (USD:EUR)	2,164,173	75,415	0.9572 (USD:EUR)	2,241,414
USD	12,041	7.2757 (USD:RMB)	374,957	43,613	6.9637 (USD:RMB)	1,339,352	59,423	6.6937 (USD:RMB)	1,766,053

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

	2023.6.30	2022.12.31	2022.6.30
EUR:TWD	\$ 33.81	32.72	31.05
CNY:TWD	4.28	4.41	4.44

The exchange rate risk of the Group mainly comes from foreign currency-denominated cash and cash equivalent, accounts receivable and other receivables, borrowings, accounts payable and other accounts payable, resulting into gains and losses of conversion of foreign currency when exchanging. As of June 30, 2023 and 2022, if NTD had depreciated or appreciated by 1% relative to USD held by the Company and all other factors remained constant, net income would have increased or decreased by NT\$49,789 thousand and NT\$54,581 thousand for the six months ended June 30, 2023 and 2022. The same basis is used for both periods of analysis. As the Group transacts in various currencies, the exchange gains and losses from monetary items are disclosed by means of consolidation. The foreign currency exchange gains and losses (both realized and unrealized) for the years ended December 31, 2023 and 2022 were losses of NT\$99,775 thousand, and gains of NT\$415,846 thousand, respectively.

(2) Interest Rate Risks

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

The following sensitivity analysis is based on the interest rate exposure of non-

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

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

If the interest rate increased or decreased by 1%, and other variable were held constant, the Group's net income before tax for the six months ended June 30, 2023 and 2022 would have decreased or increased by NT\$204,578 thousand and NT\$175,182 thousand, mainly due to changes in loan interest rate of the Group.

(3) Other Price Risks

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

Securities price as of the reporting date	January to June, 2023		January to June, 2022	
	Other comprehensive income before tax	Profit after tax	Other comprehensive income before tax	Profit after tax
Increased by 1%	<u>\$ 14,481</u>	<u>13,819</u>	<u>10,838</u>	<u>9,958</u>
Decreased by 1%	<u>\$ (14,481)</u>	<u>(13,819)</u>	<u>(10,838)</u>	<u>(9,958)</u>

4. Information on fair value

(1) Classification of financial instruments and at fair value

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

		2023.6.30				
		Book value	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets at FVTPL						
Derivative financial assets	\$	3,331	-	3,331	-	3,331
Non-derivative financial assets						
— TWSE/TPEX-Listed stock		157,533	157,533	-	-	157,533
— Non-TWSE/TPEX-listed and emerging stocks		879,586	-	-	879,586	879,586
— Private equity funds		367,800	-	-	367,800	367,800
— Convertible bond		39,805	-	-	39,805	39,805
		<u>1,448,055</u>	<u>157,533</u>	<u>3,331</u>	<u>1,287,191</u>	<u>1,448,055</u>
Financial assets measured at fair value through other comprehensive income						
Investment in equity instruments						
— TWSE/TPEX-Listed stock	\$	579,206	579,206	-	-	579,206
— Non TWSE/TPEX-Listed stock		802,708	-	-	802,708	802,708
		<u>1,381,914</u>	<u>579,206</u>	<u>-</u>	<u>802,708</u>	<u>1,381,914</u>
Total	\$	<u>2,829,969</u>	<u>736,739</u>	<u>3,331</u>	<u>2,089,899</u>	<u>2,829,969</u>
		2022.12.31				
		Book value	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets at FVTPL						
Derivative financial assets	\$	195	-	-	195	195
Non-derivative financial assets						
— TWSE/TPEX-Listed stock		141,934	141,934	-	-	141,934
— Non-TWSE/TPEX-listed and emerging stocks		673,430	-	-	673,430	673,430
— Private equity funds		333,661	-	-	333,661	333,661
		<u>1,149,220</u>	<u>141,934</u>	<u>-</u>	<u>1,007,286</u>	<u>1,149,220</u>
Financial assets measured at fair value through other comprehensive income						
Investment in equity instruments						
— TWSE/TPEX-Listed stock		208,131	208,131	-	-	208,131
— Non TWSE/TPEX-Listed stock		823,150	-	-	823,150	823,150
		<u>1,031,281</u>	<u>208,131</u>	<u>-</u>	<u>823,150</u>	<u>1,031,281</u>
Total	\$	<u>2,180,501</u>	<u>350,065</u>	<u>-</u>	<u>1,830,436</u>	<u>2,180,501</u>
Financial liabilities at FVTPL						
Derivative financial liabilities	\$	1,638	-	1,638	-	1,638
Total	\$	<u>1,638</u>	<u>-</u>	<u>1,638</u>	<u>-</u>	<u>1,638</u>

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

		2022.6.30				
		Book value	Fair value			Total
		Level 1	Level 2	Level 3	Total	
Financial assets at FVTPL						
Derivative financial assets	\$	457	-	-	457	457
Non-derivative financial assets						
—	TWSE/TPEX-Listed stock	104,139	104,139	-	-	104,139
—	Non-TWSE/TPEX-listed and emerging stocks	677,396	-	-	677,396	677,396
—	Private equity funds	213,775	-	-	213,775	213,775
		<u>995,767</u>	<u>104,139</u>	<u>-</u>	<u>891,628</u>	<u>995,767</u>
Financial assets measured at fair value through other comprehensive income						
Investment in equity instruments						
—	TWSE/TPEX-Listed stock	230,092	230,092	-	-	230,092
—	Non TWSE/TPEX-Listed stock	853,704	-	-	853,704	853,704
		<u>1,083,796</u>	<u>230,092</u>	<u>-</u>	<u>853,704</u>	<u>1,083,796</u>
Total	\$	<u>2,079,563</u>	<u>334,231</u>	<u>-</u>	<u>1,745,332</u>	<u>2,079,563</u>
Financial liabilities at FVTPL						
Derivative financial liabilities	\$	1,211	-	1,211	-	1,211
Total	\$	<u>1,211</u>	<u>-</u>	<u>1,211</u>	<u>-</u>	<u>1,211</u>

- (2) Fair value evaluation techniques for financial instruments not measured at fair value
The methods and assumptions used by the Company to estimate instruments not measured at fair value are as follows:

For financial assets and liabilities measured at amortized cost, if there is quotation information on transactions or market makers, the latest transaction price and quotation information shall be used as the basis for the evaluation of fair value. If the market value is not available for reference, the evaluation method shall be used for estimation. Discounted cash flow is adopted to estimate the fair value based on the estimates and assumptions used in the evaluation method.

- (3) Fair value evaluation techniques for financial instruments measured at fair value
A. Non-derivative financial instruments

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

If the public quotation of a financial instrument can be obtained from the exchange, broker, underwriter, industry association, pricing service institution

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

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

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

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

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

If the financial instruments held by the Group have no active market, Please refer to the explanation in (5) for the determination of its fair value:

B. Derivative financial instruments

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

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

C. Contingent consideration of business combination

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

(4) Transfer between level 1 and level 2

There was no transfer for the six months ended June 30, 2023 and 2022.

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

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

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

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

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Relationship between significant unobservable input and fair value</u>
Equity instrument investments without active markets	Comparable companies in the market	<ul style="list-style-type: none"> • Lack of market liquidity discount (June 30, 2023 and June 30, 2022 were 15~25%) 	<ul style="list-style-type: none"> • The higher the discount for lack of marketability, the lower the fair value
Financial assets measured at fair value through profit or loss - private fund investments	Net asset value method	<ul style="list-style-type: none"> • Net asset value 	<ul style="list-style-type: none"> • The higher the net asset value, the higher the fair value
Financial liabilities measured at fair value through profit or loss - convertible corporate bonds	Discounted Cash Flow Method	<ul style="list-style-type: none"> • Long-term revenue growth rate, weighted average cost of funds, long-term pre-tax net operating profit, lack of market liquidity discounts 	<ul style="list-style-type: none"> • The higher the weighted average cost of funds, the lower the fair value; The higher the long-term revenue growth rate and long-term pre tax net operating profit, the higher the fair value; The higher the discount due to lack of market liquidity, the lower the fair value.

(y) Financial risk management

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

There were no significant changes in the objectives and policies of the Group's financial risk management compared to those disclosed in Note VI (y) of the consolidated financial statements for the year ended December 31, 2022.

(z) Capital management

The Group's capital management objectives, policies, and procedures were consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2022. In addition, there were no significant changes in the aggregate quantitative information of capital management items compared to the information disclosed in the consolidated financial statements for the year ended December 31, 2022. Please refer to Note VI (z) of the consolidated financial statements for the year ended December 31, 2022 for relevant information.

(aa) Investment and financing activities of non-cash transactions

The Group had no non-cash transaction investment and financing activities for the six months June 30, 2023 and 2022.

VII. Related Party Transactions

(a) Name and relationship of related party

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

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Cloud Network Technology Kft.	Associates
Cloud Network Technology Singapore Pte. Ltd.	Associates
Competition Team Ireland Limited	Associates
CyberTAN Corp. (USA)	Associates (Note 3)
FOXCONN CZ s.r.o.	Associates
Foxconn Interconnect Technology Limited (previously known as: Foxconn Interconnect Technology Limited Taiwan Branch)	Associates
SafeDX s.r.o.	Associates
Triple Win Technology (ShenZhen) Co., Ltd.	Associates
Chung Hsin Electric & Machinery Manufacturing Corp.	Associates
WT Microelectronics Co., Ltd.	Associates (Note 2)
Taiwan Jusda International Logistics Co., Ltd.	Associates
Anpinda Precision Industry (Huizhou) Co., Ltd.	Associates
Everlasting Digital ESG Co., Ltd.	Associates
Macrotec Technology Corp.	Associates
Premier Image Technology (China) Ltd.	Associates
Iwei Venture Capital Company	Associates

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Chengzhong Venture Capital Company	Associates
Dongguan Oyu Precision Technology Co., Ltd.	Associates
Wuhan Jusda Supply Chain Management Limited	Associates
HeNan FuChi Technology Co., Ltd.	Associates
HeNan YuZhan Technology Limited	Associates
Fortune International Corporation	Associates
Glory Technology Service Inc.	Associates
Servtech Co., Ltd.	Associates
Sio International Holdings Limited Taiwan Branch (Cayman)	Associates (Note 4)
Chongqing Hongteng Technology Co., Ltd.	Associates
ChongQing FuGui Electronics Co., Ltd	Associates
ChongQing Jingmei Precision electronic Co., Ltd.	Associates
Hong Kong Ennpower Information Technology Co., Ltd.	Associates
Triple Win Technology (JinCheng) Co., Ltd.	Associates
Jincheng Futaihua Precision Electronic Co., Ltd.	Associates
Jincheng Hongzhi Nano Optical-mechanical-electrical Institute Co., Ltd.	Associates
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Associates
Shenzhen Zhunxuntong Technology Co., Ltd.	Associates
Shenzhen Fertile Plan International Logistics Co., Ltd.	Associates
Shenzhen Pictographic Technology Co., Ltd.	Associates (Note 1)
Shenzhen Hyper Power Information Technology Co., Ltd.	Associates
Yantian Jusda Supply Chain Management Co., Ltd.	Associates
Shenzhen Asiatek Inc.	Associates
Shenzhen FuTaiHong Precision Industry Co., Ltd.	Associates
Shenzhen Fulian Fugui Precision Industry Co., Ltd.	Associates
Foxconn (KunShan) Computer Connector Co., Ltd.	Associates
Foxconn Industrial Internet Co., Ltd.	Associates
Foxconn Technology Group Trade Union Co., Ltd. (previously known as: Hongfujin Precision Industry (Shenzhen) Co., Ltd.)	Associates
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Associates
Fujin Precision Industry (Shenzhen) Co., Ltd.	Associates
Fujin Precision Industrial (Jincheng) Co., Ltd.	Associates
Futaihua Industrial (Shenzhen) Co., Ltd.	Associates

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Futaihua Precision Industrial (Weihai) Co., Ltd.	Associates
FIH (Hong Kong) Limited	Associates
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Associates
Fulian Technology (Shanxi) Co., Ltd.	Associates
Fulian Technology (Zhoukou) Co., Ltd.	Associates
Fulian Technology (Wuhan) Co., Ltd.	Associates
Fulian Technology (Jiyuan) Co., Ltd.	Associates
Foxon Technical (Lankao) Co., Ltd.	Associates
Fulian Technology (Hebi) Co., Ltd.	Associates
Fulian Yuzhan Technology (Shenzhen) Co., Ltd. (previously known as Shenzhen Yuzhan Precision Technology Co., Ltd.)	Associates
Fulian Yuzhan Technology (HengYang) Co., Ltd. (previously known as Hengyang Yuzhan Precision Technology Co., Ltd.)	Associates
Fulian Precision Electronics (Tianjin) Co., Ltd. (previously known as Hongfujin Precision Electronics (Tianjin) Co., Ltd.)	Associates
Fulian Precision Electronics (Guiyang) Co., Ltd.	Associates
Fulian Precision Electronics (Zhengzhou) Co., Ltd. (previously known as Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.)	Associates
Foxconn Global Network	Associates
Fuyun Acoustics Technology (Shenzhen) Co., Ltd.	Associates
Altus Technology Inc.	Associates
Chiun Mai Communication Systems, Inc.	Associates
Coiler Corporation	Associates
Arbor Technology Corporation	Associates
Forward Science Corp.	Associates
Ennowell Co., Ltd.	Associates
Hengyang Futaihong Precision Industry Co., Ltd.	Associates
Ur Materials Industry (ShenZhen) Co., Ltd.	Associates
Ur Hongxin Detection Technology (Shenzhen) Co., Ltd	Associates
ProbeLeader Co., Ltd.	Associates
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Associates
Hon Hai Precision Industry Co., Ltd.	Associates
Hong Fu Sheng Precision Electronics (Zhengzhou)	Associates

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

Name of Related Party	Relationship with the Group
Co., Ltd.	
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Associates
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Associates
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Associates
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Associates
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Associates
Hon Young Semiconductor Corporation	Associates
Elecbay Technology Ltd.	Associates
Lankao YuFu Precision Technology Co., Ltd.	Associates
LanKao YuDe Environment Material Technology Inc.	Associates

Note 1: Shenzhen Pictographic Technology Co., Ltd. is no longer a related party of the Company from April 2022.

Note 2: WT Microelectronics Co., Ltd. is no longer a related party of the Company from December 2022.

Note 3: CyberTAN Corp. (USA) is no longer a related party of the Company from April 2023.

Note 4: Sio International Holdings Limited Taiwan Branch (Cayman) is no longer a related party of the Company from April 2023.

(b) Significant transactions with related parties

1. Operating revenue

The Group has the following major sales with related parties:

Accounts Item	Category of related party/Name	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Sales revenue	Associates:				
	HeNan FuChi Technology Co., Ltd.\$	19	19,454	19	23,727
	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	7	2,106	20	21,856
	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	122	-	122	42,776
	Fulian Precision Electronics (Tianjin) Co., Ltd.	13,857	15,394	13,857	26,898
	Hon Hai Precision Industry Co., Ltd.	4,493	1,651	10,691	3,521
	Others	11,248	22,297	16,927	56,378
Project revenue	Associates	30,881	15,442	51,770	41,699
		\$ 60,627	76,344	93,406	216,855

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

2. Purchase and processing fees

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

The purchases of the Group from related parties are:

Category of related party/Name	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Associates:				
WT Microelectronics Co., Ltd.	\$ -	12,827	-	24,291
Fortune International Corporation	21,819	2,421	24,174	3,189
Foxconn Interconnect Technology Limited	11,318	22,987	15,505	39,882
Foxconn Technology Group Co., Ltd.	11,924	17,461	33,325	42,808
Elecbay Technology Ltd.	2,469	5,896	5,446	7,713
Others	(667)	24,478	10,839	43,399
	\$ 46,863	86,070	89,289	161,282

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

3. Accounts receivable from related parties

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

Accounts Item	Category of related party/Name	2023.6.30	2022.12.31	2022.6.30
Accounts receivable - related parties				
Associates:				
	HeNan FuChi Technology Co., Ltd.	\$ 20	70,987	70,971
	Hong Kong Ennopower Information Technology Co., Ltd.	24,634	47,928	46,433
	Shenzhen Hyper Power Information Technology Co., Ltd.	2,291	22,364	32,366
	Shenzhen Asiatek Inc.	28,235	30,128	-
	Hon Hai Precision Industry Co., Ltd.	34,402	2,498	25,145
	Fulian Precision Electronics (Tianjin) Co., Ltd.	15,456	-	17,547
	Others	18,164	100,747	51,394
		\$ 123,202	274,652	243,856

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

Guarantees from outstanding accounts receivable of related parties are not collected. Loss of allowance for accounts receivable from related parties on June 30, 2023, December 31, and June 30, 2022 were NT\$6,095 thousand, NT\$4,796 thousand, and NT\$28,351 thousand, respectively.

4. Accounts payable to related parties

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

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

<u>Accounts Item</u>	<u>Category of related party/Name</u>	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Accounts payable - related parties	Associates:			
	Cloud Network Technology Kft.	\$ -	50,520	-
	WT Microelectronics Co., Ltd.	-	-	11,500
	Dongguan Oyu Precision Technology Co., Ltd.	-	11,704	11,704
	Macrotec Technology Corp.	14,268	11,392	-
	Foxconn Interconnect Technology Limited	6,108	3,990	18,215
	Shenzhen Asiatek Inc.	6,951	999	-
	FIH (Hong Kong) Limited	-	-	7,817
	Foxconn Technology Group Co., Ltd.	2,584	38,365	8,504
	Others	14,385	34,360	10,553
		\$ 44,296	151,330	68,293
Notes payable- related parties	Associates:			
	Glory Technology Service Inc.	-	-	6,712
	Macrotec Technology Corp.	1,429	2,048	1,605
	Forward Science Corp.	-	-	1,208
	Chung Hsin Electric & Machinery Manufacturing Corp.	2,760	5,336	1,103
	Others	-	103	-
		\$ 4,189	7,487	10,628
Expenses payable (classified under other accounts payable)	Associates	\$ 117	31,940	15,489

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

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

5. Endorsements/guarantees

<u>Name of endorsee/guarantee related party</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Innovative Systems Integration Limited	\$ -	133,170
Ennoconn International Investment Co., Ltd.	-	1,000,000
Dexatek Technology Ltd.	160,000	160,000
Thecus Technology Corp.	-	100,000
HighAim Technology Inc.	560,520	534,960
Highaim Technology Inc.	46,710	44,580
Kontron AG and its subsidiary	7,794,601	6,236,777
MIC Inc. and its subsidiary	7,844,864	5,315,040
Ennoconn Hungary kft	1,181,296	952,976
Poslab Technology Corporation	-	50,000
	<u>\$ 17,587,991</u>	<u>14,527,503</u>

(c) Transactions with major managers

Remuneration for major managers include:

	<u>April to June, 2023</u>	<u>April to June, 2022</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Short-term employee benefits	\$ 109,312	98,569	222,560	170,241
Post-employment benefits	367	308	661	523
	<u>\$ 109,679</u>	<u>98,877</u>	<u>223,221</u>	<u>170,764</u>

Please refer to Note VI (s) for the description of share based payment.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

VIII. Pledged Assets

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

Name of asset	Subject of pledge guarantee	2023.6.30	2022.12.31	2022.6.30
Pledged time deposits (recognized as financial assets measured at amortized cost)	Bank loans, tariff guarantee, performance guarantee, and warranty guarantee	\$ 43,621	24,687	24,064
Pledged demand deposits (recognized as other financial assets)	Bank loans and performance guarantee	40,106	40,110	37,333
Accounts receivable	Bank loans and performance guarantee	181,997	136,314	76,261
Inventories	Performance guarantee	7,571	17,302	22,525
Land	Bank loans	465,608	122,198	121,295
Buildings, net	Bank loans	468,687	670,799	742,329
Investment properties	Bank loans	51,052	51,099	51,375
Refundable deposits	Tender deposit, performance bond, and warranty deposit	209,563	276,048	356,417
		<u>\$ 1,468,205</u>	<u>1,338,557</u>	<u>1,431,599</u>

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

Unrecognized contract commitments of the Group are as follows:

	2023.6.30	2022.12.31	2022.6.30
Acquisition of property, plant, and equipment	\$ -	491,360	541,160

X. Losses due to Major Disasters: None.

XI. Significant Events after Balance Sheet Date

(a) The following matters were resolved by the board of directors of the Company on July 6, 2023:

1. The Company plans to issue the fifth domestic unsecured convertible corporate bond, with a face value of NT\$100 thousand per bond, a total of 30,000 bonds, and a total face value of NT\$3,000,000 thousand. The bond issuance was reported to the Financial

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

Supervisory Commission on July 13, 2023, and took effect on July 31, 2023.

2. The Company endorses Ennoconn Hungary KFT, a subsidiary of the Group, with a total endorsement and guarantee amount of NT\$1,089,900 thousand. The endorsement and guarantee period is from July 6, 2023 to July 5, 2024.
- (b) On July 3, 2023, Kontron AG, a subsidiary of the Group, obtained some assets of the automotive digital department from Telit Citrion Deutschland GmbH through a resolution of the board of directors, with a total price of approximately NT\$828,345 thousand.
- (c) The subsidiary of the Group, CASWELL, INC., passed a resolution by the board of directors on August 9, 2023 to acquire real estate property rights from Huaku Development Co., Ltd. after December 2027. The total price of the real estate was NT\$635,000 thousand. Both parties agreed to handle the property rights transfer after the expected five years from December 2, 2022. To match the real estate property rights transfer schedule, CASWELL, INC. obtains the use rights of the real estate through leasing from the time the contract is signed and the real estate is delivered to before CASWELL, INC. acquires the real estate property rights. Before the transfer of the property rights, it is estimated to account for right-of-use asset of NT\$620,768 thousand.

XII. Others

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

By function By nature	April to June, 2023			April to June, 2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses						
Wages and salaries	622,674	2,688,961	3,311,635	440,731	2,277,361	2,718,092
Labor Insurance and National Health Insurance expenses	37,921	476,770	514,691	25,003	988,253	1,013,256
Pension costs	29,028	38,077	67,105	24,208	22,391	46,599
Other Employee Benefit Expenses	34,228	98,445	132,673	73,362	87,336	160,698
Depreciation expenses	141,781	290,284	432,065	32,659	383,144	415,803
Amortization expenses	4,877	220,696	225,573	3,781	312,484	316,265
Less: operating costs and operating expenses attributable to the discontinued operation	(17,232)	(9,052)	(26,284)	(484,640)	(223,133)	(707,773)

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

By function By nature	January to June, 2023			January to June, 2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses						
Wages and salaries	1,061,475	5,194,027	6,255,502	854,174	5,444,825	6,298,999
Labor Insurance and National Health Insurance expenses	74,617	929,900	1,004,517	55,931	1,036,422	1,092,353
Pension costs	60,526	77,798	138,324	50,775	73,256	124,031
Other Employee Benefit Expenses	77,100	204,878	281,978	125,879	134,867	260,746
Depreciation expenses	287,695	544,952	832,647	216,504	672,108	888,612
Amortization expenses	10,970	441,165	452,135	6,657	618,396	625,053
Less: operating costs and operating expenses attributable to the discontinued operation	(27,265)	(11,719)	(38,984)	(1,031,754)	(386,465)	(1,418,219)

(b) Seasonality of operation:

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

(c) Discontinued operation:

As stated in Note VI (d), Kontron AG sold part of its IT service business through a resolution of the board of directors in 2022. Since the department related to the business was not a discontinued operation or an asset to be sold on June 30, 2022, the consolidated income statement of the previous period has been restated to show the discontinued operation and the continuing operation separately.

Please refer to Note VI (t) for the amount of income attributable to the owners of the parent company from continuing operations and discontinued operations.

The operating results of the discontinued operations are as follows:

	<u>April to June, 2023</u>	<u>April to June, 2022</u>	<u>January to June, 2023</u>	<u>January to June, 2022</u>
Net operating income	\$ 101,981	2,680,209	178,284	5,279,405
Operating costs	(84,866)	(1,721,773)	(144,119)	(3,632,607)
Gross operating profit	17,115	958,436	34,165	1,646,798
Operating expenses	(46,463)	(783,803)	(62,194)	(1,360,239)
Non-operating income and expenses	40,526	(21,375)	40,622	(64,046)
Pre-tax gains	11,178	153,258	12,593	222,513
Income tax expenses	(1,186)	(35,803)	(2,406)	(53,833)

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Current year's gains	\$ 9,992	117,455	10,187	168,680
Disposal gains from discontinued operation	43,089	-	43,089	-
Current net profit of discontinued operation	\$ 53,081	117,455	53,276	168,680
Gains from disposal of discontinued operation:				
The Company owner	\$ 14,767	29,933	14,821	46,616
Non-controlling interests	38,314	87,522	38,455	122,064
	\$ 53,081	117,455	53,276	168,680

The cash inflows of the discontinued operations are as follows:

	April to June, 2023	April to June, 2022	January to June, 2023	January to June, 2022
Cash flows of operating activities	\$ (18,842)	(357,323)	9,008	(838,028)
Cash flows of investing activities	(2,479,034)	(12,072)	(51,659)	(49,155)
Cash flows of financing activities	(2,162)	(60,326)	(2,250)	(147,272)
Net cash flow	\$ (2,500,038)	(429,721)	(44,901)	(1,034,455)

Please refer to Note VI (d) for the impact of the disposal of IT service business on the financial position of the Group.

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

XIII. Supplementary Disclosures

(a) Information on Significant Transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Group shall re-disclose the following information on major transactions for the six months ended June 30, 2023:

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: None.
 5. Acquisition of property reaching NT\$300 million or 20% of paid-in capital or more: None.
 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 4.
 8. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 5.
 9. Engagement in derivative transactions: None.
 10. Business relations and material transactions between parent company and subsidiaries: Please refer to Table 6.
- (b) Re-investment information (excluding investees in Mainland China): Please refer to Table 7.
- (c) Investment information in mainland China:
1. Name, major businesses and related information about investees in Mainland China: please refer to Table 8(a).
 2. Investment limit in Mainland China: please refer to Table 8(b).
 3. Major transactions with investees in mainland China: None.
- (d) Information on Major Shareholders:

Name of Major Shareholder	Shares	Shares Held	Shareholding ratio
Baoxin International Investments Ltd.		33,178,779	26.79%
Fubon Life Insurance Co., Ltd.		6,629,000	5.35%

Notes to Consolidated Financial Statements of Ennoconn Corporation and its Subsidiaries (Continued)

XIV. Department Information

Information reported to the chief operating decision maker by the Group for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services provided. The Group was mainly engaged in the manufacturing and sales of data storage, processing equipment and industrial motherboard, network communication and facility electromechanical system services for the six months ended June 30, 2023 and 2022.

(a) Segment revenue and results of operations

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

		April to June, 2023							
		Industrial computer software and hardware sales department	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Discontinued operations	Total
Revenue:									
Revenue from external clients		\$ 6,969,353	9,572,831	1,012,949	13,622,365	1,471,744	(3,585,674)	(101,981)	28,961,587
Total earnings		<u>\$ 6,969,353</u>	<u>9,572,831</u>	<u>1,012,949</u>	<u>13,622,365</u>	<u>1,471,744</u>	<u>(3,585,674)</u>	<u>(101,981)</u>	<u>28,961,587</u>
Profit and Loss of Reporting Segment		<u>\$ 907,233</u>	<u>717,410</u>	<u>132,344</u>	<u>1,050,432</u>	<u>1,215,736</u>	<u>(1,685,977)</u>	<u>(54,267)</u>	<u>2,282,911</u>
		April to June, 2022							
		Industrial computer software and hardware sales department	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Discontinued operations	Total
Revenue:									
Revenue from external clients		\$ 2,348,261	10,383,853	1,255,429	11,823,579	472,706	555,524	(2,680,209)	24,159,143
Total earnings		<u>\$ 2,348,261</u>	<u>10,383,853</u>	<u>1,255,429</u>	<u>11,823,579</u>	<u>472,706</u>	<u>555,524</u>	<u>(2,680,209)</u>	<u>24,159,143</u>
Profit and Loss of Reporting Segment		<u>\$ 484,404</u>	<u>480,246</u>	<u>182,664</u>	<u>700,445</u>	<u>270,251</u>	<u>(558,236)</u>	<u>(153,258)</u>	<u>1,406,516</u>
		January to June, 2023							
		Industrial computer software and hardware sales department	Information system segment	Production and marketing department of network communication	Facility system and electromechanical system service department	Other departments	Adjustment and cancellation	Discontinued operations	Total
Revenue:									
Revenue from external clients		\$ 13,590,413	18,706,768	2,089,499	27,508,126	2,509,640	(6,773,265)	(178,284)	57,452,897
Total earnings		<u>\$ 13,590,413</u>	<u>18,706,768</u>	<u>2,089,499</u>	<u>27,508,126</u>	<u>2,509,640</u>	<u>(6,773,265)</u>	<u>(178,284)</u>	<u>57,452,897</u>
Profit and Loss of Reporting Segment		<u>\$ 1,484,227</u>	<u>1,378,000</u>	<u>259,479</u>	<u>1,668,906</u>	<u>1,457,376</u>	<u>(2,349,316)</u>	<u>(55,682)</u>	<u>3,842,990</u>

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
Subsidiaries (Continued)**

	January to June, 2022							
	Industrial computer software and hardware sales department	Information system segment	Production and marketing department of network communi- cation	Facility system and electromech anical system service department	Other departments	Adjustment and cancellation	Discontinued operations	Total
Revenue:								
Revenue from external clients	\$ 4,652,807	20,751,802	2,382,320	21,491,469	2,865,500	(1,032,226)	(5,279,405)	45,832,267
Total earnings	<u>\$ 4,652,807</u>	<u>20,751,802</u>	<u>2,382,320</u>	<u>21,491,469</u>	<u>2,865,500</u>	<u>(1,032,226)</u>	<u>(5,279,405)</u>	<u>45,832,267</u>
Profit and Loss of Reporting Segment	<u>\$ 829,790</u>	<u>867,266</u>	<u>273,616</u>	<u>1,203,473</u>	<u>429,071</u>	<u>(1,001,699)</u>	<u>(222,513)</u>	<u>2,379,004</u>

(b) Segment assets and liabilities

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

Ennoconn Corporation and Subsidiaries

Financing Provided to Others

June 30, 2023

Table 1

Unit: NT\$thousand

Code	Granting company	Borrower	Financial Statement Account	Related Party (Y/N)	Maximum balance of the current period	Ending balance	Actual amount used	Interest rate range	Nature of loan	Transaction 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		
0	Ennoconn Corporation	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	1,200,000	1,000,000	-	6.35%	2	-	Operating working fund	-	None	-	1,929,592	7,718,367
0	Ennoconn Corporation	Ennoconn Hungary Kft	Other receivables - related parties	Yes	778,500	778,500	-	6.35%	2	-	Operating working fund	-	None	-	1,929,592	7,718,367
1	Caswell Inc.	Apligo GmbH	Other receivables - related parties	Yes	24,912	24,912	24,912	2.45%	2	-	Operating working fund	-	None	-	327,835	655,669
1	Caswell Inc.	Hawkeye Tech Co., Ltd.	Other receivables - related parties	Yes	50,000	-	-	1.60%	2	-	Operating working fund	-	None	-	327,835	655,669
2	KONTRON AG	S&T Romania S.R.L., Romania	Other receivables - related parties	Yes	360,212	356,795	356,795	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	S&T Consulting Hungary Kft., Hungary	Other receivables - related parties	Yes	236,670	236,670	236,670	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron electronics AG	Other receivables - related parties	Yes	51,391	50,039	50,039	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron America Inc.	Other receivables - related parties	Yes	74,382	-	-	2.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron electronics GmbH (DE)	Other receivables - related parties	Yes	504,509	434,247	434,247	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron Transportation GmbH	Other receivables - related parties	Yes	493,626	392,196	392,196	1.50%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron Europe GmbH	Other receivables - related parties	Yes	385,434	385,434	385,434	1.50%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron AIS GmbH	Other receivables - related parties	Yes	169,050	158,231	158,231	2.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	S&T MEDTECH S.R.L.	Other receivables - related parties	Yes	45,150	45,150	45,150	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	ISKRATEL, d.o.o.	Other receivables - related parties	Yes	152,357	110,703	110,703	1.75%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron Beteiligungs GmbH	Other receivables - related parties	Yes	879,060	879,060	879,060	2.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron Modular Computers	Other receivables - related parties	Yes	152,145	152,145	152,145	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron Electronics Kft.	Other receivables - related parties	Yes	7,607	6,086	6,086	3.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	Kontron Austria GmbH	Other receivables - related parties	Yes	181,729	177,503	177,503	1.50%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
2	KONTRON AG	RTSoft, AO, Russia	Other receivables - related parties	Yes	137,960	100,621	100,621	8.00%	2	-	Operating working fund	-	None	-	2,020,910	8,083,640
3	Kontron Europe GmbH	KONTRON ASIA PACIFIC DESIGN SDN. BHD.	Other receivables - related parties	Yes	136,551	136,551	136,551	1.20%	2	-	Operating working fund	-	None	-	440,922	1,763,689
4	Techno Precision Co., Ltd.	T-lamma (Guangdong) Tech Co., Ltd.	Other receivables - related parties	Yes	35,766	-	-	2.00%	2	-	Operating working fund	-	None	-	86,278	172,555
5	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	359,688	359,688	148,328	3.00%	2	-	Operating working fund	-	None	-	606,485	606,485
6	Nanjing Asiatek Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	201,254	201,254	85,640	3.00%	2	-	Operating working fund	-	None	-	201,685	201,685
7	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Other receivables	Yes	39,923	-	-	0.00%	2	-	Operating working fund	-	None	-	3,897,562	3,897,562
7	Marketech International Corp.	Marketech International Sdn. Bhd.	Other receivables	Yes	55,278	24,912	15,570	4.87%	2	-	Operating working fund	-	None	-	3,897,562	3,897,562
7	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Yes	122,960	93,420	12,456	4.62%	2	-	Operating working capital	-	None	-	3,897,562	3,897,562
7	Marketech International Corp.	Marketech International Corporation USA	Other receivables	Yes	467,100	467,100	-	4.87%	2	-	Operating working fund	-	None	-	3,897,562	3,897,562

Code	Granting company	Borrower	Financial Statement Account	Related Party (Y/N)	Maximum balance of the current period	Ending balance	Actual amount used	Interest rate range	Nature of loan	Transaction 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.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other receivables	Yes	53,339	25,691	25,691	4.35%	2	-	Operating working fund	-	None	-	344,849	689,698
9	Marketech Integrated Manufacturing Co., Ltd.	Marketech Integrated Construction Co., Ltd.	Other receivables	Yes	7,678	-	-	0.00%	2	-	Operating working fund	-	None	-	56,650	113,301
10	ENNOMECH PRECISION (CAYMAN) CO.,LTD	ENNOCONN INVESTMENT HOLDINGS CO., LTD.	Other receivables - related parties	Yes	12,456	12,456	12,456	0.00%	2	-	Operating working fund	-	None	-	702,324	702,324
11	ENGA TECHNOLOGY CO., LIMITED	INNOVATIVE SYSTEMS INTEGRATION LIMITED	Other receivables - related parties	Yes	108,990	108,990	108,990	0.00%	2	-	Operating working fund	-	None	-	109,207	109,207
12	Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Other receivables - related parties	Yes	75,000	75,000	75,000	2.20%	2	-	Operating working fund	-	None	-	1,072,978	4,291,910
13	MIC-TECH Viet Nam CO., LTD	MARKETECH CO., LTD	Other receivables	Yes	2,620	2,620	2,620	6.00%	2	-	Operating working fund	-	None	-	177,610	177,610
14	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Other receivables - related parties	Yes	155,700	155,700	155,700	1.83%	1	1,496,083	Operating working fund	-	None	-	160,223	160,223
15	ENNOCONN INVESTMENT HOLDINGS CO., LTD.	Ennoconn Hungary Kft	Other receivables - related parties	Yes	404,820	404,820	404,820	6.50%	2	-	Operating working fund	-	None	-	1,316,364	5,265,456

Note 1:

- (1) Fill in 0 for issuer.
- (2) The investee company is coded in sequence starting from Arabic numeral 1 by company.

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

- (1) Please fill in 1 for business interaction.
- (2) If there is a need for short-term financing.

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

Ennoconn Corporation and Subsidiaries
Endorsements/Guarantees to others
June 30, 2023

Table 2

Unit: NT\$thousand

Code	Company name of endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	Ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement/guarantee of parent company to subsidiary	Endorsement of a subsidiary to the parent company	Endorsement for mainland China
		Company Name	Relationship										
0	Ennoconn Corporation	Ennoconn Hungary kft	2	28,943,877	2,179,800	1,181,296	728,115	-	6.12%	38,591,836	Y	N	N
0	Ennoconn Corporation	HIGHAIM TECHNOLOGY INC.	2	28,943,877	202,410	46,710	-	-	0.24%	38,591,836	Y	N	N
0	Ennoconn Corporation	HighAim Technology Inc.	2	28,943,877	747,360	560,520	-	-	2.90%	38,591,836	Y	N	Y
0	Ennoconn Corporation	Dexatek Technology Ltd.	2	28,943,877	160,000	160,000	20,000	-	0.83%	38,591,836	Y	N	N
		Ennoconn Corporation Subtotal				1,948,526							
1	KONTRON AG	diverse / Factoring CEE	2	8,683,163	540,960	540,960	-	-	2.68%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Canada Inc	2	8,683,163	636,783	622,308	-	-	3.08%	17,366,326	Y	N	N
1	KONTRON AG	S&T Slovakia s.r.o.	2	8,683,163	135,240	-	-	-	0.00%	17,366,326	Y	N	N
1	KONTRON AG	S&T Plus s.r.o.	2	8,683,163	7,196	-	-	-	0.00%	17,366,326	Y	N	N
1	KONTRON AG	S&T CZ s.r.o.	2	8,683,163	57,569	-	-	-	0.00%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Bulgaria e.o.o.d.	2	8,683,163	31,950	31,950	-	-	0.16%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Hungary Kft.	2	8,683,163	620,370	618,755	40,267	-	3.06%	17,366,326	Y	N	N
1	KONTRON AG	S&T Poland Sp.z.o.o.	2	8,683,163	380,846	380,846	-	-	1.88%	17,366,326	Y	N	N
1	KONTRON AG	S&T Deutschland GmbH	2	8,683,163	13,524	-	-	-	0.00%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Europe GmbH	2	8,683,163	169,050	169,050	-	-	0.84%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Public Transportation	2	8,683,163	127,657	46,924	-	-	0.23%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Transportation Austria AG	2	8,683,163	1,834,053	1,819,365	33,810	-	9.00%	17,366,326	Y	N	N
1	KONTRON AG	Kontron AIS GmbH	2	8,683,163	27,048	27,048	-	-	0.13%	17,366,326	Y	N	N
1	KONTRON AG	S&T Crna Gora d.o.o.	2	8,683,163	10,293	-	-	-	0.00%	17,366,326	Y	N	N
1	KONTRON AG	S&T AG/ Kontron Transportation Austria AG/ S&T Smart Energy/Kontron s.r.o.	2	8,683,163	448,793	424,131	-	-	2.10%	17,366,326	Y	N	N

Code	Company name of endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	Ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement/guarantee of parent company to subsidiary	Endorsement of a subsidiary to the parent company	Endorsement for mainland China
		Company Name	Relationship										
1	KONTRON AG	Kontron Transportation France	2	8,683,163	8,453	8,453	-	-	0.04%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Austria GmbH	2	8,683,163	8,453	8,453	-	-	0.04%	17,366,326	Y	N	N
1	KONTRON AG	Factoring Kontron Europe / Kontron Modular Computer S.A.S.	2	8,683,163	1,149,540	1,149,540	108,285	-	5.69%	17,366,326	Y	N	N
1	KONTRON AG	Kontron America Inc (Factoring)	2	8,683,163	636,783	622,308	-	-	3.08%	17,366,326	Y	N	N
1	KONTRON AG	Kontron electronics GmbH	2	8,683,163	10,143	10,143	-	-	0.05%	17,366,326	Y	N	N
1	KONTRON AG	S&T MEDTECH SRL(GADA GROUP ROMANIA SRL)	2	8,683,163	101,430	101,430	96,625	-	0.50%	17,366,326	Y	N	N
1	KONTRON AG	Kontron Services Romania SRL	2	8,683,163	450,051	446,122	208,278	-	2.21%	17,366,326	Y	N	N
1	KONTRON AG	diverse / Factoring DACH	2	8,683,163	642,390	642,390	-	-	3.18%	17,366,326	Y	N	N
1	KONTRON AG	RTSoft AO	2	8,683,163	66,924	53,325	-	-	0.26%	17,366,326	Y	N	N
1	KONTRON AG	RTSoft Project OOO	2	8,683,163	89,232	71,100	-	-	0.35%	17,366,326	Y	N	N
		KONTRON AG Subtotal				7,794,601							
2	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	2	4,871,953	4,196,574	3,969,887	2,459,606	-	40.74%	9,743,905	Y	N	Y
2	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	4,871,953	147,577	146,498	55,132	-	1.50%	9,743,905	Y	N	N
2	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	2	4,871,953	613,583	562,474	-	-	5.77%	9,743,905	Y	N	Y
2	Marketech International Corp.	MIC-Tech (Wuxi) Co., Ltd.	2	4,871,953	307,637	230,047	156,273	-	2.36%	9,743,905	Y	N	Y
2	Marketech International Corp.	Marketech International Sdn. Bhd.	2	4,871,953	122,840	62,280	17,856	-	0.64%	9,743,905	Y	N	N
2	Marketech International Corp.	Ezoom Information, Inc.	2	4,871,953	55,000	55,000	44,584	-	0.56%	9,743,905	Y	N	N
2	Marketech International Corp.	Marketech International Corporation USA	2	4,871,953	2,114,812	2,114,812	1,841,522	-	21.70%	9,743,905	Y	N	N
2	Marketech International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	4,871,953	139,440	129,000	12,087	-	1.32%	9,743,905	Y	N	Y
2	Marketech International Corp.	Te Chang Construction Co., Ltd.	5	4,871,953	88,418	22,167	22,167	-	0.23%	9,743,905	N	N	N
		Marketech International Corp. Subtotal				7,292,165							

Code	Company name of endorser	Company name of endorsee		Endorsement limit for a single enterprise	Maximum endorsement balance for period	Ending balance of endorsement	Actual amount used	Amount of endorsements secured by the property	Ratio of accumulated endorsement amount to the net worth of the latest financial statements	Maximum amount of endorsement	Endorsement/guarantee of parent company to subsidiary	Endorsement of a subsidiary to the parent company	Endorsement for mainland China
		Company Name	Relationship										
3	MIC-Tech Electronics Engineering Corp.	Marketch International Corp.	3	2,586,369	155,607	155,607	155,607	-	18.05%	4,310,615	N	Y	N
3	MIC-Tech Electronics Engineering Corp.	China Electronics System Engineering No.2 Construction Co., Ltd	5	2,586,369	1,132	1,090	1,090	-	0.13%	4,310,615	N	N	Y
3	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp.	4	2,586,369	98,908	98,908	98,908	-	11.47%	4,310,615	N	N	Y
		MIC-Tech Electronics Engineering Corp. Subtotal				255,605							
4	MIC-Tech (Shanghai) Corp.	MIC-Tech Electronics Engineering Corp.	4	2,602,425	297,094	297,094	297,094	-	34.25%	4,337,375	N	N	Y

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

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

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

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

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

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

Ennoconn Corporation and Subsidiaries
Holding of marketable securities at the end of the period (excluding equity of subsidiaries, associates, and joint ventures)
June 30, 2023

Table 3

Unit: NT\$thousand

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
					Number of shares/Units	Book value	Shareholding %	Fair value	
Ennoconn International Investment Co., Ltd.	Ordinary share	Q.P.T.I CORPORATION	None	Financial assets measured at fair value through other comprehensive income - non-current	726	-	17.08%	-	
Ennoconn International Investment Co., Ltd.	Ordinary share	Augentix Inc.	None	"	667	50,025	4.83%	50,025	
"	Ordinary share	Gold Rain Enterprises Corp.	None	"	5,000	359,500	8.29%	359,500	
AIS CAYMAN TECHNOLOGY	Ordinary share	Gemini Data Inc.	None	"	44,115	127,674	10.13%	127,674	
Vecow Co., Ltd.	Ordinary share	Array Networks	None	"	6,000	211,563	10.32%	211,563	
Goldtek Technology Co., Ltd.	Ordinary share	Augentix Inc.	None	"	333	1,263	2.20%	1,263	
"	Ordinary share	Ipevo Corporation	None	"	150	3,529	0.55%	3,529	
Techno Precision Co., Ltd.	Ordinary share	LINKA GROUP LIMITED	None	"	143	-	7.98%	-	
Techno Precision ShenZhen Co., Ltd.	Ordinary share	T-lamma (Guangdong) Tech Co., Ltd.	Other related party	"	12,000	19,387	16.00%	19,387	
Keenest Electronic Corp.	Ordinary share	AIXlink	None	"	-	16,118	6.00%	16,118	
Caswell Inc.	Ordinary share	Advanio Technology Co., Ltd.	None	"	1,045	-	19.00%	-	
Apligo GmbH	Ordinary share	Shares in Volksbank Karlsruhe	None	"	-	10	-%	10	
Ennoconn (Foshan) Investment Co., Ltd.	Ordinary share	Guangdong Hongfu Xinghe Hongtu Venture Capital Fund Partnership	None	"	-	214,380	11.11%	214,380	
Ennoconn (Foshan) Investment Co., Ltd.	Ordinary share	Foshan Zhaoke Innovative Intelligent Industry Investment Fund Partnership	None	"	-	274,864	18.57%	274,864	
SecureGuard GmbH	Ordinary share	Real Invest Austria; Erste Immobilienfonds	None	"	-	8,144	-%	8,144	
						1,286,457		1,286,457	
Diverse	Ordinary share	Shares	None	Other financial assets	-	14	-%	14	
Iskratel d.o.o.	Ordinary share	Shares	None	"	-	5,344	-%	5,344	
						5,358		5,358	

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
					Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Ordinary share	Chung Hsin Electric & Machinery Manufacturing Corp.	None	Financial assets at fair value through profit or loss - non-current	290	39,730	0.06%	39,730	
"	Ordinary share	ProMOS Technologies Inc.	None	"	250	-	0.56%	-	
"	Ordinary share	Taiwan Colour & Imaging Technology Corporation	None	"	1,700	-	12.15%	-	
"	Ordinary share	Taiwan Puritic Corp.	None	"	4,084	410,889	6.72%	410,889	
"	Ordinary share	Sopower Technology Corp.	None	"	189	-	12.61%	-	
"	Ordinary share	VEEV Interactive Pte. Ltd.	None	"	840	-	6.32%	-	
"	Ordinary share	Taiwan Intelligent Fiber Optic Network Co., Ltd.	None	"	3,220	26,747	1.41%	26,747	
"	Ordinary share	Civil Tech Holdings Ltd.	None	"	336	-	0.58%	-	
"	Ordinary share	ProbeLeader Co., Ltd.	Entities controlled or significantly influenced by the main management	"	966	16,737	3.46%	16,737	
"	Ordinary share	Top Green Energy Technologies Inc.	None	"	1,111	-	0.89%	-	
"	Ordinary share	Zhi-Yuan Venture Capital Co., Ltd.	None	"	772	9,361	1.79%	9,361	
"	Ordinary share	Innorich Venture Capital Corp.	None	"	1,000	6,340	1.87%	6,340	
"	Ordinary share	Taiwan Foresight Co., Ltd.	None	"	380	2,938	2.24%	2,938	
"	Ordinary share	Long Time Technology Co., Ltd.	None	"	346	9,352	0.29%	9,352	
"	Ordinary share	Paradigm Venture Capital Company	None	"	77	1,013	3.50%	1,013	
"	Ordinary share	TAIWAN SPECIALITY CHEMICALS CORPORATION.(acquired by original investments)	None	"	1,681	86,424	1.22%	86,424	
"	Ordinary share	Taiwan Specialty Chemicals Corporation (acquired by the liquidation property distribution of Top Green)	None	"	178	9,140	0.13%	9,140	
"	Ordinary share	Atech Totalsolution Co., Ltd.	None	"	128	-	0.23%	-	

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
					Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Ordinary share	East Wind Life Sciences System Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	124	-	12.87%	-	
"	Ordinary share	Ecoland Corporation	None	"	311	-	13.51%	-	
"	Ordinary share	Radisen Co. Ltd	None	"	88	21,356	18.49%	21,356	
"	Ordinary share	Foresight Energy Technologies Co., Ltd.	None	"	675	-	1.63%	-	
"	Ordinary share	Wings Global Technology Inc.	None	"	750	7,724	18.75%	7,724	
"	Ordinary share	Kcashin Technology Corporation	None	"	643	-	19.01%	-	
"	Ordinary share	Sum Capital Healthcare Investment Corp.	Entities controlled or significantly influenced by the main management	"	943	9,374	7.44%	9,374	
"	Ordinary share	Forward Science Corp.	None	"	2,650	48,324	8.41%	48,324	
"	Ordinary share	Mycopore Corporation	None	"	1,471	8,890	8.44%	8,890	
"	Ordinary share	STEK Co., Ltd.	None	"	507	20,380	6.27%	20,380	
"	Ordinary share	Renown Information Technology Corp.	None	"	720	7,502	14.40%	7,502	
"	Ordinary share	LUCENS TECHNOLOGY INC. (Previously known as Sharpcon Optical Co., Ltd.)	None	"	702	9,526	7.01%	9,526	
"	Ordinary share	Everlasting Digital ESG Co., Ltd.	Entities controlled or significantly influenced by the main management	"	100	554	5.88%	554	
"	Ordinary share	Artfil, Inc.	None	"	-	19,312	9.33%	19,312	
"	Ordinary share	Taiwan Truewin Technology Co., Ltd.	None	"	765	48,605	2.20%	48,605	
"	Ordinary share	Mega Union Technology Incorporated	None	"	660	33,977	1.08%	33,977	
"	Ordinary share	Infinitesima Limited	None	"	3,667	62,524	5.24%	62,524	
"	Ordinary share	Brilliant Network & Automation Integrated System Co.,Ltd.	None	"	150	21,975	0.43%	21,975	
						938,694		938,694	

Holding company	Securities Type	Name of securities	Relationship with the issuer of securities	Ledger account	End of the period				Remarks
					Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Ordinary share	Aerospace Industrial Development Corporation	None	Financial assets at fair value through profit or loss - current	51	3,055	0.01%	3,055	
"	Ordinary share	Lasertec Corporation	None	"	20	92,773	0.01%	92,773	
						95,828		95,828	
Marketech International Corp.	Convertible bond	Nitride Solutions Inc.	None	Financial assets at fair value through profit or loss - non-current	-	-	-%	-	
"	Convertible bond	HALLYS CORPORATION	None	"	-	-	-%	-	
"	Convertible bond	Radisen Co. Ltd	None	"	-	39,805	-%	39,805	
"	Convertible bond	Halio, Inc.(previously known as Kinestral Technologies, Inc.)	None	"	-	-	-%	-	
						39,805		39,805	
Ennoconn International Investment Co., Ltd.	Preference shares	Funp Co.Ltd	None	Financial assets measured at fair value through other comprehensive income - non-current	464	95,457	2.24%	95,457	
Goldtek Technology Co., Ltd.	Preference shares	EMBER TECHNOLOGIES, INC.	None	"	862	-	1.81%	-	
						95,457		95,457	
Marketech International Corp.	Preference shares	Adant Technologies Inc.	None	Financial assets at fair value through profit or loss - non-current	175	-	-%	-	
"	Preference shares	Halio, Inc.	None	"	502	-	-%	-	
"	Preference shares	Biomedical Corporation	None	"	156	10,099	-%	10,099	
						10,099		10,099	
Ennoconn International Investment Co., Ltd.	Private equity funds	Guotai Private Equity Smart Technology Co., Ltd	None	Financial assets at fair value through profit or loss - non-current	-	18,000	-%	18,000	
Marketech International Corp.	Private equity funds	Zhuo Yi II Investment Limited Partnership	None	"	-	23,046	-%	23,046	
"	Private equity funds	Vertex Growth(SG) LP	None	"	-	36,889	-%	36,889	
"	Private equity funds	Vertex Growth II(SG) LP	None	"	-	4,780	-%	4,780	
Caswell Inc.	Private equity funds	Zhuo Yi II Investment Limited Partnership	None	Financial assets at fair value through profit or loss - non-current	-	46,092	-%	46,092	
Goldtek Technology Co., Ltd.	Private equity funds	Zhuo Yi II Investment Limited Partnership	None	"	-	226,150	-%	226,150	
"	Private equity funds	Fuyou Private Equity Limited Partnership	None	"	-	12,843	-%	12,843	
						367,800		367,800	

Note 1: Regarding the above mentioned securities, three are no guarantees, pledges, or other agreed restricted users as of the end of June 2023.

Note 2: Please refer to attached Tables 9 and 10 for information about investment in subsidiaries.

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

Note 4: It refers to holding preference shares.

Ennoconn Corporation and Subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the six months ended June 30, 2023

Table 4

Unit: NT\$thousand

Purchasing/selling Company	Counterparty	Relationship	Transaction Status				Situation and reason for difference between trading terms and general trading		Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Ratio of Total Purchase (Sales)	Payment Term	Unit Price	Payment Term	Balance	Ratio of Total Notes and Accounts Receivable (Payable)	
American Industrial Systems, Inc.	Ennoconn Corporation	Sub-subsidiary company to parent company	Purchases	648,453	1.55%	60 days monthly settlement	-	No significant discrepancy	(423,138)	(2.41)%	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Sales	(168,618)	(0.29)%	150 days monthly settlement	-	No significant discrepancy	170,979	1.12%	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Purchases	170,344	0.41%	150 days monthly settlement	-	No significant discrepancy	(173,634)	(0.99)%	
Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent company to sub-subsidiary	Purchases	840,371	2.01%	60 days monthly settlement	-	No significant discrepancy	(118,549)	(0.67)%	
ENNOMECH PRECISION CO., LTD.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	743,024	1.77%	60 days monthly settlement	-	No significant discrepancy	(225,518)	(1.28)%	
ENNOMECH PRECISION CO., LTD.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(727,848)	(1.27)%	120 days monthly settlement	-	No significant discrepancy	180,038	1.18%	
Techno Precision Co., Ltd.	Techno Precision ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	195,066	0.47%	60 days monthly settlement	-	No significant discrepancy	(9,205)	(0.05)%	
Caswell Inc.	Caswell Americas Inc.	Sub-subsidiary to sub-subsidiary	Sales	(122,607)	(0.21)%	O/A 90 Days	-	No significant discrepancy	92,369	0.61%	
Caswell Inc.	CASO, inc.	Sub-subsidiary to sub-subsidiary	Sales	(118,549)	(0.21)%	O/A 70 Days	-	No significant discrepancy	41,274	0.27%	
Ennoconn (Suzhou) Technology Co., Ltd.	HighAim Technology INC.	Sub-subsidiary to sub-subsidiary	Purchases	121,557	0.29%	90 days monthly settlement	-	No significant discrepancy	(65,874)	(0.37)%	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(2,197,839)	(3.83)%	30 days monthly settlement	-	No significant discrepancy	152,849	1.00%	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Purchases	322,519	0.77%	45 days monthly settlement	-	No significant discrepancy	(110,329)	(0.63)%	
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(599,036)	(1.04)%	30 days monthly settlement	-	No significant discrepancy	480,410	3.16%	
Kontron Asia Technology Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(175,217)	(0.30)%	30 days monthly settlement	-	No significant discrepancy	25,844	0.17%	
Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(324,648)	(0.57)%	30 days monthly settlement	-	No significant discrepancy	110,242	0.72%	

Purchase (sale) company	Counterparty	Relationship	Transaction Status				Situation and reason for difference between trading terms and general trading		Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Ratio of Total Purchase (Sales)	Payment Term	Unit Price	Payment Term	Balance	Ratio of Total Notes and Accounts Receivable (Payable)	
Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(420,623)	(0.73)%	30 days monthly settlement	-	No significant discrepancy	84,292	0.55%	
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(326,787)	(0.57)%	30 days monthly settlement	-	No significant discrepancy	108,032	0.71%	
IskrateL d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Sales	(188,230)	(0.33)%	30 days monthly settlement	-	No significant discrepancy	182,803	1.20%	
Kontron Asia Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales	(208,498)	(0.36)%	30 days monthly settlement	-	No significant discrepancy	6	-%	
Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Sales	(112,841)	(0.20)%	30 days monthly settlement	-	No significant discrepancy	31,023	0.20%	

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

Note 2: Payment by installments according to the contract.

Ennoconn Corporation and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
June 30, 2023

Table 5

Unit: NT\$thousand

Accounts receivable from companies	Name of counterparty	Relationship	Balance due from related party	Turnover rate	Overdue receivables from related parties		Recovery amount of receivables from related parties after the balance sheet date	Allowance for loss recognized
					Amount	Treatment		
Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	314,920	6.32%	102,641.00	-	-	-
Ennoconn Corporation	American Industrial Systems, Inc.	Parent company to sub-subsidiary	423,138		-	-	-	-
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	122,025	3.40%	-	-	-	-
Techno Precision Co., Ltd.	Techno Precision ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	216,266	42.64%	-	-	-	-
T-Paragon Die Casting ShenZhen Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	218,821	35.65%	-	-	-	-
Victor Plus Holdings Ltd.	ENNOMECH PRECISION CO., LTD.	Sub-subsidiary to sub-subsidiary	225,518		-	-	-	-
Victor Plus Holdings Ltd.	Ennoconn Corporation	Sub-subsidiary company to parent company	118,549		-	-	-	-
Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	118,075		-	-	-	-
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	170,979		-	-	-	-
ENNOMECH PRECISION CO., LTD.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	180,038		-	-	-	-
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	480,173		-	-	-	-
Kontron AG	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L.)	Sub-subsidiary to sub-subsidiary	405,367		-	-	-	-
Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	2,136,516		-	-	-	-
Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	180,331		-	-	-	-
Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	413,888		-	-	-	-
Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	429,653		-	-	-	-
Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	225,356		-	-	-	-
Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	143,042		-	-	-	-
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	304,084		-	-	-	-

Accounts receivable listed company	Name of counterparty	Relationship	Accounts receivable from related parties Balance	Turnover rate	Overdue receivables from related parties		Recovery amount of receivables from related parties after the balance sheet date	Provision for allowances Loss amount
					Amount	Treatment		
Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	159,597		-	-	-	-
Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	157,337		-	-	-	-
Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	439,109		-	-	-	-
Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	890,288		-	-	-	-
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	889,554		-	-	-	-
Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	110,242		-	-	-	-
Kontron AG	Kontron Hungary Kft. (formerly: S&T Consulting Hungary Kft.)	Sub-subsidiary to sub-subsidiary	188,252		-	-	-	-
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	216,936		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Sub-subsidiary to sub-subsidiary	317,271		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation France S.A.S.	Sub-subsidiary to sub-subsidiary	121,255		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	288,704		-	-	-	-
Kontron AG	Iskratel d.o.o.	Sub-subsidiary to sub-subsidiary	144,559		-	-	-	-
Kontron AG	Kontron AIS GmbH	Sub-subsidiary to sub-subsidiary	161,974		-	-	-	-
Kontron AG	RTSoft AO	Sub-subsidiary to sub-subsidiary	106,725		-	-	-	-
Kontron Transportation s.r.o.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	122,663		-	-	-	-
Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	456,720		-	-	-	-

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

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

Ennoconn Corporation and Subsidiaries
Written-off major transactions between parent and subsidiaries and between subsidiaries
For the six months ended June 30, 2023

Table 6

Unit: NT\$thousand

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
0	Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent company to sub- subsidiary	Cost of goods purchased	840,371	General terms and conditions	1.46%
0	Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent company to sub- subsidiary	Accounts payable - related parties	118,549	General terms and conditions	0.10%
0	Ennoconn Corporation	Kontron Europe GmbH	Parent company to sub- subsidiary	Sales revenue	49,913	General terms and conditions	0.09%
0	Ennoconn Corporation	American Industrial Systems, Inc.	Parent company to sub- subsidiary	Sales revenue	647,837	General terms and conditions	1.13%
0	Ennoconn Corporation	American Industrial Systems, Inc.	Parent company to sub- subsidiary	Accounts receivable - related parties	423,138	General terms and conditions	0.36%
0	Ennoconn Corporation	ENNOCONN HUNGARY KFT.	Parent company to sub- subsidiary	Sales revenue	98,046	General terms and conditions	0.17%
0	Ennoconn Corporation	ENNOCONN HUNGARY KFT.	Parent company to sub- subsidiary	Accounts receivable - related parties	51,514	General terms and conditions	0.04%
0	Ennoconn Corporation	HighAim Technology INC.	Parent company to sub- subsidiary	Cost of goods purchased	23,611	General terms and conditions	0.04%
0	Ennoconn Corporation	HighAim Technology INC.	Parent company to sub- subsidiary	Accounts payable - related parties	6,895	General terms and conditions	0.01%
0	Ennoconn Corporation	Kontron America Inc.	Parent company to sub- subsidiary	Sales revenue	53,923	General terms and conditions	0.09%
0	Ennoconn Corporation	Kontron America Inc.	Parent company to sub- subsidiary	Accounts receivable - related parties	24,519	General terms and conditions	0.02%
1	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub- subsidiary	Other receivables - related parties	13,042	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.01%
1	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub- subsidiary	Non-operating revenue	23,219	Subject to transaction contracts.	0.04%
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub- subsidiary	Accounts receivable - related parties	6,828	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed.	0.01%
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub- subsidiary	Revenue from labor service contracts	6,541	The sale of labor services refers to a certain sales profit agreed with related parties.	0.01%
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub- subsidiary	Revenue from sales contracts	11,694	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties.	0.02%

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	8,128	The project price of the Group to related parties and non related parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about two to three months after the project acceptance.	0.01%
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Non-operating revenue	7,812	Subject to transaction contracts	0.01%
1	Marketech International Corp.	Marketech International Sdn. Bhd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	15,909	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.01%
1	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	12,597	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.01%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	183,256	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.32%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	313,272	The project price of the Group to related parties and non related parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about two to three months after the project acceptance.	0.55%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	314,920	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.27%
1	Marketech International Corp.	Marketech Netherlands B.V.	Sub-subsidiary to sub-subsidiary	Advance payment	9,190	Subject to transaction contracts	0.01%
2	Ezoom Information, Inc.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from labor service contracts	29,573	The sale of labor services refers to a certain sales profit agreed with related parties.	0.05%
2	Ezoom Information, Inc.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	10,652	The project price of the Group to related parties and non related parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about two to three months after the project acceptance.	0.02%

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
3	MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	83,865	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.15%
3	MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	23,086	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.02%
4	Marketch Netherlands B.V.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	9,406	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.02%
5	Spiro Technology Systems Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable	11,226	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.01%
5	Spiro Technology Systems Inc.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	34,310	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.06%
6	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables	25,691	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.02%
7	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	156,112	The project price of the Group to related parties and non related parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about two to three months after the project acceptance.	0.27%
7	Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable	79,401	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.07%
8	MIC-Tech (Wuxi) Co., Ltd.	Marketch Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	12,636	Depending on the conditions of the contract or individual agreement, the payment will be collected about two to three months after the transaction is confirmed	0.02%
9	Caswell Inc.	Caswell Americas Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	122,607	General terms and conditions	0.10%
9	Caswell Inc.	CASO, inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	118,549	General terms and conditions	0.10%
9	Caswell Inc.	Apligo Gmbh	Sub-subsidiary to sub-subsidiary	Sales revenue	7,427	General terms and conditions	0.01%
9	Caswell Inc.	Caswell Americas Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	92,369	General terms and conditions	0.08%

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
9	Caswell Inc.	CASO, inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	41,274	General terms and conditions	0.04%
10	Goldtek Technology Co., Ltd.	Techno Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	12,854	General terms and conditions	0.02%
10	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	122,025	General terms and conditions	0.10%
10	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	77,953	General terms and conditions	0.14%
10	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	9,765	General terms and conditions	0.01%
10	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	Sales revenue	36,068	General terms and conditions	0.06%
10	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	Other operating revenue	10,896	General terms and conditions	0.02%
11	Techno Precision Co., Ltd.	Techno Precision ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	216,266	General terms and conditions	0.18%
11	Techno Precision Co., Ltd.	Techno Precision ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	42,759	General terms and conditions	0.07%
11	Techno Precision Co., Ltd.	Techno Precision ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	9,205	General terms and conditions	0.01%
11	Techno Precision Co., Ltd.	Techno Precision ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	195,066	General terms and conditions	0.34%
11	Techno Precision Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	7,498	General terms and conditions	0.01%
11	Techno Precision Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	14,875	General terms and conditions	0.03%
11	Techno Precision Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	6,229	General terms and conditions	0.01%
12	T-Paragon Die Casting Co., Ltd.	T-Paragon Die Casting ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	218,821	General terms and conditions	0.19%
12	T-Paragon Die Casting Co., Ltd.	T-Paragon Die Casting ShenZhen Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	46,161	General terms and conditions	0.08%

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
13	T-Paragon Die Casting ShenZhen Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	15,140	General terms and conditions	0.01%
13	T-Paragon Die Casting ShenZhen Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other operating revenue	6,496	General terms and conditions	0.01%
14	HighAim Technology INC.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	65,874	General terms and conditions	0.06%
14	HighAim Technology INC.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	121,824	General terms and conditions	0.21%
15	Nanjing Asiatek Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	85,600	General terms and conditions	0.07%
16	ENGA Technology Co., Ltd.	Innovative Systems Integration Limited	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	108,990	General terms and conditions	0.09%
17	Victor Plus Holdings Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	20,993	General terms and conditions	0.04%
17	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	118,075	General terms and conditions	0.10%
17	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	22,217	General terms and conditions	0.04%
17	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	2,197,996	General terms and conditions	3.83%
17	Victor Plus Holdings Ltd.	ENNOMECH PRECISION CO., LTD.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	225,518	General terms and conditions	0.19%
17	Victor Plus Holdings Ltd.	ENNOMECH PRECISION CO., LTD.	Sub-subsidiary to sub-subsidiary	Sales revenue	780,304	General terms and conditions	1.36%
17	Victor Plus Holdings Ltd.	Caswell Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	20,932	General terms and conditions	0.02%
17	Victor Plus Holdings Ltd.	Caswell Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	32,240	General terms and conditions	0.06%
18	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	148,342	General terms and conditions	0.13%
19	EnnoMech Precision (Cayman) Co., Ltd.	Ennoconn Investment Holdings Co.,Ltd	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	12,456	General terms and conditions	0.01%
20	Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Subsidiary company to sub-subsidiary	Other receivables - related parties	75,014	General terms and conditions	0.06%
21	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	110,329	General terms and conditions	0.09%
21	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	324,493	General terms and conditions	0.56%
21	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	4,351	General terms and conditions	0.01%
21	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	9,114	General terms and conditions	0.01%
21	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	51,264	General terms and conditions	0.09%

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
22	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Sales revenue	188,230	General terms and conditions	0.33%
22	Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	304,084	General terms and conditions	0.26%
23	Kontron AG	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L.)	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	400,814	General terms and conditions	0.34%
23	Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	2,131,307	General terms and conditions	1.81%
23	Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	180,031	General terms and conditions	0.15%
23	Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	412,692	General terms and conditions	0.35%
23	Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	157,337	General terms and conditions	0.13%
23	Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	439,109	General terms and conditions	0.37%
23	Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	890,288	General terms and conditions	0.76%
23	Kontron AG	Kontron Hungary Kft. (formerly: S&T Consulting Hungary Kft.)	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	187,683	General terms and conditions	0.16%
23	Kontron AG	Iskratel d.o.o.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	129,321	General terms and conditions	0.11%
23	Kontron AG	Kontron AIS GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	161,974	General terms and conditions	0.14%
23	Kontron AG	RTSoft AO	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	106,725	General terms and conditions	0.09%
24	Kontron Asia Technology Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	175,217	General terms and conditions	0.30%
24	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	324,648	General terms and conditions	0.57%
24	Kontron Asia Technology Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	208,498	General terms and conditions	0.36%
24	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	110,242	General terms and conditions	0.09%
25	Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	420,623	General terms and conditions	0.73%

Code (Note 1)	Company Name	Counterparty	Relationship with Counterparty (Note 2)	Transaction Status			% of Consolidated Total Sales Revenue or Total Assets (Note 3)
				Ledger Account	Amount	Transaction Terms	
26	Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	889,554	General terms and conditions	0.76%
27	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	326,787	General terms and conditions	0.57%
27	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	208,128	General terms and conditions	0.18%
28	Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	112,841	General terms and conditions	0.20%
29	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	599,036	General terms and conditions	1.04%
29	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	462,701	General terms and conditions	0.39%
29	Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	159,597	General terms and conditions	0.14%
29	Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	427,198	General terms and conditions	0.36%
29	Kontron Europe GmbH	ENNOMECH PRECISION Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	576,877	General terms and conditions	0.49%
29	Kontron Europe GmbH	ENNOMECH PRECISION Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	736,712	General terms and conditions	1.28%
30	Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	160,447	General terms and conditions	0.14%
31	Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	202,743	General terms and conditions	0.17%
31	Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	306,378	General terms and conditions	0.26%
32	Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	168,604	General terms and conditions	0.14%

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

(1) Fill in 0 for parent company.

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

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

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

Ennoconn Corporation and Subsidiaries
Re-investment information (excluding investees in mainland China)
June 30, 2023

Table 7

Unit: NT\$thousand

Name of Investor	Name of Investee	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount of shareholding during the period	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
Ennoconn Corporation	Innovative Systems Integration Limited	Hong Kong	Professional investment	1,952,933	1,952,933	518,216,530	100.00%	2,036,516	518,216,530	12,826	12,826	
Ennoconn Corporation	Ennoconn International Investment Co., Ltd.	Taiwan	Professional investment	8,010,000	8,010,000	820,635,000	100.00%	10,734,321	820,635,000	455,291	455,291	
Ennoconn Corporation	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	27.27%	1,113,592	20,000,000	102,851	23,298	
Ennoconn Corporation	Ennoconn Investment Holdings Co.,Ltd	Samoa	Professional investment	9,588,707	9,588,707	309,510,000	100.00%	13,083,405	309,510,000	36,432	36,432	
Ennoconn Corporation	AIS Cayman Technology	Cayman Islands	Professional investment	230,586	230,586	4,028,217	37.64%	484,257	4,028,217	76,326	28,729	
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	108,937	108,242	3,500,000	100.00%	109,207	3,500,000	-	-	
Innovative Systems Integration Limited	Victor Plus Holdings Ltd.	Seychelles	Import and export trading	-	-	500,000	100.00%	13,337	500,000	(163)	(163)	
Ennoconn Investment Holdings Co.,Ltd	AIS Cayman Technology	Cayman Islands	Professional investment	296,873	296,873	6,672,469	62.36%	845,125	6,672,469	139,537	87,012	
Ennoconn Investment Holdings Co.,Ltd	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	5,528,021	5,528,021	16,835,008	26.58%	9,331,249	16,835,008	1,176,063	278,250	
Ennoconn Investment Holdings Co.,Ltd	Ennoconn Hungary Kft.	Hungary	Manufacturing and marketing of industrial computers	2,491,200	2,491,200	300,000	100.00%	2,587,023	300,000	15,765	15,765	
AIS Cayman Technology	American Industrial Systems Inc.	USA	Human-machine interface, industry 4.0, and other related products	46,710	46,710	1,500,000	100.00%	472,422	1,500,000	73,272	73,272	
AIS Cayman Technology	Vecow Co., Ltd.	Taiwan	Communication machinery and equipment, electronic equipment, and electronic devices	50,778	50,778	5,000,000	100.00%	594,454	5,000,000	66,678	66,678	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the end of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
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%	991,469	17,022,831	28,663	16,264	
Ennoconn International Investment Co., Ltd.	Caswell Inc.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	149,500	149,500	3,250,000	4.43%	150,383	3,250,000	95,350	7,245	
Ennoconn International Investment Co., Ltd.	EnnoMech Precision (Cayman) Co., Ltd.	Samoa	Professional investment	429,732	429,732	13,800,000	100.00%	693,561	13,800,000	67,658	67,658	
Ennoconn International Investment Co., Ltd.	Taiwan Applied Module Corporation	Taiwan	Research, design and sales of mobile payment, electronic signature, and information security products	95,029	95,029	10,400,000	100.00%	(56,667)	10,400,000	(1,305)	(1,910)	
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%	(15,527)	10,200,000	(9,234)	(6,031)	
Ennoconn International Investment Co., Ltd.	Dexatek Technology Ltd.	Taiwan	Multimedia product R&D and design & manufacturing business	236,862	236,862	12,600,000	56.00%	347,591	12,600,000	41,603	19,697	
Ennoconn International Investment Co., Ltd.	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	254,336	254,336	750,000	1.18%	494,043	750,000	1,176,526	12,422	
Ennoconn International Investment Co., Ltd.	Marketech International Corp.	Taiwan	High-tech industry plant services and process system planning integration service	4,924,648	4,924,648	83,468,613	42.69%	6,391,878	83,468,613	1,273,421	533,557	
Ennoconn International Investment Co., Ltd.	Poslab Technology Corporation	Taiwan	Manufacturing, wholesale and sales of electronic and peripheral equipment	132,317	132,317	9,100,000	70.00%	107,783	9,100,000	(2,801)	(1,961)	
Ennoconn International Investment Co., Ltd.	RIGO GLOBAL CO., LTD.	Taiwan	Manufacturing, wholesale and sales of electronic and peripheral equipment	32,000	32,000	1,066,667	26.23%	28,660	1,066,667	(3,074)	(806)	
Ennoconn International Investment Co., Ltd.	Renown Information Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	29,600	29,600	2,960,000	37.11%	19,148	2,960,000	(1,818)	(1,356)	
Ennoconn International Investment Co., Ltd.	Arbor Technology Corporation	Taiwan	R&D, assembly, installation, processing, and manufacturing of industrial host control board interface cards	296,000	296,000	16,000,000	16.76%	335,610	16,000,000	75,954	12,730	
Ennoconn International Investment Co., Ltd.	Ennowell Co., Ltd.	Taiwan	Smart building system integration, energy management services, and cloud services	9,000	9,000	1,350,000	30.00%	17,684	1,350,000	10,720	3,216	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount of shareholding during the period	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
EnnoMech Precision (Cayman) Co., Ltd.	HighAim Technology INC.	Samoa	Professional investment	337,658	337,658	3,382,618	67.65%	428,159	3,382,618	20,064	13,573	
EnnoMech Precision (Cayman) Co., Ltd.	ENNOMECH PRECISION Co., Ltd.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	12,336	12,336	1,000,000	100.00%	79,466	1,000,000	51,324	51,324	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Angola	Cloud components	28	28	900	100.00%	21,364	900	3,065	3,065	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Samoa	Cloud components	31	31	1,000	100.00%	16,560	1,000	568	568	
Caswell Inc.	CASO, INC.	Japan	Import and sales of goods related to network machines and computers	27,063	27,063	1,881	99.00%	106,432	1,881	9,345	9,252	
Caswell Inc.	Caswell International investment Co., Ltd.	Samoa	Overseas investments	101,135	101,135	3,205,760	100.00%	175,199	3,205,760	(23,027)	(23,027)	
Caswell Inc.	Caswell Americas, Inc	USA	Sales of netcom products	92,460	92,460	3,000,000	100.00%	77,729	3,000,000	1,047	1,047	
Caswell Inc.	Hawkeye Tech Co., Ltd.	Taiwan	Computer and peripherals wholesale	602,041	602,041	9,096,667	60.64%	507,419	9,096,667	38,845	21,824	
Caswell Inc.	APLIGO GmbH	Germany	Hub and SI Service	60,275	60,275	24,000	66.67%	54,788	24,000	(17,831)	(12,007)	
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Samoa	Professional investment	747,360	747,360	24,000,000	100.00%	231,391	24,000,000	(39,100)	(39,100)	
Goldtek Technology Co., Ltd.	NATIONGATE INTEGRATION (M) SDN.	Malaysia	Electronic manufacturing services	4,072	4,072	600,000	60.00%	4,102	600,000	28	17	
Keenest Electronic Corp.	Techno Precision Co., Ltd.	Hong Kong	Metal stamping and casting industry	318,014	318,014	7,500,000	40.30%	173,826	7,500,000	33,656	13,468	
Techno Precision Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Hong Kong	Finance/Logistics	29,801	29,801	7,500,000	50.00%	141,849	7,500,000	104,761	52,380	
T-Paragon Die Casting Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Thailand	Metal stamping and casting industry	163,978	163,978	186,000,000	100.00%	203,271	186,000,000	21,322	21,322	
Taiwan Applied Module Corporation	Hua Qun Venture Management Corporation	Taiwan	General investment and investment consultancy	400	400	40,000	40.00%	161	40,000	(123)	(49)	
Marketch International Corp.	Marketch Integrated Pte. Ltd.	Singapore	Contracting of automation supply systems business in the semiconductor industry	331,732	292,147	14,636,958	100.00%	52,666	14,636,958	(11)	(11)	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the end of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
Marketech International Corp.	Market Go Profits Ltd.	British Virgin Islands	Shareholding and reinvestment business	1,299,429	1,299,429	40,119,104	100.00%	2,265,675	40,119,104	248,759	248,759	
Marketech International Corp.	MIC-Tech Global Corp.	South Korea	General international trade	19,147	19,147	131,560	100.00%	18,043	131,560	3,323	3,323	
Marketech International Corp.	Headquarter International Ltd.	British Virgin Islands	Shareholding and reinvestment business	42,475	42,475	1,289,367	100.00%	37,324	1,289,367	(248)	(248)	
Marketech International Corp.	Tiger United Finance Ltd.	British Virgin Islands	Shareholding and reinvestment business	46,475	46,475	1,410,367	100.00%	35,033	1,410,367	(121)	(121)	
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Singapore	Contracting of mechanical and electrical installation and other engineering business	29,545	21,804	1,270,133	100.00%	3,496	1,270,133	(711)	(711)	
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Design, manufacture, assembly and other services of automatic production mechanical equipment and components	478,985	478,985	1,535,600	100.00%	141,626	1,535,600	(6,244)	(6,244)	
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trade, installation, and maintenance of various factory machinery, equipment, and peripheral consumables; consultancy services and software execution services related to the installation of computer hardware	271,476	131,060	-	100.00%	222,012	-	(10,809)	(10,809)	
Marketech International Corp.	Marketech Co., Ltd.	Vietnam	Professional engineering contracting and related maintenance services; trading and repair of tools and machines, trading of cosmetics and daily necessities; software production, development, implementation, and programming services; providing installation services for industrial machinery and equipment	72,596	72,596	-	100.00%	2,552	-	(4,068)	(4,068)	
Marketech International Corp.	Ezoom Information, Inc.	Taiwan	R&D, trading, consulting, and other information system software and hardware application services; Sales of medical equipment	230,737	230,737	23,500,000	100.00%	26,801	23,500,000	(34,687)	(34,687)	
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Professional engineering contracting and related maintenance services; medical equipment sales	78,158	82,014	12,242,750	100.00%	10,738	12,242,750	(32,848)	(32,848)	
Marketech International Corp.	Marketech International Corporation USA	USA	Engineering professional contracting and related maintenance services	556,886	259,794	18,450,000	100.00%	1,053,857	18,450,000	67,934	67,934	
Marketech International Corp.	Spiro Technology Systems Inc.	USA	General international trade	54,074	54,074	1,000,000	100.00%	85,211	1,000,000	1,388	1,388	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
Marketech International Corp.	ADAT Technology Co., Ltd.	Taiwan	Research and development, application, and service of information software; Electronic information supply and services; Data processing services	84,119	84,119	5,005,940	25.62%	20,917	5,005,940	(31,288)	(8,015)	
Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment, and parts	38,042	38,042	1,199,000	99.92%	35,298	1,199,000	(1,659)	(1,659)	
Marketech International Corp.	Marketech Netherlands B.V.	Netherlands	International trade business and technical services of machinery, equipment, and components	40,510	40,510	1,200,000	100.00%	1,294	1,200,000	(4,164)	(4,164)	
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%	74,416	5,968,371	18,780	5,491	
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Panel equipment and material sales	2,000	2,000	200,000	20.00%	1,809	200,000	8	2	
Marketech International Corp.	Smart Health Corp.	Taiwan	Smart medical consulting services and investment	500	500	50,000	100.00%	358	50,000	(19)	(19)	
Marketech International Corp.	Vertex Corporation	Taiwan	Trading of equipment used in 5G wireless communication private networks (micro base stations and core networks) and IoT intelligent control gateways; maintaining the DMP cloud object management platform and providing integration services of software management platform, vertical domain IT, and communication system CT	50,000	50,000	5,000,000	61.35%	28,999	5,000,000	(13,161)	(8,074)	
Marketech International Corp.	Bolite Optoelectronics Technology Co., Ltd.	Taiwan	R&D, manufacturing, and sales of precision laser-related modules and equipment, and providing laser application solutions	19,200	19,200	1,600,000	32.00%	20,719	1,600,000	(18,520)	(5,926)	
Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	South Korea	R&D, sales, and professional technical services for medical devices and components; general international trade and import/export business.	41,537	22,822	3,600,000	100.00%	15,637	3,600,000	(11,969)	(11,969)	
Marketech International Corp.	Marketech International Corp. Japan	Japan	General international trade	13,750	2,302	6,000	100.00%	10,125	6,000	(2,821)	(2,821)	
Marketech International Corp.	Advanced Technology Matrix United	USA	Warehousing and logistics services; sales agency business of semiconductor equipment, accessories, consumables and semiconductor materials	60,960	-	2,000,000	68.97%	62,280	2,000,000	-	-	
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman Islands	Shareholding and reinvestment business	1,293,932	1,293,932	40,016,604	100.00%	2,264,336	40,016,604	248,759	-	
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Contracting of mechanical and electrical installation and other engineering business	27,083	19,342	88,500	98.33%	2,957	88,500	(603)	-	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
MIC-Tech Ventures Asia Pacific Inc.	Rusky H.K. Limited	Hong Kong	Shareholding and reinvestment business	34,551	34,551	833,000	100.00%	7,148	833,000	15,355	-	
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Shareholding and reinvestment business	31,422	31,422	2,337,608	100.00%	-	2,337,608	14	-	
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Shareholding and reinvestment business	132,282	132,282	5,400,000	60.00%	29,827	5,400,000	(4,157)	-	
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Shareholding and reinvestment business	8,990	8,990	303,000	31.43%	(5,318)	303,000	(2,977)	-	
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Shareholding and reinvestment business	45,985	45,985	500,000	27.78%	6,687	500,000	612	-	
Rusky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment, and parts	32	32	1,000	0.08%	31	1,000	(1,659)	-	
Kontron AG, Austria	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	-	100,871	-	0.00%	-	10,000,000	-	-	
Kontron AG, Austria	Kontron Bulgaria EOOD (formerly: S&T Bulgaria e.o.o.d., Bulgaria)	Sofia, BG	IoT Solutions Europe	42,971	42,971	13,126	100.00%	105,799	13,126	11,203	11,203	
Kontron AG, Austria	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L., Romania)	Bucharest, RO	IoT Solutions Europe	109,108	109,108	2,461	31.00%	88,073	2,461	2,266	704	
Kontron AG, Austria	S&T Mold srl., Moldova	Chisinau, MD	IT Services	-	60,858	-	0.00%	-	-	10,947	5,583	
S&T Mold srl., Moldova	S&T IT Technologie S.R.L., Moldova	Chisinau, MD	IT Services	-	82	-	0.00%	-	-	(1,428)	(1,428)	
Kontron AG, Austria	Kontron Hungary Kft. (formerly: S&T Consulting Hungary Kft., Hungary)	Budapest, HU	IT Services	403,917	403,917	100,000	100.00%	216,537	100,000	4,061	4,061	
S&T Consulting Hungary Kft., Hungary	Kontron Operations Hungary Kft. (formerly: S&T Services Kft., Hungary)	Budapest, HU	IT Services	122,640	122,640	268,000	100.00%	49,041	268,000	(9,668)	(9,668)	
Kontron S&T AG, Germany	Kontron Asia Inc., Taiwan	Taipei, TW	IT Services	94,570	94,570	13,000	100.00%	175,434	13,000	53,064	53,064	
Kontron AG, Austria	CBCX Technologies GmbH (formerly: computer betting company gmbh, Austria)	Linz, AT	IT Services	1,275,913	1,275,913	36,336	100.00%	455,012	36,336	32,228	32,228	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
computer betting company gmbh, Austria	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L., Romania)	Bucharest, RO	IoT Solutions Europe	57,131	57,131	5,460	69.00%	195,392	5,460	2,266	1,562	
Kontron AG, Austria	SecureGUARD GmbH, Austria	Linz, AT	IT Services	80,164	80,164	92,460	69.00%	34,443	92,460	(7,683)	(5,301)	
Kontron Europe GmbH, Germany	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IT Services	2,387	2,387	3,634	10.00%	72,901	3,634	36,413	3,641	
Kontron Austria GmbH, Austria	Kontron Electronics AG, Switzerland	Rotkreuz, CH	IT Services	-	-	1,000	100.00%	(109,396)	1,000	(1,902)	(1,902)	
Kontron AG, Austria	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IT Services	248,327	248,327	32,702	90.00%	656,105	32,702	36,413	32,772	
Kontron AG, Austria	Kontron Technologies GmbH (former S&T Technologies GmbH), Austria	Linz, AT	IoT Solutions Europe	418,516	418,516	35,000	100.00%	315,380	35,000	4,218	4,218	
Kontron AG, Austria	S&T MEDTECH SRL (former GADA GROUP ROMANIA SRL), Romania	Bucharest, RO	IoT Solutions Europe	394,727	394,727	105,000	100.00%	266,717	105,000	(10,775)	(10,775)	
Kontron Europe GmbH, Germany	Kontron electronics GmbH, Germany	Großbettlingen, DE	IoT Solutions Europe	651,231	651,231	102,150	100.00%	651,483	102,150	(30,366)	(30,366)	
Kontron electronics GmbH, Germany	Kontron Electronics Kft.	Kapoly, HU	IT Services	4,902	4,902	3,000,000	100.00%	107,760	3,000,000	16,106	16,106	
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Ismaning, DE	IoT Solutions Europe	7,078,960	7,078,960	23,600,000	100.00%	4,409,222	23,600,000	277,523	277,523	
Kontron Europe GmbH, Germany	Kontron America Inc.	SAN DIEGO / USA	IoT Solutions Europe	1,115,650	1,115,650	2,036,040	100.00%	418,572	2,036,040	53,845	53,845	
Kontron Europe GmbH, Germany	Kontron Canada Inc.	BOISBRIAND / CANADA	IoT Solutions Europe	2,035,793	2,035,793	50,000,200	100.00%	983,992	50,000,200	4,631	4,631	
Kontron Europe GmbH, Germany	Kontron Asia Pacific Design Sdn. Bhd.	PENANG / MALAYSIA	IoT Solutions Europe	171,461	171,461	44,581,102	100.00%	(134,432)	44,581,102	(6,368)	(6,368)	
Kontron Europe GmbH, Germany	Kontron Technology Beijing Co. Ltd.	BEIJING / CHINA	IoT Solutions Europe	31,047	31,047	15,398,961	100.00%	394,509	15,398,961	11,517	11,517	
Kontron Europe GmbH, Germany	Kontron Modular Computers S.A.S.	Toulon / France	IoT Solutions Europe	174,401	174,401	344,503	100.00%	174,493	344,503	23,061	23,061	
Kontron Europe GmbH, Germany	Kontron UK Ltd.	Chichester / UK	IoT Solutions Europe	57,871	57,871	172,550	100.00%	133,914	172,550	4,178	4,178	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
Kontron AG, Austria	Kontron Transportation GmbH	Vienna, AT	IoT Solutions Europe	368,593	368,593	10,000,000	100.00%	967,272	10,000,000	294,362	294,362	
Kontron Transportation GmbH	Kapsch CarrierCom Sp. z o.o.	Warsaw, PL	IoT Solutions Europe	-	-	100,000	100.00%	(36,418)	100,000	8,795	8,795	
Kontron Transportation GmbH	Kontron Transportation Espana SL (former Kapsch CarrierCom Espana, S.L.U.)	Madrid, Spain	IoT Solutions Europe	-	-	250,000	100.00%	4,772	250,000	(6,969)	(6,969)	
Kontron Transportation GmbH	Kontron Transportation Portugal Unipessoal LDA (former Kapsch CarrierCom - Unipessoal LDA Co., Ltd)	Lisboa, Portugal	IoT Solutions Europe	-	-	5,000	100.00%	37,166	5,000	(4,411)	(4,411)	
Kontron Transportation GmbH	Kontron Transportation s.r.o.	Prague, CZ	IoT Solutions Europe	-	-	30,400,000	100.00%	191,374	30,400,000	109,290	109,290	
Kontron Transportation GmbH	Kontron Transportation Hungary Kft.	Budapest, HU	IoT Solutions Europe	-	-	67,000,000	100.00%	(45,565)	67,000,000	(3,092)	(3,092)	
Kontron Transportation GmbH	Kontron Transportation Deutschland GmbH (former Kapsch CarrierCom Deutschland GmbH)	Neu-Isenburg, GE	IoT Solutions Europe	-	-	25,000	100.00%	(16,280)	25,000	(13,885)	(13,885)	
Kontron Transportation GmbH	Kontron Transportation France S.A.S	Paris, FR	IoT Solutions Europe	-	-	8,600,000	100.00%	191,429	8,600,000	(20,994)	(20,994)	
Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Harrow, UK	IoT Solutions Europe	-	-	415,950	100.00%	113,337	415,950	14,022	14,022	
Kontron Transportation GmbH	Kontron Public Transportation (former: Kontron Transportation Belgium NV)	Diegem, BE	IoT Solutions Europe	-	-	11,318,887	99.00%	(27,803)	11,318,887	(14,329)	(14,324)	
Kontron AG, Austria	Kontron AIS GmbH	Dresden, Germany	IoT Solutions Europe	445,450	445,450	51,000	100.00%	409,243	51,000	6,136	6,136	
Kontron AG, Austria	Kontron Beteiligungs GmbH	Augsburg, DE	IoT Solutions Europe	7,105,022	7,105,022	25,001	100.00%	7,595,661	25,001	-	-	
Kontron AG, Austria	Iskratel d.o.o.	Kranj, SI	IoT Solutions Europe	2,046,421	2,046,421	109,275	100.00%	1,732,172	109,275	1,202	1,202	
ITS Skopje	ITS Softver d.o.o	Skopje, MK	IoT Solutions Europe	169	169	309,000	100.00%	15,123	309,000	1,059	1,059	

Investor Name	Invested Company Name	Location	Primary Business	Original Investment Amount		Amount held at the End of the Period			The highest amount at the end of period Shareholding Obtained	Profit or Loss of the Investee for the Period	Recognized Investment Profit or Loss for the Period	Remarks
				End of the Period	End of Previous Year	Shares	Percentage %	Book value				
Iskratel d.o.o.	IskraCom	Almaty, KZ	IoT Solutions Europe	-	-	15,365,000	100.00%	1,051	15,365,000	(4,988)	(4,988)	
Iskratel d.o.o.	OOO Iskratel Tashkent	Tashkent, UZ	IoT Solutions Europe	64	64	8,798,207	76.00%	12,344	8,798,207	2,098	1,595	
Iskratel d.o.o.	AO IskraUralTel Yekaterinburg	Yekaterinburg, RU	IoT Solutions Europe	38,238	38,238	760,000	48.00%	444,724	760,000	97,901	97,901	
AO IskraUralTel Yekaterinburg	RTSoft, AO	Moscow, RU	IT Services	259,337	259,337	1,000,000	100.00%	(76,682)	1,000,000	(42,497)	(42,497)	
Kontron AIS GmbH	LUCOM GmbH	Fürth, DE	IoT Solutions Europe	169,050	169,050	26,076	100.00%	172,963	26,076	530	530	
Kontron Transportation Espana SL	Arce Mobility Solutions S.A.U.	Bilbao, ES	IoT Solutions Europe	256,956	256,956	60,000	100.00%	261,797	60,000	4,729	4,729	

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

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

Note 3: Kontron AG, Austria previously held 100% of Kontron S&T AG, Germany directly. Due to the adjustment of the organizational structure, it indirectly held Kontron S&T AG, Germany through the establishment of Kontron Beteijigungs GmbH.

Note 4: The original investment amount in the relevant information of the invested company is converted at the end of period exchange rate of Taiwan Bank.

Ennoconn Corporation and Subsidiaries
Information on Investments in Mainland China
For the six months ended June 30, 2023

Table 8

Unit: NT\$thousand

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

Name of Investee in mainland China	Primary Business	Paid-in Capital	Investment Method	Accumulated Investment Amount Remitted Out of Taiwan at the Beginning of the Period	Amount of Investment Remitted or Repatriated for the Period		Accumulated Investment Amount Remitted Out of Taiwan at the End of the Period	Current (loss) profit of the investee company for the period	Company's Direct or Indirect Investment Shareholding Ratio	The Highest Amount of Shareholding or Capital Contribution During the Period	Investment (loss) profit recognized for the period	Carrying Amount of the Investment at the End of the Period	Repatriated investment income by year end
					Remitted	Repatriated							
Nanjing Asiatek Inc.	R&D and sales of software and hardware products, and providing installation, commissioning, and technical consultation	93,420	(2)	32,306	-	-	32,306	24,018	100.00%	100.00%	24,018	202,043	-
Shenzhen Asiatek Inc.	Metal products, plastic products	128,400	(3)	-	-	-	-	15,765	0.00%	25.00%	3,941	-	-
Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	540,156	(2)	303,492	-	-	303,492	(578)	100.00%	100.00%	(578)	501,040	-
Ennoconn (Suzhou) Technology Co., Ltd.	R&D, production, and sales of industrial computers	934,200	(2)	934,200	-	-	934,200	13,214	100.00%	100.00%	13,214	688,771	-
Ennoconn (Kunshan) Technology Co., Ltd.	Intelligent technology development and hardware sales	16,416	(3)	-	-	-	-	(873)	70.00%	70.00%	(611)	13,815	-
Ennoconn Investment Co., Ltd.	Professional investment	622,800	(2)	622,800	-	-	622,800	3,058	100.00%	100.00%	3,058	607,562	-
Beijing Caswell Ltd.	Production and sales of network communication products	118,332	(2)	97,032	-	-	97,032	(28,080)	25.99%	25.99%	(7,299)	61,168	-
HighAim Technology Inc.	Design, research, development, and production of various molds, service enterprises, and communication equipment	622,800	(2)	337,651	-	-	-	8,644	67.65%	67.65%	5,848	62,449	-
Kunshan Lidingcheng Intelligent Equipment Co., Ltd.	Leasing, sales, and after-sales service of smart machines, equipment, and accessories.	4,280	(3)	-	-	-	-	(1)	67.65%	67.65%	(1)	(8,488)	-
Goldtek Technology (Shenzhen) Co., Ltd.	Research, design and sales service of electronic products, communication devices and their spare parts, and after-sales service of the above products.	404,820	(2)	404,820	-	-	404,820	(53,752)	56.74%	56.74%	(30,500)	(49,685)	-
Techno Precision ShenZhen Co., Ltd.	Stamping/assembly	91,402	(2)	-	-	-	-	(2,299)	22.87%	22.87%	(526)	(26,664)	-
T-Paragon Die Casting ShenZhen Co., Ltd.	Zinc/aluminum alloy die casting	19,870	(2)	-	-	-	-	67,017	11.43%	11.43%	7,662	24,117	-
Goldtek Technology Trade (Shenzhen) Co., Ltd.	Sales of electronic products and electronic special materials	2,141	(2)	-	-	-	-	(718)	56.74%	56.74%	(407)	400	-

Investee in mainland China Company Name	Primary Business	Paid-in Capital Capital amount	Investment Method	Accumulated Investment Amount Remitted Out of Taiwan at the Beginning of the Period	Outward remittance or collection for the period Investment amount received		Accumulated Investment Amount Remitted Out of Taiwan at the End of the Period	Current (loss) profit of the investee company for the period	Company's Direct or Indirect Investment Shareholding Ratio	The Highest Amount of Shareholding or Capital Contribution During the Period	Investment (loss) profit recognized for the period	Investment at the end of the period Carrying Amount	Repatriated investment income by year end
					Remitted	Repatriated							
MIC-Tech (Wuxi) Co., Ltd.	Production and sales of semiconductor devices, intelligent warehousing equipment, lighting fixtures, masks, and labor protection products; Manufacturing of packaging specialized equipment	794,070	(2)	638,370	-	-	638,370	(31,838)	42.69%	42.69%	(13,469)	45,692	-
MIC-Tech (Shanghai) Corp.	Sales, commission agency, import and export, and other related supporting businesses of equipment and consumables, chemicals, spare parts, etc. in the semiconductor industry and other industries; Equipment installation and maintenance services; Trade agency and business consulting services within the bonded area;	256,625	(2)	15,570	-	-	15,570	175,666	42.69%	42.69%	74,992	370,325	217,487
Shanghai Maohua Electronics Engineering Co., Ltd.	Design, installation, debugging, and technical services for pesticide control and regeneration, pipeline systems, and related facilities for the semiconductor manufacturing industry, equipment maintenance for the semiconductor manufacturing industry	18,684	(2)	18,777	-	-	18,777	18,056	37.14%	37.14%	6,706	2,012	-
MIC-Tech Electronics Engineering Corp.	Mechanical and electrical installation construction engineering construction, building decoration and decoration construction engineering professional construction, intelligent building construction engineering professional construction, electronic construction engineering professional construction, and related technical services and consulting	548,656	(2)	265,313	-	-	265,313	97,398	42.69%	42.69%	41,579	368,040	112,742
Integrated Manufacturing & Services Co., Ltd.	Development and production of specialized equipment for solar cell production, manufacturing of key components for large screen color projection displays, manufacturing of new electronic components, and cleaning and regeneration services	217,980	(2)	121,446	-	-	121,446	(4,157)	25.61%	25.61%	(1,065)	12,401	-
MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency, import and export, installation, maintenance and other related supporting businesses of chemical products, semiconductor and solar energy equipment consumables, mechanical equipment and its accessories; Trade agency and business consulting services within the bonded area	46,710	(2)	46,710	-	-	46,710	30,121	42.69%	42.69%	12,859	60,439	-
Macrotec Technology (Shanghai) Co. Ltd.	Wholesale, commission agency, import/export of electronic products, 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	29,798	(2)	9,365	-	-	9,365	(2,977)	13.42%	13.42%	(399)	(2,272)	-
Fortune International Corporation	Research and development, design, manufacturing, sales, installation, maintenance, and technical services of semiconductor related equipment and materials; Supply chain and property management services; Park management accommodation services; Venue rental, conference, exhibition, warehousing services	56,052	(2)	15,570	-	-	15,570	612	11.86%	11.86%	73	2,840	-

(b) 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 Corporation	1,869,141	2,911,437	11,577,551
Goldtek Technology Co., Ltd.	723,094	723,094	961,337
Caswell Inc.	97,032	97,032	1,967,008
Ennoconn International Investment Co., Ltd.	333,430	445,317	6,437,866
Marketech International Corp.	1,220,377	1,731,415	5,921,839

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

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

Note 2: Column of Investment Profit or Loss Recognized for Period:

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

Note 3: The conversion rate is the spot average exchange rate of the Bank of Taiwan on June 30, 2023.

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