

Ennoconn Corporation and subsidiaries
Consolidated Financial Statements and
Independent Auditors' Review Report
For the Nine Months Ended September 30, 2023 and 2022

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

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Independent Auditors' Review Report

To the Board of Directors of Ennoconn Corporation:

Foreword

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

Scope of Review

We conducted our reviews in accordance with 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 September 30, 2023 and 2022, these subsidiaries had total assets of NT\$1,289,612 thousand and NT\$ 3,458,964 thousand, representing 1.05% and 3.09% of the consolidated total assets; and total liabilities of NT\$337,026 thousand and NT\$1,977,439 thousand, representing 0.46% and 2.58% of the

consolidated total liabilities; and they realized comprehensive profit (loss) of NT\$52,443 thousand, NT\$134,481 thousand and NT\$195,331 thousand and NT\$197,997 thousand for the three months ended September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022, respectively, representing 2.66%, 6.28% and 3.62% and 4.25% 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 using equity method of Ennoconn Corporation and its subsidiaries amounted to NT\$559,118 thousand and NT\$214,036 thousand as of September 30, 2023 and 2022. The profit or loss of associates accounted for using the equity method were NT\$19,634 thousand, NT\$10,675 thousand, NT\$32,364 thousand and NT\$6,975 thousand for the three months ended September 30, 2023 and 2022 and for the nine months ended September 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 September 30, 2023 and 2022, and of its consolidated financial performance for the three months ended September 30, 2023 and 2022, and for the nine months ended September 30, 2023 and 2022, and its consolidated cash flows for the nine months ended September 30, 2023 and 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG

CPA:

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

November 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

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

Unit: in thousands of TWD

Assets		2023.9.30		2022.12.31 (after restatement)		2022.9.30 (after restatement)		2022.1.1 (after restatement)		Liabilities and Equity		2023.9.30		2022.12.31 (after restatement)		2022.9.30 (after restatement)		2022.1.1 (after restatement)			
		Amount	%	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Current assets:																					
1100	Cash and cash equivalents (Notes VI (a) and (x))	\$	20,730,708	17	25,963,256	22	14,010,212	12	17,522,321	17	2100	Short-term loans (Notes VI (m) and (x))	\$	12,533,490	10	15,115,437	13	14,637,308	13	9,476,954	9
1110	Financial assets measured at fair value through profit and loss - current (Note VI (x))		104,871	-	103,087	-	66,735	-	189,816	-	2120	Financial liabilities measured at fair value through profit and loss - current (Note VI (x))		-	-	215	-	7,188	-	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))		10,643,842	10	9,508,609	8	9,882,831	9	7,151,404	7
1136	Financial assets measured at amortized cost - current (Notes VI (x) and VIII)		190,892	-	23,655	-	148,649	-	864,112	1	2150	Notes payable (Note VI (x))		1,694,357	1	2,159,990	2	2,101,949	2	1,721,962	2
1140	Contract assets - current (Notes VI (u) and (x))		14,889,179	13	10,834,081	9	10,638,604	9	9,538,944	10	2160	Notes payable - related parties (Notes VI (x) and VII)		5,360	-	7,487	-	14,744	-	15,218	-
1150	Notes receivable, net (Notes VI(b), (u), and (x))		166,079	-	42,133	-	88,092	-	60,171	-	2170	Accounts payable (Note VI (x))		17,217,680	14	19,229,648	16	19,666,273	18	18,718,569	19
1170	Accounts receivable, net (Notes VI (b), (u), (x) and VIII)		16,874,664	14	17,111,050	14	19,856,484	18	16,550,819	16	2180	Accounts payable - related parties (Notes VI (x) and VII)		38,821	-	151,330	-	91,140	-	709,342	1
1180	Accounts receivable - related parties, net (Notes VI(b), (u), (x), and VII)		235,652	-	279,448	-	152,918	-	769,363	1	2200	Other payables - related parties (Notes VI (x) and VII)		5,076,020	4	5,210,456	4	4,767,036	4	5,181,431	5
130X	Inventories (Notes VI (c) and VIII)		23,770,197	19	21,987,870	19	24,535,438	22	15,971,415	16	2230	Current income tax liabilities		1,212,701	1	963,755	-	633,499	1	454,685	-
1460	Other non-current assets held for sale (Note VI (d))		-	-	206,496	-	-	-	-	-	2250	Provisions for liabilities - current		965,920	1	887,944	1	877,632	1	992,243	1
1470	Other current assets (Note VI (l))		8,389,047	7	9,540,219	8	6,416,154	6	4,917,814	5	2260	Liabilities directly related to non-current assets held for sale (Note VI (d))		-	-	155,725	-	-	-	-	-
	Total current assets		85,351,289	70	86,091,295	72	75,913,286	67	66,481,547	66	2280	Lease liabilities - current (Note VI (x))		1,146,147	1	1,073,368	1	1,220,791	1	974,736	1
	Non-current assets:									2321	Corporate bonds with maturity or a put option due within one year or one operating cycle (Notes VI (o) and (x))		1,765,139	1	812,275	1	166,815	-	1,137,035	1	
1510	Financial assets measured at fair value through profit and loss - non-current (Note VI (x))		1,469,806	1	1,046,133	1	1,066,576	1	984,540	1	2322	Long-term loans with maturity due within one year or one operating cycle (Notes VI (n) and (x))		4,498,239	4	1,369,006	1	1,365,398	1	11,926	-
1517	Financial assets measured at fair value through other comprehensive income - non-current (Note VI (x))		1,308,525	1	1,031,281	1	1,058,522	1	829,983	1	2399	Other current liabilities		593,556	-	954,521	1	1,072,760	1	768,632	1
1550	Investments accounted for using equity method (Note VI(e))		587,688	-	553,155	-	536,521	-	128,693	-		Total current liabilities		57,391,272	47	57,599,766	48	56,505,364	51	47,314,850	47
1600	Property, plant, and equipment (Note VI (j))		6,961,437	6	6,209,063	5	6,624,377	6	6,697,993	7		Non-current liabilities:									
1755	Right-of-use assets (Note VIII)		4,238,945	3	3,263,759	3	3,466,774	3	2,977,436	3	2500	Financial liabilities measured at fair value through profit and loss - non-current (Note VI (x))		-	-	1,423	-	-	-	-	-
1760	Investment properties, net		50,675	-	51,099	-	51,109	-	51,656	-	2530	Corporate bonds payable (Notes VI (o) and (x))		7,090,912	6	7,996,895	7	8,621,167	8	8,967,735	9
1805	Goodwill (Notes VI (f) and (k))		14,049,276	12	13,300,272	11	13,897,508	12	13,285,999	13	2540	Long-term loans (Notes VI (n) and (x))		2,919,597	3	6,713,309	6	6,584,740	6	7,833,098	8
1821	Other intangible assets (Note VI (k))		5,608,692	5	5,174,060	5	6,203,519	6	6,374,149	6	2550	Provisions for liabilities - non-current		456,893	-	433,136	-	477,171	-	485,942	-
1840	Deferred tax assets (Note VI (q))		1,570,326	1	1,534,717	1	1,728,612	3	1,614,123	2	2570	Deferred tax liabilities		600,074	1	504,114	1	819,026	1	584,675	1
1960	Prepayments for investments		86,242	-	22,944	-	31,750	-	27,680	-	2580	Lease liabilities - non-current (Note (x))		3,473,197	3	2,591,985	2	2,673,059	2	2,485,942	2
1990	Other non-current assets (Note VI (l))		977,984	1	1,015,264	1	1,519,370	1	1,221,508	1	2640	Net defined benefit liability - non-current		578,328	-	373,121	-	476,765	-	475,690	1
	Total non-current assets		36,909,596	30	33,201,747	28	36,184,638	33	34,193,760	34	2670	Other non-current liabilities		442,106	-	362,757	-	563,364	1	1,156,520	1
												Total non-current liabilities		15,561,107	13	18,976,740	16	20,215,292	18	21,989,602	22
												Total liabilities		72,952,379	60	76,576,506	64	76,720,656	69	69,304,452	69
												Equity attributable to owners of parent (Notes VI (r) and (s)):									
											3110	Share capital		1,282,162	1	1,060,370	1	1,060,370	1	1,018,120	1
											3200	Capital surplus		14,129,048	11	9,285,324	8	9,295,161	8	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		4,198,229	3	3,515,665	3	1,433,277	1	1,157,465	1
												Total retained earnings		6,265,677	5	6,096,676	5	4,014,288	4	2,922,950	3
											3400	Other equity		(225,731)	-	(905,934)	(1)	(782,364)	(1)	(1,768,490)	(2)
											3500	Treasury stock		-	-	-	-	-	-	(233,608)	-
												Total equity attributable to owners of parent		21,451,156	17	15,536,436	13	13,587,455	12	10,804,752	11
											36XX	Non-controlling interests (Note VI (i))		27,857,350	23	27,180,100	23	21,789,813	19	20,566,103	20
												Total Equity		49,308,506	40	42,716,536	36	35,377,268	31	31,370,855	31
	Total assets	\$	122,260,885	100	119,293,042	100	112,097,924	100	100,675,307	100		Total Liabilities and Equity	\$	122,260,885	100	119,293,042	100	112,097,924	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 September 30, 2023 and 2022 and for the nine months ended September 30, 2023 and 2022

Unit: in thousands of TWD

	July to September, 2023		July to September, 2022 (after restatement)		January to September, 2023		January to September, 2022 (after restatement)	
	Amount	%	Amount	%	Amount	%	Amount	%
4100 Sales revenue, net (Notes VI (u) and VII)	\$ 29,962,664	100	29,172,268	100	87,415,561	100	75,004,535	100
5000 Operating costs (Notes VI (c), (j), (k), (p), (v) and VII)	23,897,709	80	24,017,285	82	70,107,808	80	60,919,171	81
5900 Gross profit	6,064,955	20	5,154,983	18	17,307,753	20	14,085,364	19
Operating expenses (Notes VI (b), (j), (k), (p) and (v)):								
6100 Selling expenses	866,800	3	778,822	3	2,434,002	3	1,965,863	3
6200 Administrative expenses	1,418,853	4	1,484,087	5	4,061,371	5	3,846,979	5
6300 Research and development expense	2,373,332	8	1,784,234	6	6,503,068	7	5,481,071	7
6450 Expected credit impairment losses	25,898	-	63,378	-	174,588	-	168,352	-
Total operating expenses	4,684,883	15	4,110,521	14	13,173,029	15	11,462,265	15
6900 Net operating profit	1,380,072	5	1,044,462	4	4,134,724	5	2,623,099	4
Non-operating income and expenses (Notes VI (e), (h) and (w)):								
7100 Interest income	109,866	-	17,458	-	341,494	-	41,219	-
7190 Other income	33,024	-	15,822	-	46,284	-	26,036	-
7020 Other gains and losses	769,445	3	774,881	2	2,077,745	2	1,779,442	2
7050 Financial costs	(315,153)	(1)	(129,587)	-	(797,896)	-	(372,400)	(1)
7060 Share of profit or loss of associates accounted for using the equity method	4,553	-	20,569	-	22,446	-	25,213	-
Total non-operating income and expenses	601,735	2	699,143	2	1,690,073	2	1,499,510	1
Net profit before tax	1,981,807	7	1,743,605	6	5,824,797	7	4,122,609	5
7950 Less: Income tax expenses (Note VI (q))	439,942	2	419,682	1	1,597,970	2	1,107,628	1
8000 Net profit for continuing operations	1,541,865	5	1,323,923	5	4,226,827	5	3,014,981	4
8100 Gain or loss on discontinued operations (Note XII (c))	6,439	-	94,160	-	59,715	-	262,840	-
8200 Net income for the period	1,548,304	5	1,418,083	5	4,286,542	5	3,277,821	4
8300 Other comprehensive income:								
8310 Items that will not be reclassified to profit or loss								
8311 Remeasurements of defined benefit plans	319	-	-	-	1,853	-	-	-
8316 Unrealized gains or losses on investments in equity instruments measured at fair value through other comprehensive income	(56,022)	-	(30,589)	-	(69,887)	-	25,729	-
8320 Share of other comprehensive income of associates accounted for using the equity method	-	-	519	-	-	-	532	-
8349 Less: Income tax related to items that will not be reclassified to profit or loss	19,203	-	-	-	19,203	-	-	-
Total of components of other comprehensive income that will not be reclassified to profit or loss	(74,906)	-	(30,070)	-	(87,237)	-	26,261	-
8360 Components of other comprehensive income that will be reclassified to profit or loss								
8361 Exchange differences on translation of foreign financial statements	498,474	2	754,663	2	1,206,364	1	1,360,179	2
8370 Share of other comprehensive income of associates accounted for using the equity method (Note VI (e))	2,576	-	2,338	-	1,324	-	2,243	-
8399 Less: Income tax related to items that will be reclassified to profit or loss	6,187	-	-	-	7,764	-	-	-
Total of components of other comprehensive income that will be reclassified to profit or loss	494,863	2	757,001	2	1,199,924	1	1,362,422	2
8300 Other comprehensive income for period	419,957	2	726,931	2	1,112,687	1	1,388,683	2
Total comprehensive income for period	\$ 1,968,261	7	2,145,014	7	5,399,229	6	4,666,504	6
Net income for the period attributable to:								
Owners of parent	\$ 762,627	2	653,387	2	1,834,880	2	1,409,449	2
Non-controlling interests	785,677	3	764,696	3	2,451,662	3	1,868,372	2
	\$ 1,548,304	5	1,418,083	5	4,286,542	5	3,277,821	4
Total comprehensive income attributable to:								
Owners of parent	\$ 1,040,119	4	1,166,275	4	2,453,924	3	2,395,575	3
Non-controlling interests	928,142	3	978,739	3	2,945,305	3	2,270,929	3
	\$ 1,968,261	7	2,145,014	7	5,399,229	6	4,666,504	6
9750 Basic earnings per share (Unit: TWD) (Note VI (t))	\$ 6.02		6.16		15.91		13.31	
9850 Diluted earnings per share (Unit: TWD) (Note VI (t))	\$ 5.15		4.67		12.65		10.19	

(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 nine months ended September 30, 2023 and 2022

Unit: in thousands of TWD

	Equity attributable to owners of parent						Other equity interests						
	Retained earnings					Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at FVTOCI	Total	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings								
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 the period	-	-	-	-	1,409,449	1,409,449	-	-	-	-	1,409,449	1,868,372	3,277,821
Other comprehensive income for period	-	-	-	-	-	-	963,775	22,351	986,126	-	986,126	402,557	1,388,683
Total comprehensive income for period	-	-	-	-	1,409,449	1,409,449	963,775	22,351	986,126	-	2,395,575	2,270,929	4,666,504
Legal reserve	-	-	57,960	-	(57,960)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	757,566	(757,566)	-	-	-	-	-	-	-	-
Cash dividends 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 associates accounted for using the equity method	-	7,387	-	-	-	-	-	-	-	-	7,387	-	7,387
Changes in ownership interests in subsidiaries	-	16,630	-	-	-	-	-	-	-	-	16,630	(16,630)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,178,913)	(1,178,913)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	148,324	148,324
Balance as of September 30, 2022	\$ 1,060,370	9,295,161	812,521	1,768,490	1,433,277	4,014,288	(709,548)	(72,816)	(782,364)	-	13,587,455	21,789,813	35,377,268
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 the period	-	-	-	-	1,834,880	1,834,880	-	-	-	-	1,834,880	2,451,662	4,286,542
Other comprehensive income for period	-	-	-	-	515	515	615,636	2,893	618,529	-	619,044	493,643	1,112,687
Total comprehensive income for period	-	-	-	-	1,835,395	1,835,395	615,636	2,893	618,529	-	2,453,924	2,945,305	5,399,229
Legal reserve	-	-	348,993	-	(348,993)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(862,556)	862,556	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(1,604,720)	(1,604,720)	-	-	-	-	(1,604,720)	-	(1,604,720)
The issuance of convertible bonds resulted in the recognition of stock options.	-	166,193	-	-	-	-	-	-	-	-	166,193	-	166,193
Changes in associates accounted for using the equity method	-	2,764	-	-	-	-	-	-	-	-	2,764	-	2,764
convertible bonds converted	221,792	4,431,911	-	-	-	-	-	-	-	-	4,653,703	-	4,653,703
Changes in ownership interests in subsidiaries	-	242,856	-	-	-	-	-	-	-	-	242,856	(242,856)	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,419,751)	(2,419,751)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	394,552	394,552
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(61,674)	(61,674)	-	61,674	61,674	-	-	-	-
Balance as of September 30, 2023	\$ 1,282,162	14,129,048	1,161,514	905,934	4,198,229	6,265,677	(214,631)	(11,100)	(225,731)	-	21,451,156	27,857,350	49,308,506

(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 nine months ended September 30, 2023 and 2022

Unit: in thousands of TWD

	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Cash flows of operating activities:		
Net profit before tax of continuing operations	\$ 5,824,797	4,122,609
Net income before tax of discontinued operations	62,121	362,052
Net profit before tax for the period	<u>5,886,918</u>	<u>4,484,661</u>
Adjustments:		
Adjustments for:		
Depreciation expenses	1,286,085	1,312,132
Amortization expenses	697,129	922,377
Expected credit impairment losses	174,588	168,352
Net (profit) loss of financial assets or liabilities measured at fair value through profit or loss	(422,655)	194,501
Interest expenses	797,896	406,880
Interest income	(341,494)	(43,738)
Dividend income	(30,238)	(13,704)
Share-based payment remuneration	-	133
Share of profits of associates accounted for using the equity method	(22,446)	(25,213)
Losses (Gains) on disposal of property, plant and equipment	20,672	(16,279)
Gains on disposal of investment income	(115,325)	(43,172)
Gains on disposal of non-current assets held for sale	(43,089)	-
Losses (Gains) on lease modification	(55)	133
Inventory falling price loss	1,169	63,916
Inventory scrap loss	124,347	23,503
Total adjustments to reconcile profit (loss)	<u>2,126,584</u>	<u>2,949,821</u>
Changes in operating assets and liabilities:		
Contract assets	(3,974,088)	(1,099,660)
Notes and accounts receivable	817,156	(3,439,827)
Inventories	(1,385,000)	(8,849,283)
Other current assets	1,265,199	(1,566,543)
Contract liabilities	1,021,828	2,731,427
Notes payable (including related parties)	(467,760)	379,513
Accounts payable (including related parties)	(2,788,162)	1,062,655
Other payables	35,938	(268,871)
Liability provisions	(295,757)	(125,264)
Other current liabilities	(717,741)	366,415
Other liabilities	283,542	(592,332)
Total adjustments	<u>(4,078,261)</u>	<u>(8,451,949)</u>
Net cash inflow (outflow) generated from operations	<u>1,808,657</u>	<u>(3,967,288)</u>
Interest received	341,494	43,738
Dividends received	30,238	13,704
Interest paid	(732,142)	(345,229)
Income taxes paid	(1,300,870)	(921,136)
Net cash inflow (outflow) from operating activities	<u>147,377</u>	<u>(5,176,211)</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
Consolidated Statements of Cash Flows (Continued)
For the nine months ended September 30, 2023 and 2022

Unit: in thousands of TWD

	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Cash flows of investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	\$ (156,785)	(207,913)
Disposal of financial assets measured at fair value through other comprehensive income	136,448	-
Acquisition of financial assets measured at amortized cost	(191,049)	-
Disposal of financial assets measured at amortized cost	27,773	715,463
Acquisition of financial assets measured at FVTPL	(251,118)	(119,539)
Disposal of financial assets measured at FVTPL	30,849	29,699
Proceeds from capital reduction of investments of financial assets measured at FVTPL	1,215	19,244
Acquisition of investments accounted for using equity method	(48,840)	(305,000)
Disposal of investments accounted for using equity method	132,354	30,883
Increase in prepayments for investments	(96,765)	(4,070)
Acquisition of subsidiaries (after deduction of cash obtained)	(789,945)	(152,688)
Disposal of subsidiaries	72,448	45,441
Disposal of non-current assets held for sale	(52,462)	-
Acquisition of property, plant and equipment	(1,083,634)	(759,350)
Disposal of property, plant and equipment	34,616	150,723
Acquisition of intangible assets	(621,839)	(705,750)
Disposal of intangible assets	13,342	-
Acquisition of right-of-use assets	(3,214)	-
Increase in other non-current assets	(29,738)	(287,241)
Net cash outflow from investing activities	<u>(2,876,344)</u>	<u>(1,550,098)</u>
Cash flows of financing activities:		
Increase (decrease) in short-term loans	(2,505,795)	5,241,793
Proceeds from issuing bonds	5,504,450	-
Repayments of bonds	(151,957)	(1,139,508)
Proceeds from long-term loans	564,355	105,114
Repayments of long-term loans	(1,273,099)	-
Decrease in financial liabilities designated as measured at fair value through profit or loss	(20)	-
Repayments of lease principal	(790,761)	(496,293)
Distribution of cash dividends	(1,604,720)	(742,259)
Capital increase by cash	-	1,105,370
Cash dividends paid to non-controlling interests	(2,414,748)	(1,178,913)
Changes in non-controlling interests	(241,216)	(27,580)
Net cash outflow from financing activities	<u>(2,913,511)</u>	<u>2,867,724</u>
Effect of exchange rate changes on cash and cash equivalents	409,930	346,476
Decrease in cash and cash equivalents for the period	(5,232,548)	(3,512,109)
Cash and cash equivalents at beginning of period	<u>25,963,256</u>	<u>17,522,321</u>
Cash and cash equivalents at end of period	<u>\$ 20,730,708</u>	<u>14,010,212</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 Nine Months Ended September 30, 2023 and 2022
(Expressed in thousands of TWD, 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 (hereinafter collectively as “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 November 14, 2023.

III. Application of New and Amended Standards and Interpretations

- (a) The impact of adopting new and amended International Financial Reporting Standards (IFRSs) endorsed by the Financial Supervisory Commission, R.O.C. (FSC)

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 tax assets and liabilities for the

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

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:

	2023.9.30	2022.12.31	2022.9.30	2022.1.1
Deferred tax assets	\$ 203,234	128,229	138,884	49,414
Deferred tax liabilities	186,689	123,083	133,174	48,746
Retained earnings	6,709	2,202	2,454	294
Non-controlling interests	5,358	2,944	3,256	374
	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022

Income tax

expense (gains)	\$ (5,299)	(2,878)	(11,399)	(5,042)
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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

In addition, the Group has applied the amendment to IAS 12, International Tax Reform - Pillar Two Model Rules, since May 23, 2023. This amendment provides a temporary mandatory exemption and retrospective application for the accounting treatment of deferred income tax related to taxes. Furthermore, starting from the reporting period beginning on January 1, 2023, the Group has added disclosures of the volatile information related to Pillar Two income tax. However, as of December 31, 2022, the Group's location of operation is not subject to any country's enacted or substantively enacted top-up tax legislation, nor has it recognized any relevant deferred income taxes. Therefore, the retrospective application of this amendment has no impact on the consolidated financial statements. The Group is closely monitoring the legislative progress of implementing the global minimum tax rate in the jurisdictions where it operates. It is expected that the mandatory exemption and new disclosure requirements will be disclosed in the consolidated financial statements for the year ending December 31, 2023.

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

(b) The impact of not adopting the IFRSs endorsed by the FSC

The Group has assessed the application of the following newly revised IFRSs effective from January 1, 2024, and it would not have a significant impact on the consolidated financial statements.

- Amendment to IAS 1, Classification of Liabilities as Current or Non-current
- Amendment to IAS 1, Non-current Liabilities with Covenants
- Amendment to IAS 7 and IFRS 7, Supplier Finance Arrangements
- Amendment to IFRS 16, Lease Liability in a Sale and Leaseback

(c) The impact of new and amended IFRSs not yet endorsed by the FSC

The Group expects that the following newly issued and revised standards which have yet been endorsed by the FSC will not have a significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate/Joint Venture
- IFRS 17, Insurance Contracts and amendments to IFRS 17
- Amendments to IFRS 17, Initial Application of IFRS 17 and IFRS 9 - Comparative Information
- IAS 21, Lack of Exchangeability

IV. Summary of Significant Accounting Policies

(a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the Regulations), as well as IAS 34, Interim Financial Reporting, which has been endorsed and put into effect by the FSC. The consolidated financial statements do not include all the necessary information that should be disclosed in the full annual consolidated financial report prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Announcements endorsed and issued by the FSC (hereinafter referred to as the IFRSs endorsed by FSC).

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

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

(b) Basis for Consolidation

1. Subsidiaries included in consolidated financial statements

Subsidiaries included in the consolidated financial statements are as follows:

Name of investor	Name of subsidiary	Nature of business	Proportion of ownership (%)			Remark
			2023.9.30	2022.12.31	2022.9.30	
The Company	Innovative Systems Integration Limited (Innovation Systems)	Professional investment	100.00%	100.00%	100.00%	
The Company	Ennoconn International Investment Co., Ltd. (Ennoconn International)	Professional investment	100.00%	100.00%	100.00%	
The Company	Ennoconn Investment Holdings Co., Ltd (EIH)	Professional investment	100.00%	100.00%	100.00%	
The Company and EIH	AIS Cayman Technology (AIS Cayman)	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)	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	31.70%	31.77%	31.77%	Note 1
Innovation Systems	Nanjing Asiatek Inc. (Nanjing Asiatek)	Research, development and sales of software and hardware products. Installation, commissioning, and technical consultation services.	100.00%	100.00%	100.00%	
Innovation Systems	ENGA Technology Co., Ltd.	Wholesale, manufacturing, service, and import/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)	Import and export trading	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	Ennoconn Investment Co., Ltd. (Ennoconn Investment)	Professional investment	- %	100.00%	100.00%	Note 2
Innovation Systems and Ennoconn Investment	Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	- %	100.00%	100.00%	Note 2
Suzhou Ennoconn	Ennoconn (Kunshan) Technology Co., Ltd. (Kunshan Ennoconn)	Intelligent technology development and hardware sales	70.00%	70.00%	70.00%	
Suzhou Ennoconn	Ennoconn Investment Co., Ltd. (Ennoconn Investment)	Professional investment	100.00%	- %	- %	Note 2
Suzhou Ennoconn	Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	100.00%	- %	- %	Note 2
Nanjing Asiatek	Shenzhen Asiatek Technology Co. Ltd. (Shenzhen Asiatek)	R&D, production, and sales of electronic materials required for software and hardware products	- %	25.00%	25.00%	Note 3
Ennoconn International	Goldtek Technology Co., Ltd. (Goldtek)	Wholesale and retail of telecommunications control RF equipment input and information software	56.74%	56.74%	56.74%	
Ennoconn International	EnnoMech Precision (Cayman) Co., Ltd.	Professional investment	100.00%	100.00%	100.00%	
Ennoconn International	Ennowyse Corporation (Ennowyse)	Research, design and sales of mobile payment, electronic signature, and information security products	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
			2023.9.30	2022.12.31	2022.9.30	
Ennoconn International	Thecus Technology Corp.	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, 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 4
Ennoconn International	Marketch International Corp. and its subsidiaries (MIC)	High-tech industry plant services and process system planning integration service	42.52%	42.80%	42.80%	Note 5
Ennoconn International	Poslab Technology Corporation (Poslab)	Manufacturing, wholesale and sale of electronic and peripheral equipment	70.00%	70.00%	70.00%	
Ennoconn International	Renown Information Technology Corp. (Renown Info)	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	37.09%	37.14%	37.14%	Note 6
Goldtek Keenest Electronic Corp.	Keenest Electronic Corp. Goldtek Technology (Shenzhen) Co., Ltd. and its subsidiaries	Professional investment Research, design and sale 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 subsidiaries	Information system software and hardware integration service	27.87%	27.64%	27.64%	Note 7
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, and import/export of communication machinery and equipment, and electronic devices and equipment	100.00%	100.00%	100.00%	
EnnoMech Cayman	EnnoMech Precision Co., Ltd.	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, 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 subsidiaries	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%	
Thecus	Thecus U.S.A.,Inc.	Sale of network storage equipment and maintenance service	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%	

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

- Note1: 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.
- Note2: In order to enhance operational efficiency, reduce management costs, and improve operational effectiveness, the Company restructured the organizational framework of the subsidiaries, Suzhou Ennoconn, Ennoconn Investment, and Foshan Ennoconn, which are held by Hong Kong Innovation. Hong Kong Innovation has increased the capital of Suzhou Ennoconn by subscribing to its entire equity of Ennoconn Investment and Foshan Ennoconn it holds. Suzhou Ennoconn has acquired the entire equity of Ennoconn Investment and Foshan Ennoconn through share conversion. The reference date for the conversion transaction of the shares is July 1, 2023.
- Note3: Nanjing Asiatek disposed of a 45% equity interests in Shenzhen Asiatek in June 2022, thus losing control of the company. In addition, the remaining equity interests in Shenzhen Asiatek were disposed of in March 2023.
- Note4: 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.
- Note5: 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.
- Note6: Renown Info was formerly an investee accounted for using the equity method of Ennoconn International. Ennoconn International originally indirectly held 21.03% equity of Renown Information through CASwell, Goldtek, and MIC. As a result of these companies' participation in the capital increase by cash of Renown Info on May 27, 2022, the shareholdings in Renown Info held by Ennoconn International, CASwell, Goldtek, and MIC 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 MIC's convertible bonds into ordinary shares in the current period, the Company and its subsidiaries' indirect shareholding in Renown Info decreased to 37.09%.
- Note7: This company (formerly known as S&T AG, renamed Kontron AG in June 2022) is a listed company in Frankfurt, Germany and a group holding company. Due to the 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 buying back treasury stocks.

The above subsidiaries included in the consolidated financial statements, except for some non-material subsidiaries of MIC, 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 the consolidated financial statements: None.
- (c) Non-current assets held for sale (disposal group) and discontinued operations
1. Non-current assets held for sale (disposal group)

Kontron AG approved the sale of a portion of 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).

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

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 continued 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 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 intangible assets and property, plant and equipment are classified as held for sale, they are no longer depreciated or amortized. In addition, when associates accounted for using the equity method are classified as held for sale, the equity method shall not be adopted.

2. Discontinued operations

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.

(e) Income taxes

The Group has prepared and disclosed income tax expenses in accordance with paragraph B12 of IAS 34, Interim Financial 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

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

the current income tax expenses and deferred income tax expenses are apportioned according to the estimated proportion of the current income tax expenses and deferred income tax expenses for the whole year.

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

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

The management prepared the consolidated financial statements in conformity with the Regulations and IAS 34, Interim Financial Reporting endorsed by the FSC and was required to make judgments, estimates, and assumptions, which would 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 Note V of the consolidated financial statements for the year ended December 31, 2022.

VI. Details on Significant Accounts

(a) Cash and cash equivalents

	2023.9.30	2022.12.31	2022.9.30
Cash on hand	\$ 30,248	46,657	45,735
Demand deposits and check deposits	19,356,096	25,172,531	13,271,450
Time deposits	1,344,364	744,068	693,027
Cash and cash equivalents listed on the consolidated statements of cash flows	\$ 20,730,708	25,963,256	14,010,212

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

	2023.9.30	2022.12.31	2022.9.30
Notes receivable	\$ 166,079	42,133	88,092
Accounts receivable	18,122,947	18,195,678	20,854,252
Accounts receivable - related parties	242,530	279,448	207,307
Less: Loss allowance	(1,255,161)	(1,084,628)	(1,052,157)
	\$ 17,276,395	17,432,631	20,097,494

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

The Group adopts a simplified method to estimate expected credit losses 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 losses of the Group's notes and accounts receivable is as follows:

	2023.9.30		
	Carrying amounts of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit losses during the allowance
Not past due	\$ 13,401,251	0.22%	28,831
1–30 days past due	1,721,813	0.96%	16,596
31–150 days past due	1,551,342	4.27%	66,191
151–270 days past due	428,756	33.59%	143,999
271–365 days past due	258,354	28.28%	73,072
1–2 years past due	632,079	61.47%	388,511
Over 2 years past due	537,961	100.00%	537,961
	<u>\$ 18,531,556</u>		<u>1,255,161</u>
		2022.12.31	
	Carrying amounts of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit losses 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
	<u>\$ 18,517,259</u>		<u>1,084,628</u>

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

	2022.9.30		
	Carrying amounts of accounts and notes receivable	Weighted average expected credit loss rate	Expected credit losses during the allowance
	\$ 15,890,373	0.12%	19,417
1–30 days past due	1,686,074	0.55%	9,283
31–150 days past due	1,690,452	1.87%	31,652
151–270 days past due	517,843	11.18%	57,869
271–365 days past due	215,010	12.21%	26,250
1–2 years past due	565,732	57.19%	323,519
Over 2 years past due	584,167	100%	584,167
	\$ 21,149,651		1,052,157

The statement of changes in loss allowance of the Group's notes and accounts receivable is as follows:

	January to September, 2023	January to September, 2022
Beginning Balance	\$ 1,084,628	897,495
Impairment losses recognized	659,619	168,352
Impairment loss reversal	(431,466)	-
Write-off due to being unrecoverable this year	(58,217)	(39,941)
Profit or loss from foreign currency translation	688	25,774
Acquisition through combinations	(91)	477
Ending balance	\$ 1,255,161	1,052,157

Please refer to Note VIII for details on the situation where accounts receivable of the Group are pledged as collateral for loans.

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

(c) Inventories

	2023.9.30	2022.12.31	2022.9.30
Raw materials	\$ 15,823,990	15,734,400	16,479,342
Raw materials in transit	217,008	210,687	274,477
Work in progress	2,059,977	1,419,205	2,074,891
Semi-finished products	1,253,782	1,016,661	1,157,936
Finished products	3,589,214	3,118,647	2,932,483
Merchandise inventories	2,931,442	2,580,757	3,281,986
Less: Allowance for inventory valuation losses	(2,105,216)	(2,092,487)	(1,665,677)
	\$ 23,770,197	21,987,870	24,535,438

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

The inventory related expenses and losses recognized by the Group for the three months ended September 30, 2023 and 2022 and for the nine months ended September 30, 2023 and 2022 were NT\$62,250 thousand, NT\$59,194 thousand, NT\$125,516 thousand and NT\$87,419 thousand respectively, under the operating costs, and the details are as below:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Inventory falling price loss (recovery gain) \$	61,714	(62,458)	1,169	63,916
Losses on inventory scrap	536	3,264	124,347	23,503
Total	\$ 62,250	(59,194)	125,516	87,419

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

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Inventory costs recognized as operating costs and expenses \$	23,838,174	26,499,267	70,129,126	66,695,217
Less: Operating costs attributable to discontinued operations	(2,715)	(2,230,858)	(146,834)	(5,863,465)
Total	\$ 23,835,459	24,268,409	69,982,292	60,831,752

Please refer to Note VIII for details on the situation where inventories of the Group are pledged as collateral for loans.

(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

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

	<u>2022.12.31</u>
Cash and cash equivalents	45,603
Assets of disposal group held for sale	<u>\$ 206,496</u>
Accounts payable and other payables	<u>\$ 155,725</u>
Liabilities of disposal group held for sale	<u>\$ 155,725</u>

(e) Investments accounted for using equity method

Investments accounted for using equity method by the Group on the reporting date are listed as follows:

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Associate	<u>\$ 587,688</u>	<u>553,155</u>	<u>536,521</u>

1. Associate

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 sale 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 Xiangxingzi Technology Co., Ltd. and lost its significant influence, for a consideration of NT\$31,238 thousand (RMB¥7,000 thousand). The gains on disposal of NT\$1,671 thousand were included in other gains and losses in the consolidated statements of comprehensive income.

In March 2023, the Group disposed of equity interest in Shenzhen Asiatek Technology Co. Ltd. and lost its significant influence, for a consideration of NT\$132,354 thousand (RMB¥30,000 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 statements of the Group:

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

	2023.9.30	2022.12.31	2022.9.30
Ending summary carrying amount of equity of individual insignificant associates	<u>\$ 587,688</u>	<u>553,155</u>	<u>536,521</u>
	July to	July to	January to
	September, 2023	September, 2022	September, 2022
Shares attributable to the Group:			
Net Income for continuing operations	\$ 4,553	20,569	22,446
Other comprehensive income	2,576	2,857	1,324
Total comprehensive income	<u>\$ 7,129</u>	<u>23,426</u>	<u>23,770</u>
		<u>27,988</u>	

There are no instances of pledged, guaranteed, or restricted investments in the associates accounted for using the equity method by the Group.

(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%	14,641 (Note 1)
Renown Information Technology Corp.	Information software services	2022.05.27	59.20%	10,000
Nationgate Integration (M) SDN. BHD.	Electronic product manufacturing	2022.06.10	60.00%	4,072
LUCOM GmbH	Internet of Things Industry	2022.09.01	100.00%	155,750
Comlab AG and its subsidiaries	Information services	2023.07.01	100.00%	- (Note 2)
Telit Cinterion Deutschland GmbH	Information services	2023.08.01	- %	821,240 (Note 3)

Note1: Consolidation by merger.

Note2: Including its subsidiaries, Comlab Deutschland GmbH and Comlab Beijing Radio Frequency Technology Co. Ltd.

Note3: Only the acquisition of some assets of its automotive digital department.

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

1. The Group acquired Comlab AG and Telit Cinterion Deutschland GmbH from January 1 to September 30, 2023. The relevant information is as follows:

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

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

	Comlab AG and its subsidiaries	Telit CinterionDeutsc hlandGmbH
Transfer consideration		
Cash	\$ -	821,240
	\$ -	821,240

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

	Comlab AG and its subsidiaries	Telit CinterionDeutsc hlandGmbH
Cash and cash equivalents	\$ 31,296	-
Notes and accounts receivable	153,127	736,570
Inventories	327,223	295,838
Contract assets - non-current	81,010	-
Other current assets	72,368	42,080
Property, plant and equipment	15,884	67,769
Right-of-use assets	58,837	20,235
Intangible assets	156,377	197,986
Deferred tax assets	-	4,120
Notes and accounts receivable	(263,173)	(400,512)
Short-term borrowings	(110,557)	-
Provisions for liabilities - current	(25,685)	(180,069)
Contract liabilities - current	(113,405)	-
Other payables	-	(44,627)
Other current liabilities	(356,773)	-
Long-term borrowings	(44,266)	-
Deferred tax liabilities	(15,233)	-
Lease liabilities - non-current	(43,966)	-
Provisions for liabilities - non-current	(7,153)	(184,584)
Fair value of identifiable net assets (liabilities)	\$ (84,089)	554,806

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

(3) Goodwill

Goodwill recognized due to the acquisition:

	Comlab AG and its subsidiaries	Telit CinterionDeutsc hlandGmbH
Transfer consideration	\$ -	821,240
Less: Fair value of identifiable net assets (liabilities) acquired	(84,089)	(554,806)

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

	Comlab AG and its subsidiaries	Telit CinterionDeut schlandGmbH
Plus: Non-controlling interests (measured as the ratio of identifiable net assets to non-controlling interests)	<u>51,637</u>	<u>-</u>
Goodwill arising from acquisition	<u>\$ 135,726</u>	<u>266,434</u>

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

- (4) From the acquisition date, the contributed revenue and net profit from the acquired company are as follows:

	Comlab AG and its subsidiaries	Telit CinterionDeut schlandGmbH
Operating revenue	<u>\$ 129,829</u>	<u>738,069</u>
Net income (loss) for period	<u>\$ (5,272)</u>	<u>NA</u>

2. The Group acquired CNP GmbH/CNT GmbH, Ruineng Information Co., Ltd., and Nationgate Integration (M) SDN from January 1 to September 30, 2022. BHD and LUCOM GmbH, the relevant information is as follows:

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

	CNP GmbH/ NT GmbH	Renown Info	Nationgate Integration (M) SDN. BHD	LUCOM GmbH
Transfer consideration				
Cash	<u>\$ 14,641</u>	<u>10,000</u>	<u>4,072</u>	<u>155,750</u>

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

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

	CNP GmbH/ NT GmbH	Renown Info	Nationgate Integration (M) SDN. BHD	LUCOM GmbH
Cash and cash equivalents	\$ -	25,354	6,330	2,349
Notes and accounts receivable	-	13,219	-	6,460
Inventories	-	11,244	-	27,725
Other current assets	-	6,449	-	2,560
Property, plant and equipment	917	1,094	-	204
Right-of-use assets	10,961	-	-	6,639
Intangible assets	8,307	6,031	-	23,557
Deferred tax assets	-	-	-	1,656
Deferred tax assets	-	-	-	(6,867)
Lease liabilities - current	(1,978)	-	(93)	-
Other payables	(406)	(25,940)	-	(2,852)
Other current liabilities	-	(251)	-	(6,505)
Deferred tax liabilities	(2,492)	-	-	(7,303)
Lease liabilities - non-current	(8,984)	-	-	(4,510)
Fair value of identifiable net assets (liabilities)	<u>\$ 6,325</u>	<u>37,200</u>	<u>6,237</u>	<u>43,113</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 recognized due to the acquisition:

	CNP GmbH/ NT GmbH	Renown Info	Nationgate Integration (M) SDN. BHD	LUCOM GmbH
Transfer consideration	\$ 14,641	10,000	4,072	155,750
Less: Fair value of identifiable net assets (liabilities) acquired	6,325	37,200	6,237	43,113
Plus: Non-controlling interests (measured as the ratio of identifiable net assets to non-controlling interests)	-	23,384	2,495	-
Plus: fair value of the previously-held equity interest in the acquiree	-	11,393	-	-
Goodwill arising from acquisition	\$ 8,316	7,577	330	112,637

The Group recognized an interest of NT\$1,758 thousand after remeasuring the fair value of its previously-held 48% equity in Renown Information Technology Corp. prior to the acquisition date. This interest is recognized under the Disposal of Investment Income section of the consolidated statements of comprehensive income. 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, these benefits do not meet the requirements for recognition of identifiable intangible assets, and thus are not recognized separately.

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

- (4) From the acquisition date, the contributed revenue and net profit from the acquired company are as follows:

	CNP GmbH/ NT GmbH	Renown Info	Nationgate Integration (M) SDN. BHD	LUCOM GmbH
Operating revenue	NA	\$ 7,633	-	-
Net income (loss) for period	NA	\$ (1,044)	4	-

- (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 nine months ended September 30, 2023 and 2022 are as follows:

In January 2022, Nanjing Asiatek did not subscribe Shenzhen Asiatek's capital increase by its shareholding ratio, which shares are decreased from 73.51% to 70%. Additionally, it 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 increased shares through exercising the share option for the nine months ended September 30, 2023 and 2022, resulting in Ennoconn International holding its shares reduced from 42.80% to 42.52%, and from 44.04% to 42.80%, respectively.

Kontron AG increased its investment in its subsidiary for the nine months ended September 30, 2022, respectively, resulting in a change in net equity. Kontron AG exercised the treasury stock repurchase for the nine months ended September 30, 2023, resulting in EIH and Ennoconn International's consolidated shareholding increasing from 27.64% to 27.87%.

CASwell exercised the conversion right of convertible bonds for the nine months ended September 30, 2023, resulted the shares held by the Company and Ennoconn International reduced from 31.77% to 31.70%.

From January 1 to September 30, 2023, Renown Info increased its equity by converting some convertible bonds of Marketech International Corp. into ordinary shares, resulting in the Company's indirect shareholding in Renown decreased from 37.14% to 37.09%.

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 subsidiaries on equity attributable to owners of parent is listed as follows:

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

For the nine months ended September 30, 2023

	MIC	Kontron AG	CASwell	Renown Info	Total
Cash consideration received	\$ -	40,194	-	-	40,194
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.	198,897	1,291	2,490	(16)	202,662
Difference in equity transactions	<u>\$ 198,897</u>	<u>41,485</u>	<u>2,490</u>	<u>(16)</u>	<u>242,856</u>

For the nine months ended September 30, 2022

	MIC	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.	\$ 22,058	(3,756)	(1,672)	16,630
Difference in equity transactions	<u>\$ 22,058</u>	<u>(3,756)</u>	<u>(1,672)</u>	<u>16,630</u>

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

(h) Loss of control over subsidiaries

For the nine months ended September 30, 2023, the Group 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 follows:

1. Consideration received

	S&T Plus s.r.o	Thecus U.S.A., Inc
Cash and cash equivalents	<u>\$ 117,320</u>	<u>1,715</u>

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

2. Assets and liabilities out of control

	S&T Plus s.r.o	Thecus U.S.A., Inc
Cash and cash equivalents	\$ 44,872	1,715
Other receivables	106,992	-
Inventories	100,217	-
Property, plant and equipment	11,596	-
Goodwill	41,153	-
Deferred tax assets	-	4,005
Other payables	(271,641)	-
Deferred tax liabilities	27,396	-
	<u>\$ 60,585</u>	<u>5,720</u>

3. Losses from disposal of subsidiaries

	S&T Plus s.r.o	Thecus U.S.A., Inc
Consideration received	\$ 117,320	1,715
Net liabilities (assets) disposed of	(60,585)	(5,720)
Non-controlling interests	-	-
Reclassification of other comprehensive income	17,668	-
	<u>\$ 74,403</u>	<u>(4,005)</u>

4. Disposal of net cash outflow from subsidiaries

	S&T Plus s.r.o	Thecus U.S.A., Inc
Consideration received	\$ 117,320	1,715
Less: Disposal of cash and cash equivalents	44,872	1,715
Disposal of net cash (outflow) inflow from subsidiaries	<u>\$ 72,448</u>	<u>-</u>

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

1. Consideration received

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Cash and cash equivalents	<u>\$ 121,142</u>	<u>407</u>

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

2. Assets and liabilities out of control

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Cash and cash equivalents	\$ 45,625	30,483
Notes and accounts receivable	576,026	31,963
Inventories	195,445	41,365
Other current assets	82,480	30,006
Property, plant and equipment	203,457	-
Goodwill	-	14,485
Other intangible assets	-	80,895
Deferred tax assets	-	5,116
Short-term borrowings	(80,143)	(1,295)
Accounts payable	(772,846)	-
Other payables	-	(166,878)
Other current liabilities	(77,676)	-
Deferred tax liabilities	-	(283)
Other non-current liabilities	-	(4,063)
	<u>\$ 172,368</u>	<u>61,794</u>

3. Losses from disposal of subsidiaries

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Consideration received	\$ 121,142	407
Net assets disposed of	(172,368)	(61,794)
Investment amount acquired	67,301	144
Non-controlling interests	51,712	38,013
Reclassification of other comprehensive income	-	(11,278)
	<u>\$ 67,787</u>	<u>(34,508)</u>

4. Disposal of net cash outflow from subsidiaries

	Shenzhen Asiatek	RTSoft Project OOO, Russia
Consideration received	\$ 121,142	407
Less: Disposal of cash and cash equivalents	45,625	30,483
Disposal of net cash (outflow) inflow from subsidiaries	<u>\$ 75,517</u>	<u>(30,076)</u>

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

(i) Subsidiary with material 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 interest and voting rights of non-controlling interests		
		2023.9.30	2022.12.31	2022.9.30
CASwell	Taiwan	68.30%	68.23%	68.23%
Kontron AG	Austria	72.13%	72.36%	72.36%
MIC	Taiwan	57.48%	57.20%	57.20%

The summary financial information of the above subsidiaries is as follows. The financial information is prepared in accordance with the IFRSs endorsed 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 on CASwell and its subsidiaries

	2023.9.30	2022.12.31	2022.9.30
Current assets	\$ 3,436,293	4,537,955	4,794,800
Non-current assets	1,914,175	761,511	702,177
Current liabilities	(881,093)	(1,646,584)	(1,951,866)
Non-current liabilities	(918,652)	(108,109)	(102,902)
Net assets	\$ 3,550,723	3,544,773	3,442,209
Ending carrying amount of non-controlling interests	\$ 2,544,834	2,578,755	2,518,189

	January to September, 2023	January to September, 2022
Operating revenue	\$ 3,008,536	3,725,510
Net income for the period	\$ 273,294	353,570
Other comprehensive income	(1,232)	8,616
Total comprehensive income	\$ 272,062	362,186
Current net profit attributable to non-controlling interests	\$ 151,619	210,886
Total comprehensive income attributable to non-controlling interests	\$ 150,981	217,183

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

	January to September, 2023	January to September, 2022
Cash flows of operating activities	\$ 769,678	196,601
Cash flows of investing activities	(631,080)	(150,007)
Cash flows of financing activities	(280,744)	(121,788)
Effect of exchange rate changes on cash	(1,863)	8,888
Decrease in cash and cash equivalents	<u>\$ (144,009)</u>	<u>(66,306)</u>
Dividends paid to non-controlling interests	<u>\$ 198,064</u>	<u>99,878</u>

2. Summary financial information of Kontron AG and its subsidiaries

	2023.9.30	2022.12.31	2022.9.30
Current assets	\$ 30,151,554	33,661,106	24,271,827
Non-current assets	15,173,078	13,483,831	16,339,931
Current liabilities	(19,681,183)	(18,080,002)	(17,622,252)
Non-current liabilities	<u>(4,700,208)</u>	<u>(8,265,936)</u>	<u>(9,148,551)</u>
Net assets	<u>\$ 20,943,241</u>	<u>20,798,999</u>	<u>13,840,955</u>
Ending carrying amount of non-controlling interests	<u>\$ 17,391,705</u>	<u>17,423,504</u>	<u>12,361,623</u>

	January to September, 2023	January to September, 2022
Operating revenue	<u>\$ 29,055,081</u>	<u>31,774,575</u>
Net income for the period	\$ 1,838,044	1,007,772
Other comprehensive income	(100,991)	368,246
Total comprehensive income	<u>\$ 1,737,053</u>	<u>1,376,018</u>
Current net profit attributable to non-controlling interests	<u>\$ 1,160,583</u>	<u>593,325</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 1,697,429</u>	<u>860,802</u>

	January to September, 2023	January to September, 2022
Cash flows of operating activities	\$ 814,783	(1,614,341)
Cash flows of investing activities	550,007	(413,378)
Cash flows of financing activities	(6,200,030)	(1,380,785)
Effect of exchange rate changes on cash	(85,789)	129,730
Decrease in cash and cash equivalents	<u>\$ (4,921,029)</u>	<u>(3,278,774)</u>
Dividends paid to non-controlling interests	<u>\$ 1,503,952</u>	<u>502,818</u>

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

3. Summary financial information of MIC and its subsidiary

	2023.9.30	2022.12.31	2022.9.30
Current assets	\$ 36,194,261	30,098,714	29,530,701
Non-current assets	6,304,385	5,228,344	5,362,495
Current liabilities	(26,961,467)	(23,946,207)	(23,277,295)
Non-current liabilities	(4,713,028)	(1,899,849)	(2,667,489)
Net assets	\$ 10,824,151	9,481,002	8,948,412
Ending carrying amount of non- controlling interests	\$ 6,286,325	5,514,864	5,199,349
		January to September, 2023	January to September, 2022
Operating revenue		\$ 41,057,852	35,735,058
Net income for the period		\$ 1,806,289	1,638,876
Other comprehensive income		74,834	128,146
Total comprehensive income		\$ 1,881,123	1,767,022
Current net profit attributable to non-controlling interests		\$ 996,170	896,593
Total comprehensive income attributable to non- controlling interests		\$ 1,039,911	970,406
		January to September, 2023	January to September, 2022
Cash flows of operating activities		\$ (5,023,965)	(318,321)
Cash flows of investing activities		(444,614)	(48,663)
Cash flows of financing activities		4,792,036	710,892
Effect of exchange rate changes on cash		223,725	204,212
Increase (decrease) in cash and cash equivalents		\$ (452,818)	548,120
Dividends paid to non-controlling interests		\$ 635,190	496,151

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

(j) Property, plant and equipment

Details on changes in the costs, depreciation, and impairment losses of the Group's property, plant and equipment are as follows:

	<u>Land</u>	<u>Houses and buildings</u>	<u>Machinery and equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Total</u>
Cost:						
Balance as of January 1, 2023	\$ 596,263	5,652,411	3,408,266	43,114	1,009,414	10,709,468
Additions	260,563	307,201	274,747	26,938	214,185	1,083,634
Acquisition through business combinations	-	-	83,653	-	-	83,653
Disposal	-	(8,065)	(207,773)	(86)	(43,705)	(259,629)
Reclassification	83,580	181,347	12,795	10,890	(130,957)	157,655
Effect of exchange rate changes	1,734	70,115	62,290	1,314	4,072	139,525
Balance as of September 30, 2023	\$ 942,140	6,203,009	3,633,978	82,170	1,053,009	11,914,306
Balance as of January 1, 2022	\$ 592,113	6,004,696	3,526,732	56,363	769,179	10,949,083
Additions	-	66,745	398,511	2,522	291,572	759,350
Acquisition through business combinations	-	472	976	86	3,280	4,814
Disposal	(34,376)	(132,021)	(466,564)	-	(58,045)	(691,006)
Reclassification	35,275	(102,618)	154,118	(3,833)	(68,930)	14,012
Effect of exchange rate changes	4,407	54,166	108,498	13,220	21,317	201,608
Balance as of September 30, 2022	\$ 597,419	5,891,440	3,722,271	68,358	958,373	11,237,861
Depreciation:						
Balance as of January 1, 2023	\$ -	1,943,357	2,025,550	18,141	513,357	4,500,405
Depreciation for the current year	-	184,124	314,378	7,608	83,836	589,946
Disposal	-	(2,844)	(165,648)	(86)	(35,763)	(204,341)
Reclassification	-	-	(33)	-	33	-
Effect of exchange rate changes	-	22,652	38,102	135	5,970	66,859
Balance as of September 30, 2023	\$ -	2,147,289	2,212,349	25,798	567,433	4,952,869
Balance as of January 1, 2022	\$ -	1,881,964	1,894,118	29,668	445,340	4,251,090
Depreciation for the current year	-	178,454	324,038	8,860	98,308	609,660
Acquisition through business combinations	-	-	104	86	2,409	2,599
Disposal	-	(52,535)	(269,752)	-	(30,818)	(353,105)
Reclassification	-	(149,491)	126,279	(10,616)	6,607	(27,221)
Effect of exchange rate changes	-	26,094	103,782	286	299	130,461
Balance as of September 30, 2022	\$ -	1,884,486	2,178,569	28,284	522,145	4,613,484
Book value:						
January 1, 2023	\$ 596,263	3,709,054	1,382,716	24,973	496,057	6,209,063
September 30, 2023	\$ 942,140	4,055,720	1,421,629	56,372	485,576	6,961,437
September 30, 2022	\$ 597,419	4,006,954	1,543,702	40,074	436,228	6,624,377

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

Please refer to Note VIII for details on the situation where property, plant and equipment of the Group are pledged as collateral for loans.

(k) Intangible assets

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

	Goodwill	Trademark	Patent rights	Computer software	Customer relations	Others	Total
Costs or deemed costs:							
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
Separate acquisition	-	-	69	621,528	-	242	621,839
Acquisition through business combinations	402,159	-	-	168,261	-	186,103	756,523
Disposal	(41,153)	(2,473)	-	(38,083)	-	(102,443)	(184,152)
Reclassification	-	-	-	5,862	-	-	5,862
Effect of exchange rate changes	391,437	57,184	-	205,251	64,476	45,110	763,458
Balance as of September 30, 2023	\$ 14,121,230	2,153,498	619,275	6,403,934	2,105,061	2,266,119	27,669,117
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
Separate acquisition	-	-	-	702,541	-	3,209	705,750
Acquisition through business combinations	128,530	2,547	-	10,252	-	29,317	170,646
Disposal	(14,485)	-	-	(107,381)	-	(11,840)	(133,706)
Reclassification	-	-	(3,000)	24	-	(36,291)	(39,267)
Effect of exchange rate changes	506,437	8,731	-	471,328	(3,252)	61,297	1,044,541
Balance as of September 30, 2022	\$ 13,968,316	2,176,464	618,691	6,031,015	1,961,479	2,572,859	27,328,824
Amortization and impairment losses:							
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	-	60,686	46,394	285,786	184,803	119,460	697,129
Disposal	-	(2,473)	-	(24,741)	-	(102,443)	(129,657)
Reclassification	-	-	-	4,455	-	-	4,455
Effect of exchange rate changes	3,439	6,196	-	131,633	41,178	25,521	207,967
Balance as of September 30, 2023	\$ 71,954	669,539	483,581	3,668,783	1,515,775	1,601,517	8,011,149
Balance as of January 1, 2022	\$ 61,835	627,328	378,377	2,207,176	1,010,259	1,635,737	5,920,712
Current amortization	-	64,272	46,357	428,510	174,102	209,136	922,377
Acquisition through business combinations	-	-	-	4,221	-	-	4,221
Disposal	-	-	-	(26,486)	-	(11,840)	(38,326)
Reclassification	-	-	(3,000)	-	-	3,000	-
Effect of exchange rate changes	8,973	5,462	-	355,302	(1,114)	50,190	418,813
Balance as of September 30, 2022	\$ 70,808	697,062	421,734	2,968,723	1,183,247	1,886,223	7,227,797
Book value:							
January 1, 2023	\$ 13,300,272	1,493,657	182,019	2,169,465	750,791	578,128	18,474,332
September 30, 2023	\$ 14,049,276	1,483,959	135,694	2,735,151	589,286	664,602	19,657,968
September 30, 2022	\$ 13,897,508	1,479,402	196,957	3,062,292	778,232	686,636	20,101,027

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

1. Impairment losses

The accumulated and amortized amount of computer software includes an 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, an impairment loss is included.

2. Intangible assets with indefinite useful lives

Some trademark rights of the Group can have their legal lives extended through applications at an extremely low cost. The Group will continue to apply for extensions of their legal lives and to keep the product line running. 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.

3. Guarantee

The Group had no intangible assets pledged as collateral.

(l) Other current assets and non-current assets

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Other receivables	\$ 1,094,987	1,099,860	1,677,946
Current income tax assets	114,785	101,519	147,356
Prepayments	1,882,394	1,556,041	1,540,599
Other financial assets	286,654	44,525	52,639
Refundable deposits	670,768	112,092	647,547
Prepayments for equipment	19,772	16,165	18,183
Contract assets - non-current	35,847	34,711	6,092
Others	5,261,824	7,590,570	3,845,162
	<u>\$ 9,367,031</u>	<u>10,555,483</u>	<u>7,935,524</u>
Current	\$ 8,389,047	9,540,219	6,416,154
Non-current	977,984	1,015,264	1,519,370
	<u>\$ 9,367,031</u>	<u>10,555,483</u>	<u>7,935,524</u>

Please refer to Note VIII for details on the situation where other current assets and non-current assets of the Group are pledged as collateral for loans.

(m) Short-term borrowings

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Unsecured bank loans	\$ 12,244,424	14,514,898	13,822,819
Secured bank loans	289,066	600,539	814,489
	<u>\$ 12,533,490</u>	<u>15,115,437</u>	<u>14,637,308</u>
Unused quota	<u>\$ 37,257,803</u>	<u>21,943,239</u>	<u>24,156,231</u>
Interest rate range	<u>0.44%~12.20%</u>	<u>0.50%~19.25%</u>	<u>0.25%~13.8%</u>

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

1. Issuance and repayment of loans

For the nine months ended September 30, 2023 and 2022, the Group has no significant issuance, buyback, or repayment of the short-term borrowings. Please refer to Note VI (w) for details on interest expenses.

2. Collateral for bank loans

Please refer to Note VIII for details on the situation where assets of the Group are mortgaged as collateral for loans.

(n) Long-term borrowings

	2023.9.30		
	Interest rate range (%)	Maturity year	Amount
Unsecured bank loans	1.10%~4.69%	2025~2028	\$ 6,349,426
Secured bank loans	0.44%~3.81%	2030~2043	1,068,410
Subtotal			7,417,836
Less: The loans due within one year			(4,498,239)
Total			\$ 2,919,597

	2022.12.31		
	Interest rate range (%)	Maturity year	Amount
Unsecured bank loans	1.05%~3.32%	2023~2031	\$ 7,106,552
Secured bank loans	0.44%~2.03%	2030~2038	975,763
Subtotal			8,082,315
Less: The loans due within one year			(1,369,006)
Total			\$ 6,713,309

	2022.9.30		
	Interest rate range (%)	Maturity year	Amount
Unsecured bank loans	1.00%~1.74%	2023~2031	\$ 6,858,375
Secured bank loans	0.44%~1.78%	2031~2038	1,091,763
Subtotal			7,950,138
Less: The loans due within one year			(1,365,398)
Total			\$ 6,584,740

Please refer to Note VIII for details on the situation where assets of the Group are mortgaged as collateral for loans.

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

(o) Bonds payable

Balance of the Group's bonds payable is as follows:

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
3rd domestic unsecured convertible bonds	\$ 1,525,447	5,560,778	5,544,887
4th domestic unsecured convertible bonds	379,523	962,204	959,815
5th domestic unsecured convertible bonds	2,851,107	-	-
1st privately-placed unsecured convertible bonds	1,479,203	1,473,913	1,472,151
Unsecured convertible bonds of subsidiaries	2,620,771	812,275	811,129
Less: The bonds due within one year or the callable bonds	<u>(1,765,139)</u>	<u>(812,275)</u>	<u>(166,815)</u>
Ending balance of bonds payable	<u>\$ 7,090,912</u>	<u>7,996,895</u>	<u>8,621,167</u>

1. To meet the needs of increasing working capital and repaying the loans, the Company issued the third domestic unsecured convertible bonds on February 26, 2019. The details are as follows:

- (1) Total issue amount: NT\$6,000,000 thousand
- (2) Face value: NT\$100 thousand per bond
- (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 bonds held be converted into ordinary shares of the Company from the day following three months after the issuance date (May 27, 2019) to the maturity 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.

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

- B. 15 business days before the Company processes the book closure date for issuance of bonus shares, book closure date for cash dividends, or book closure date for rights issue, with Taipei Exchange, until the record date of rights distribution.
 - C. From the date of capital reduction to one day before the first trading day of capital reduction for shares.
 - D. Other periods of transfer suspension by law.
- (8) Conversion price and adjustment:
The conversion price 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 Bonds (hereinafter referred to as the Regulations on Conversion). As of September 30, 2023, the conversion price was adjusted to NT\$204.4.
- (9) Put right of the creditor:
30 days prior to the issuance of corporate bonds for three years (February 26, 2022), the bondholders may notify the Company in written form in accordance with the Regulations on Conversion to require the Company to redeem the convertible bonds held by them in cash based on the bond face value plus interest remuneration (1.5075% of the nominal amount of the corporate bonds for three years).
- (10) Call right of the Company:
From the day following three months after 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 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 and call back all the corporate bonds by cash at par value.
These convertible bonds comprise liabilities and equity. The equity component is presented in the equity section as a capital surplus - share options. The liability component is presented separately as embedded derivative financial products and as liabilities of non-derivative financial products. As of September 30, 2023, the measured amount of embedded derivative financial products is NT\$153 thousand at fair value. As of September 30, 2023, the measured amount of non-derivative

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

financial liabilities is NT\$1,525,447 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

Issue price (less transaction costs of NT\$4,852 thousand)	\$ 6,007,148
Equity component	<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— NT\$9,592 thousand—have not been reviewed)	5,675,016
Interest calculated at effective interest rate of 1.1542%	279,438
Valuation gains on financial investments	(4,351)
Bonds payable converted into ordinary shares	<u>(4,424,809)</u>
Liability components as of September 30, 2023	<u>\$ 1,525,294</u>

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

- (1) Total issue amount: NT\$1,500,000 thousand
- (2) Face value: NT\$100 thousand per bond
- (3) Coupon rate: 0%
- (4) Effective interest rate: 0.479%
- (5) Book value at issuance: NT\$1,464,589 thousand
- (6) Duration: September 2, 2021 - September 2, 2026
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible bonds held be converted into the ordinary shares of the Company from the day following three months after the issuance date (December 3, 2021) to the maturity 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. 15 business days before the Company processes the book closure date for issuance of bonus shares, book closure date for cash dividends, or book closure date for rights issue, until the record date of rights distribution.

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

- C. From the date of capital reduction to one day before the first trading day of capital reduction for shares.
- D. Other periods of transfer suspension 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 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 Conversion. As of September 30, 2023, the conversion price was adjusted to NT\$196.7.
- (9) Put right of the creditor:
30 days prior to the issuance of corporate bonds for three years (September 2, 2024), the bondholders may notify the Company in written form in accordance with the Regulations on Conversion to require the Company to redeem the convertible bonds held by them in cash at bond face value.
- (10) Call right of the Company:
From the day after the issuance of corporate bonds for three years (December 3, 2024) to 40 days before the maturity date (July 24, 2026), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible 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 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 fully repay the bonds in cash at bond face value on the maturity date.
These convertible bonds comprise liabilities and equity. The equity component is presented in the equity section as a capital surplus - share options. The liability component is presented separately as embedded derivative financial products and as liabilities of non-derivative financial products. As of September 30, 2023, the measured amount of embedded derivative financial products is NT\$600 thousand at fair value. As of September 30, 2023, the measured amount of non-derivative financial liabilities is NT\$1,479,203 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 price (less transaction costs of NT\$165 thousand)	\$ 1,499,835
Equity component	<u>(35,396)</u>
Liability components on the date of issuance (including bonds payable of NT\$1,464,589 thousand and financial assets measured 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%	14,614
Valuation gains on financial investments	<u>(450)</u>
Liability components as of September 30, 2023	<u>\$ 1,478,603</u>

3. To meet the needs of increasing working capital and repaying the loans, the Company issued the fourth domestic unsecured convertible bonds on November 16, 2021. The details are as follows:

- (1) Total issue amount: NT\$1,000,000 thousand
- (2) Face value: NT\$100 thousand per bond
- (3) Coupon rate: 0%
- (4) Effective interest rate: 0.9994%
- (5) Book value at issuance: NT\$951,494 thousand
- (6) Duration: November 16, 2021 - November 16, 2026
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible bonds held be converted into ordinary shares of the Company from the day following three months after the issuance date (February 17, 2021) to the maturity 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. 15 business days before the Company processes the book closure date for issuance of bonus shares, book closure date for cash dividends, or book closure date for rights issue, with Taipei Exchange, until the record date of rights distribution.
- C. From the date of capital reduction to one day before the first trading day of capital reduction for shares.
- D. Other periods of transfer suspension by law.

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

(8) Conversion price and adjustment:

The conversion price of initial issuance is set at NT\$221.1. In the event of an increase in the shares of the Company's issued ordinary shares, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible bonds. As of September 30, 2023, the conversion price was adjusted to NT\$202.5.

(9) Put right of the creditor:

30 days prior to 3 years after the issuance of corporate bonds (November 16, 2024), bondholders may notify the Company in written form based on the regulations of corporate bonds conversion method to request redeem convertible bonds in cash by the carrying amount.

(10) Call right of the Company:

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 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 fully repay the bonds in cash at bond face value on the maturity date.

These convertible bonds comprise liabilities and equity. The equity component is presented in the equity section as a capital surplus - share options. The liability component is presented separately as embedded derivative financial products and as liabilities of non-derivative financial products. As of September 30, 2023, the measured amount of embedded derivative financial products is NT\$822 thousand at fair value. As of September 30, 2023, the measured amount of non-derivative financial liabilities is NT\$379,523 thousand at amortized cost, and its effective interest rate initially recognized is 0.9994%.

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
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Issue price (less transaction costs of NT\$3,480 thousand)	\$ 1,001,520
Equity component	<u>(49,428)</u>
Liability components on the date of issuance (including bonds payable of NT\$951,494 thousand and financial liabilities measured at fair value through profit or loss - non-current of NT\$598 thousand)	952,092
Interest calculated at effective interest rate of 0.9994%	16,065
Valuation gains on financial investments	(1,124)
Bonds payable converted into ordinary shares	<u>(588,332)</u>
Liability components as of September 30, 2023	<u>\$ 378,701</u>

4. To meet the needs of increasing working capital and repaying the loans, the Company issued the fifth domestic unsecured convertible bonds on August 16, 2023. The details are as follows:

- (1) Total issue amount: NT\$3,000,000 thousand
- (2) Face value: NT\$100 thousand per bond
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.787%
- (5) Book value at issuance: NT\$2,844,753 thousand
- (6) Duration: August 16, 2023 - August 16, 2026
- (7) Conversion period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible bonds held be converted into ordinary shares of the Company from the day following three months after the issuance date (November 17, 2023) to the maturity date August 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. 15 business days before the Company processes the book closure date for issuance of bonus shares, book closure date for cash dividends, or book closure date for rights issue, with Taipei Exchange, until the record date of rights distribution.
- C. From the date of capital reduction to one day before the first trading day of capital reduction for shares.
- D. Other periods of transfer suspension by law.

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

(8) Conversion price and adjustment:

The conversion price of initial issuance is set at NT\$295. 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 bonds.

(9) Call right of the Company:

From the day following three months after the issuance date of corporate bonds (November 17, 2023) to 40 days before the maturity date (July 7, 2026), if the closing price of the Company's ordinary shares exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible 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 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 fully repay the bonds in cash at bond face value on the maturity date.

These convertible bonds comprise liabilities and equity. The equity component is presented in the equity section as a capital surplus - share options. The liability component is presented separately as embedded derivative financial products and as liabilities of non-derivative financial products. As of September 30, 2023, the measured amount of embedded derivative financial products is NT\$900 thousand at fair value. As of September 30, 2023, the measured amount of non-derivative financial liabilities is NT\$2,581,107 thousand at amortized cost, and its effective interest rate initially recognized is 1.787%.

Issue price (less transaction costs of NT\$5,550 thousand)	\$ 3,009,450
Equity component	<u>(166,194)</u>
Liability components on the date of issuance (including bonds payable of NT\$2,844,753 thousand and financial assets measured at fair value through profit or loss - non-current of NT\$1,497 thousand)	2,843,256
Interest calculated at effective interest rate of 1.787%	6,354
Valuation losses on financial investments	<u>597</u>
Liability components as of September 30, 2023	<u>\$ 2,850,207</u>

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

5. The main conditions related to the issuance of unsecured convertible bonds of subsidiaries are as follows:
- (1) Total issue amount: NT\$700,000 thousand
 - (2) Face value: NT\$100 thousand per bond
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 0.5%
 - (5) Duration: February 10, 2020 - February 10, 2023
 - (6) Conversion period: The bondholders may, from the day following three months after the issuance date of the convertible bonds to the maturity date, may at any time, through a securities broker, notify the Taiwan Depository and Clearing Corporation to request the agent for stock affairs of the issuer to convert the convertible bonds held into common shares of the issuer in accordance with the Regulations on Conversion, except for the book closure period for ordinary shares, 15 business days before the issuer processes the book closure date for issuance of bonus shares, book closure date for cash dividends, or book closure date for rights issue until the record date of rights distribution, and the period between the date of capital reduction and one day before the first trading day of capital reduction for shares.
 - (7) Conversion price and adjustment:
The conversion price at issue was NT\$104.1 and is changed to NT\$96.5 from August 21, 2022.
 - (8) Call right:
 - A. From the day following three months after 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 call back all outstanding convertible bonds in cash at bond face value within the next 30 business days.
 - B. From the day following three months after the date of issuance to 40 days before the expiration of the issuance period, if the outstanding balance of the convertible bonds is less than 10% of the total amount of the original issuance, the issuer may call back all outstanding convertible bonds in cash at bond face value at any time thereafter.
 - C. If the bondholder fails to reply in writing to the agent for stock affairs of the issuer before the benchmark date of bond retirement specified in the Bond Callback Notice, the issuer will call back all these outstanding convertible

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

bonds in cash at face value within five business days after the benchmark date for bond callback.

6. The main conditions related to the issuance of unsecured convertible bonds of subsidiaries are as follows:
- (1) Total issue amount: NT\$1,500,000 thousand
 - (2) Face value: NT\$100 thousand per bond
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 1.0255%
 - (5) Duration: December 15, 2020 - December 15, 2023
 - (6) Conversion period: From the day following the expiration of three months after the date of bond issuance to the maturity date, except for the book closure periods stipulated by the Regulations on Conversion or by the law, the bondholders may request the subsidiary to convert the bonds into ordinary shares of the subsidiary. The rights and obligations for 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 these convertible bonds is determined in accordance with the prescribed model set forth in the Regulations on Conversion. In case of the Company's anti-dilution provision coming into effect, the conversion price will be adjusted in accordance with the prescribed model set forth in the Regulations on Conversion. Subsequently, on the benchmark date of the regulation, the conversion price shall be re-determined in accordance with the prescribed model set forth in the Regulations on Conversion. If it is higher than the conversion price before the re-determination in the current year, it will not be adjusted.
 - (8) Call 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 three months after the issuance date of the convertible 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 three months after the issuance date of the convertible bonds to 40 days before the expiration of the issuance period, when the outstanding balance of the convertible bonds is less than 10% of the total face value of the original issue, the subsidiary may redeem all its bonds in cash at face value at any time thereafter.

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

- C. According to the Regulations on Conversion, 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.
7. The main conditions related to the issuance of unsecured convertible bonds of subsidiaries are as follows:
- (1) Total issue amount: NT\$2,500,000 thousand
 - (2) Face value: NT\$100 thousand per bond
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 1.7960%
 - (5) Duration: June 27, 2023 - June 27, 2026
 - (6) Conversion period: From the day following the expiration of three months after the date of bond issuance to the maturity date, except for the book closure periods stipulated by the Regulations on Conversion or by the law, the bondholders may request the subsidiary to convert the bonds into ordinary shares of the subsidiary. The rights and obligations for 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 these convertible bonds is determined in accordance with the prescribed model set forth in the Regulations on Conversion. In case of the Company's anti-dilution provision coming into effect, the conversion price will be adjusted in accordance with the prescribed model set forth in the Regulations on Conversion. Subsequently, on the benchmark date of the regulation, the conversion price shall be re-determined in accordance with the prescribed model set forth in the Regulations on Conversion. If it is higher than the conversion price before the re-determination in the current year, it will not be adjusted.
 - (8) Call 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 three months after the issuance date of the convertible 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 three months after the issuance date of the convertible bonds to 40 days before the expiration of the issuance period, when the outstanding balance of the convertible bonds is less than 10% of the total face value of the original issue, the subsidiary may redeem all its bonds in cash at face value at any time thereafter.

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

C. According to the Regulations on Conversion, 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 plans

There were no major market fluctuations, significant curtailments, settlements, or other one-off events in the previous fiscal year. Therefore, the Group measures and discloses the interim period pension costs using the actuarially determined pension cost rate on December 31, 2022 and 2021.

Details on recognized expenses (benefits) of the Group are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
\$	17,280	12,660	35,850	29,883

2. Defined contribution plan

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

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
\$	59,017	65,719	178,771	172,527

(q) Income taxes

Details on the income tax expenses of the Group are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Income tax expenses for the period				
Recognized for the period	\$ 445,821	436,177	1,576,205	1,116,237
Deferred income tax expenses				
Occurrence and reversal of temporary differences	(5,879)	28,884	24,171	90,603
Income tax expenses	\$ 439,942	465,061	1,600,376	1,206,840
Less: Income tax expenses attributable to discontinued operations	-	(45,379)	(2,406)	(99,212)
Income tax expenses	\$ 439,942	419,682	1,597,970	1,107,628

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

The profit-seeking enterprise income tax return as of the year 2020 for the Company, Ennoconn International, Goldtek, Thecus, CASwell, and MIC have been assessed by the tax authorities. The Company disagrees with the assessment results from the year 2015 to 2018, and is currently processing administrative litigations. However, the Company has assessed the relevant income tax in conformity to the principle of prudence.

(r) Capital and other equity

Except as otherwise described below, the Group had no significant changes in capital and other equity for the nine months ended September 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

On January 4, 2022, the Group adopted the private placement of ordinary share at the special meeting of shareholders. The placement issued 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 abovesaid privately-placed ordinary shares and the subsequent issuance of bonus shares shall be handled in compliance with 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 three full years after the delivery date of the privately-placed ordinary shares, before it may submit an application 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 reference date for capital reduction 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.

From January 1 to September 30, 2023, the Company issued 22,179 thousand shares of new stock due to the exercise of conversion rights by convertible bondholders. The shares were issued at face value, totaling NT\$221,792 thousand. Of this amount, 18,098 thousand shares have undergone the legal registration procedure.

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

2. Capital surplus

Balance of the Company's capital reserve is presented as follows:

	2023.9.30	2022.12.31	2022.9.30
Premium on issued shares	\$ 5,039,717	5,039,717	5,039,717
Issuance of new shares for receiving transfer of shares of another company	1,372,670	1,372,670	1,372,670
Premium on conversion of convertible bonds	6,420,591	1,797,651	1,797,651
Share options for convertible bonds	371,921	396,757	396,757
Expired share options	385,261	385,261	385,261
Changes in percentage of ownership in subsidiaries and associates	538,888	293,268	303,105
	\$ 14,129,048	9,285,324	9,295,161

3. Retained earnings

In accordance with the Company's Articles of Incorporation, if there are earnings after the annual final settlement, the Company shall 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 paid-in capital. Additionally, the Company shall set aside special reserve based on operational needs and as required by the law. The remaining earnings shall then be combined with the unappropriated beginning retained earnings, and the Board of Directors shall put forward a proposal for the distribution of earnings to the shareholders for resolution.

The Company is still growing in the industry, 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 cash dividends, which may not be less than 10% of the dividends distributed in the current year, after the retained earnings are used to make up for the required funds.

(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.

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

(2) Special reserve

Since the Company chose to apply an exemption under IFRS 1, First-time Adoption of International Financial Reporting Standards when it started to adopt the IFRSs endorsed by the FSC, the unrealized revaluation increments or cumulative translation adjustment (profit) accounted for under the recorded shareholders' equity were transferred to retained earnings. Additionally, the assets accounted for were classified as investment property on the conversion date. The retained earnings are increased by taking the fair value on the conversion date as the deemed cost in accordance with the regulations. In accordance with FSC No. 1010012865 order issued on April 6, 2012, the Company allocates the same amount in special reserve and may reverse the proportion of the initial special reserve to distribute the surplus in the use, disposal, or reclassification of relevant assets. As of September 30, 2023 and 2022, the balance of this special reserve was NT\$905,934 thousand and NT\$1,768,490 thousand.

In accordance with the above order, when distributing the distributable surplus, with respect to the difference between the net amount of other deductions from shareholders' equity accounted for during the period and the abovestated balance of the special reserve, the Company shall allocate an amount of special reserve from the current profit and loss and the unappropriated earnings of the previous period. The amount of other deductions from shareholders' equity of the previous period shall be allocated to the special reserve from the unappropriated earnings of the previous period and may not be distributed. If there is a subsequent reversal in the amount of other decreases in shareholders' equity, the reversal may be distributed in the form of a surplus.

(3) Earnings distribution

The Company's shareholders' meeting resolved the cash dividends amount of earnings distribution for the year ended December 31, 2022 on March 30, 2023, and also the earnings distribution for the year ended December 31, 2021 on June 23, 2022. The amount of dividends distributed to owners are as follows:

	2022		2021	
	Payout (NT\$)	Amount	Payout (NT\$)	Amount
Dividends distributed to ordinary share owners:				
Cash	\$ 15	1,604,720	3	318,111

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

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

	Exchange differences on translation of foreign financial statements	Unrealized gains or losses on financial assets measured at FVTOCI	Non- controlling interests	Total
Balance as of January 1, 2023	\$ (830,267)	(75,667)	27,177,156	26,271,222
Effects of retrospective compilation	-	-	2,944	2,944
Net income for the period	-	-	2,451,662	2,451,662
Exchange differences on translating the net assets of foreign operations	614,371	-	584,229	1,198,600
Share of associates accounted for using the equity method	1,265	-	59	1,324
Unrealized gains or losses on financial assets measured at FVTOCI	-	2,893	(91,983)	(89,090)
Remeasurements of defined benefit plans	-	-	1,338	1,338
Cash dividends distributed by subsidiaries	-	-	(2,419,751)	(2,419,751)
Disposal of equity instruments measured at fair value through other comprehensive income	-	61,674	-	61,674
Changes in percentage of ownership in subsidiaries	-	-	(242,856)	(242,856)
Other changes	-	-	394,552	394,552
Balance as of September 30, 2023	<u>\$ (214,631)</u>	<u>(11,100)</u>	<u>27,857,350</u>	<u>27,631,619</u>

	Exchange differences on translation of foreign financial statements	Unrealized gains or losses on financial assets measured at FVTOCI	Non- controlling interests	Total
Balance as of January 1, 2022	\$ (1,673,323)	(95,167)	20,565,729	18,797,239
Effects of retrospective compilation	-	-	374	374
Net income for the period	-	-	1,868,372	1,868,372
Exchange differences on translating the net assets of foreign operations	961,886	-	398,293	1,360,179
Share of associates accounted for using the equity method	1,889	532	354	2,775
Unrealized gains or losses on financial assets measured at FVTOCI	-	21,819	3,910	25,729
Cash dividends distributed by subsidiaries	-	-	(1,178,913)	(1,178,913)
Changes in percentage of ownership in subsidiaries	-	-	(16,630)	(16,630)
Non-controlling interests arising from business combinations	-	-	23,384	23,384
Effects of loss of control	-	-	(89,722)	(89,722)
Other changes	-	-	214,662	214,662
Balance as of September 30, 2022	<u>\$ (709,548)</u>	<u>(72,816)</u>	<u>21,789,813</u>	<u>21,007,449</u>

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

(s) Share-based payment

Except as otherwise described below, there were no major changes in the Group's share-based payment for the nine months ended September 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.

1. The share-based payment transactions made by ADAT (subsidiary of MIC) for the nine months ended September 30, 2023 and 2022 is as follows:

Issuer	Type of agreement	Grant day	Number of granted shares (in thousands of shares)	Contract period	Vested conditions
ADAT	Employee share option plans	April 1, 2019	436	6years	0–2 years, service expired
"	"	September 1, 2019	314	"	"
"	"	May 1, 2020	27	"	"
"	"	September 1, 2020	137	"	"

- (1) The abovementioned share-based payment agreements are equity-settled share-based payment transactions.
- (2) Details on the above share-based payment agreements are as follows:

ADAT:

	January to September, 2022	
	Weighted average strike price (NT\$)	Number of share options
Outstanding share options as of January 1	10.00	122
Share options granted for the period	10.00	11
Share options exercised for the period	10.00	(15)
Share options forfeited for the period	-	(6)
Share options outstanding as of September 30	10.00	<u>112</u>
Share options exercisable as of September 30		<u>60</u>

Note: The subsidiary ADAT's employee share option plans has been carried out in full on December 31, 2022.

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

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

Issuer	Approved issue date	Maturity date	2022.9.30	
			Number of shares (in thousands of shares)	Strike 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) ADAT granted the share-based payment transactions on the grant day using the Black-Scholes option pricing model to estimate the fair value of share options. Relevant information is presented as below:

Issuer	Type of agreement	Grant day	Share price (NT\$)	Strike price (NT\$)	Expected volatility	Expected duration	Expected dividend yield	Risk-free interest rate	Fair value per unit (NT\$)
ADAT	Employee share option plans	April 1, 2019	10.00	10.00	47.77%	3.550 years	0%	0.61%	2.4727
"	"	September 1, 2019	10.00	10.00	44.29%	3.550 years	0%	0.54%	2.7873
"	"	May 1, 2020	10.00	10.00	38.58%	3.550 years	0%	0.38%	10.4014
"	"	September 1, 2020	10.00	10.00	38.10%	3.550 years	0%	0.38%	9.9910

- (5) ADAT paid NT\$0 thousand, NT\$44 thousand, NT\$0 thousand and NT\$133 thousand share-based payment for the three months ended September 30, 2023 and 2022 and for the nine months ended September 30, 2023 and 2022, respectively.

(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's ordinary equity holders

	Continuing operations	Discontinued operations	Total
July to September, 2023	\$ 760,832	1,795	762,627
July to September, 2022	\$ 627,364	26,023	653,387
January to September, 2023	\$ 1,818,264	16,616	1,834,880
January to September, 2022	\$ 1,336,810	72,639	1,409,449

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

(2) Weighted average outstanding ordinary shares

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Ordinary shares issued as of January 1	\$ 106,037	101,812	106,037	101,812
Effect of treasury stock	-	(655)	-	(655)
Effect of bond conversions	20,706	-	9,268	-
Effect of issuance of new shares by cash capital increase	-	4,880	-	4,701
Weighted average ordinary shares outstanding as of September 30	\$ 126,743	106,037	115,305	105,858

(3) Basic earnings per share

	Continuing operations	Discontinued operations	Total
July to September, 2023	\$ 6.00	0.02	6.02
July to September, 2022	\$ 5.92	0.24	6.16
January to September, 2023	\$ 15.77	0.14	15.91
January to September, 2022	\$ 12.63	0.68	13.31

2. Diluted earnings per share

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

	Continuing operations	Discontinued operations	Total
July to September, 2023			
Net profit attributable to ordinary equity holders of the Company (basic)	\$ 760,832	1,795	762,627
After-tax interest expenses and valuation profit or loss of convertible bonds	12,013	-	12,013
	\$ 772,845	1,795	774,640
July to September, 2022			
Net profit attributable to ordinary equity holders of the Company (basic)	\$ 627,364	26,023	653,387
After-tax interest expenses and	20,761	-	20,761

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

valuation profit or loss of convertible bonds	\$	648,125	26,023	674,148
January to September, 2023				
Net profit attributable to ordinary equity holders of the Company (basic)	\$	1,818,264	16,616	1,834,880
After-tax interest expenses and valuation profit or loss of convertible bonds		35,947	-	35,947
	\$	1,854,211	16,616	1,870,827
January to September, 2022				
Net profit attributable to ordinary equity holders of the Company (basic)	\$	1,336,810	72,639	1,409,449
After-tax interest expenses and valuation profit or loss of convertible bonds		71,349	-	71,349
	\$	1,408,159	72,639	1,480,798

(2) Weighted average outstanding ordinary shares

	<u>July to September, 2023</u>	<u>July to September, 2022</u>	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Weighted average number of outstanding ordinary shares (basic)	126,743	106,037	115,305	105,858
Effect of employee remuneration	108	71	308	259
Effect of conversion of convertible bonds	23,666	38,403	32,259	39,171
Weighted average ordinary shares outstanding as of September 30 (diluted)	150,517	144,511	147,872	145,288

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

(3) Diluted earnings per share

	Continuing operations	Discontinued operations	Total
July to September, 2023	\$ 5.13	0.02	5.15
July to September, 2022	\$ 4.48	0.19	4.67
January to September, 2023	\$ 12.54	0.11	12.65
January to September, 2022	\$ 9.69	0.50	10.19

(u) Contract revenue

1. Details on revenue

Details on revenue of the Group are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Commodity and sales revenue	\$ 20,552,572	23,122,024	57,699,367	60,080,080
Service revenue	911,406	678,384	2,688,023	1,836,213
Engineering service revenue	8,498,686	8,360,482	27,206,455	21,356,269
	<u>\$ 29,962,664</u>	<u>32,160,890</u>	<u>87,593,845</u>	<u>83,272,562</u>
Less: Operating revenue attributable to discontinued operations	<u>\$ -</u>	<u>(2,988,622)</u>	<u>(178,284)</u>	<u>(8,268,027)</u>
	<u>\$ 29,962,664</u>	<u>29,172,268</u>	<u>87,415,561</u>	<u>75,004,535</u>

2. Contract balance

	2023.9.30	2022.12.31	2022.9.30
Accounts receivable	<u>\$ 17,110,316</u>	<u>17,390,498</u>	<u>17,110,316</u>
Contract assets - construction contracts	\$ 12,930,891	9,059,781	9,457,120
Contract assets - sales contracts	1,066,672	1,398,269	278,397
Contract assets - employment contracts	927,463	410,742	909,179
Total	<u>\$ 14,925,026</u>	<u>10,868,792</u>	<u>10,644,696</u>
Contract liabilities - construction contracts	\$ 6,468,569	5,723,089	5,569,543
Contract liabilities - sales contracts	1,950,560	1,688,212	2,347,908
Contract liabilities - employment contracts	1,920,474	1,681,358	2,157,657
Extended warranty service	495,126	596,973	344,061
Total	<u>\$ 10,834,729</u>	<u>9,689,632</u>	<u>10,419,169</u>

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

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

(v) Remuneration for employees and Directors, and Supervisors

In accordance with the Company's Articles of Incorporation, no less than 2% of the Company's annual profits shall be appropriated to the remuneration of employees and no more than 2% to the remuneration 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 remuneration in the form of stock or cash shall include employees in the controlling and associates who met certain conditions.

The accrued amount of remuneration of employees for the three months ended September 30, 2023 and 2022 and for the nine months ended September 30, 2023 and 2022 were NT\$26,883 thousand, NT\$12,941 thousand, NT\$47,007 thousand and NT\$36,493 thousand, respectively, and the estimate amount of remuneration to Directors and Supervisors were NT\$765 thousand, NT\$765 thousand, NT\$2,295 thousand and NT\$2,295 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 remuneration of employees, Directors and Supervisors by the proportion of the Company's remuneration distribution to employees, Directors and Supervisors as provided in the Company's Articles of Incorporation, and is reported as operating costs or expenses for that period. The difference between accrual and actual payment, if any, is treated as a change in accounting estimates 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. Relevant information can be obtained from the MOPS.

(w) Non-operating income and expenses

1. Other income

Details on other income of the Group are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Rental income	\$ 4,756	3,338	16,086	15,227
Dividend income	28,268	13,363	30,238	13,704
	33,024	16,701	46,324	28,931
Less: Other income attributable to discontinued operations	-	(879)	(40)	(2,895)
	\$ 33,024	15,822	46,284	26,036

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

2. Other gains and losses

Details on other gains and losses of the Group are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Gains (losses) on disposal of property, plant and equipment	\$ (6,687)	(558)	(20,672)	16,279
Gains (losses) on disposal of investments	(12,242)	-	158,414	43,172
Gains on foreign exchange	281,477	386,197	380,252	802,043
Net gain (loss) on financial assets and liabilities	84,410	(11,066)	422,655	(194,501)
Estimated benefits of contingent considerations	-	993	-	359,703
Others	422,487	376,710	1,200,598	689,107
	<u>\$ 769,445</u>	<u>752,276</u>	<u>2,141,247</u>	<u>1,715,803</u>
Less: Other losses (gains) attributable to discontinued operations	-	22,605	(63,502)	63,639
	<u>\$ 769,445</u>	<u>774,881</u>	<u>2,077,745</u>	<u>1,779,442</u>

3. Financial costs

Details on financial costs of the Group are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Interest on bank loans	\$ 251,604	101,861	640,271	290,988
Interest on lease liabilities	37,754	13,001	95,246	46,798
Imputed interest on bonds payable	25,795	22,254	65,561	69,094
	<u>\$ 315,153</u>	<u>137,116</u>	<u>801,078</u>	<u>406,880</u>
Less: Financial costs attributable to discontinued operations	-	(7,529)	(3,182)	(34,480)
	<u>\$ 315,153</u>	<u>129,587</u>	<u>797,896</u>	<u>372,400</u>

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

(x) Financial instruments

1. Credit risks

(1) The amount of maximum credit risk exposure

The carrying amounts of financial assets and contract assets represent the amount of maximum credit risk exposure.

(2) Concentration 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 for accounts receivable. To reduce credit risk, the policies adopted by the Company are to trade only with well-reputed counterparties. The Company continues to regularly evaluate the financial status of customers, and obtain sufficient collateral if necessary, so as to reduce the risk of financial losses caused by default.

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

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

Since the above were financial assets with low credit risks, the loss allowance was measured according to the expected credit loss for the duration.

2. Liquidity risks

Contract expiration dates of financial liabilities, including estimated interests, are presented in the table below:

	<u>Book value</u>	<u>Contractual cash flow</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>Over 1 year</u>
September 30, 2023					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 24,032,238	(24,032,238)	(24,032,238)	-	-
Lease liabilities	4,619,344	(4,902,418)	(994,668)	(55,020)	(3,852,730)
Floating rate instruments	19,951,326	(20,094,079)	(10,467,930)	(6,615,538)	(3,010,611)
Fixed rate instruments	8,856,051	(8,975,480)	(240,200)	(1,525,447)	(7,209,833)
	<u>\$ 57,458,959</u>	<u>(58,004,215)</u>	<u>(35,735,036)</u>	<u>(8,196,005)</u>	<u>(14,073,174)</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)

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

	Book value	Contractual cash flow	Within 6 months	6-12 months	Over 1 year
Fixed rate instruments	8,809,170	(8,815,490)	(167,395)	(651,200)	(7,996,895)
	\$ 62,431,186	(63,673,487)	(42,298,675)	(3,668,064)	(17,706,748)
September 30, 2022					
Non-derivative financial liabilities					
Non-interest bearing liabilities					
Lease liabilities	\$ 26,641,142	(26,641,142)	(26,641,142)	-	-
Floating rate instruments	3,893,850	(4,267,785)	(1,190,105)	(72,707)	(3,004,973)
Fixed rate instruments	22,587,446	(22,621,872)	(12,713,021)	(3,318,855)	(6,589,996)
	8,787,982	(8,795,968)	(166,815)	-	(8,629,153)
	\$ 61,910,420	(62,326,767)	(40,711,083)	(3,391,562)	(18,224,122)

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

3. Market risks

(1) Exchange rate risk

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

	2023.9.30			2022.12.31			2022.9.30		
	Foreign currency	Rate	TWD	Foreign currency	Rate	TWD	Foreign currency	Rate	TWD
Financial assets									
<u>Monetary items</u>									
USD	\$ 335,831	32.27 (USD: TWD)	10,837,266	395,448	30.71 (USD: TWD)	12,144,208	425,138	31.75 (USD: TWD)	13,498,132
USD	103,214	0.9516 (USD: EUR)	3,330,587	100,746	0.9386 (USD: EUR)	3,094,010	84,868	1.0157 (USD: EUR)	2,694,625
USD	4,414	7.3009 (USD: CNY)	142,440	43,616	6.9637 (USD: CNY)	1,339,444	24,444	7.1029 (USD: CNY)	776,096
Financial liabilities									
<u>Monetary items</u>									
USD	74,134	32.27 (USD: TWD)	2,392,304	170,153	30.71 (USD: TWD)	5,255,399	122,972	31.75 (USD: TWD)	3,904,361
USD	95,392	0.9516 (USD: EUR)	3,078,181	70,469	0.9386 (USD: EUR)	2,164,173	94,911	1.0157 (USD: EUR)	3,013,498
USD	7,745	7.3009 (USD: CNY)	249,931	43,613	6.9637 (USD: CNY)	1,339,352	48,771	7.1029 (USD: CNY)	1,548,477

Note: The exchange rates of Euro and CNY to TWD stated above are as follows:

	2023.9.30	2022.12.31	2022.9.30
EUR: TWD	\$ 33.91	32.72	31.26
CNY: TWD	4.42	4.41	4.47

The exchange rate risk of the Group mainly comes from the cash and cash equivalent, accounts receivable and other receivables, borrowings, accounts payable and other accounts payable denominated in a foreign currency, with exchange gains and losses arising from currency translation. As of September 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, the profit before tax would have increased

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

or decreased by NT\$85,899 thousand and NT\$85,025 thousand for the nine months ended September 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 nine months ended September 30, 2023 and 2022 were gains of NT\$380,252 thousand and NT\$802,043 thousand, respectively.

(2) Interest rate risks

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

The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments at 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.

Where the interest rate increased or decreased by 1% and other variable were held constant, the Group's profit before tax for the nine months ended September 30, 2023 and 2022 would have increased or decreased by NT\$199,513 thousand and NT\$225,874 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 comprehensive income items:

	January to September, 2023		January to September, 2022	
Securities price as at the reporting date	Other comprehens ive income before tax	Comprehe nsive income before tax	Other comprehen sive income before tax	Comprehe nsive income before tax
Increased by 1%	\$ 13,085	15,747	10,585	11,330
Decreased by 1%	\$ (13,085)	(15,747)	(10,585)	(11,330)

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

4. Information on fair value

(1) Classification of financial instruments and their fair values

Financial assets and liabilities measured at fair value through profit or loss, financial assets for hedging, and financial assets measured at fair value through other comprehensive, were all measured at fair value by the Group on a recurring basis. The book value and fair value of each financial asset or financial liability, including information on fair value level (except that the financial instruments not measured at fair value with a book value reasonably approximating the fair value, as well as lease liabilities, are not required to disclose fair value information), are as follows:

	2023.9.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at FVTPL					
Derivative financial assets	\$ 3,475	-	2,475	1,000	3,475
Non-derivative financial assets					
– Listed (OTC) stocks	155,293	155,293	-	-	155,293
– Unlisted (Non-OTC) stocks and emerging stocks	1,042,076	-	-	1,042,076	1,042,076
– Privately offered funds	369,800	-	-	369,800	369,800
– Convertible bonds	4,033	-	-	4,033	4,033
	<u>1,574,677</u>	<u>155,293</u>	<u>2,475</u>	<u>1,416,909</u>	<u>1,574,677</u>
Financial assets measured at fair value through other comprehensive income					
Investments in equity instruments					
– Listed (OTC) stocks	\$ 407,238	407,238	-	-	407,238
– Unlisted (Non-OTC) stocks and emerging stocks	901,287	-	-	901,287	901,287
	<u>1,308,525</u>	<u>407,238</u>	<u>-</u>	<u>901,287</u>	<u>1,308,525</u>
Total	<u>\$ 2,883,202</u>	<u>562,531</u>	<u>2,475</u>	<u>2,318,196</u>	<u>2,883,202</u>

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

		2022.12.31				
		Book value	Fair value			Total
		Level 1	Level 2	Level 3		
Financial assets measured at FVTPL						
Derivative financial assets	\$	195	-	-	195	195
Non-derivative financial assets						
– Listed (OTC) stocks		141,934	141,934	-	-	141,934
– Unlisted (Non-OTC) stocks and emerging stocks		673,430	-	-	673,430	673,430
– Privately offered funds		333,661	-	-	333,661	333,661
		1,149,220	141,934	-	1,007,286	1,149,220
Financial assets measured at fair value through other comprehensive income						
Investments in equity instruments						
– Listed (OTC) stocks		208,131	208,131	-	-	208,131
– Unlisted (Non-OTC) stocks and emerging stocks		823,150	-	-	823,150	823,150
		1,031,281	208,131	-	823,150	1,031,281
Total		\$ 2,180,501	350,065	-	1,830,436	2,180,501
Financial liabilities measured at FVTPL						
Derivative financial liabilities	\$	1,638	-	1,638	-	1,638
Total		\$ 1,638	-	1,638	-	1,638

		2022.9.30				
		Book value	Fair value			Total
		Level 1	Level 2	Level 3		
Financial assets measured at FVTPL						
Derivative financial assets	\$	326	-	-	326	326
Non-derivative financial assets						
– Listed (OTC) stocks		99,467	99,467	-	-	99,467
– Unlisted (Non-OTC) stocks and emerging stocks		806,603	-	-	806,603	806,603
– Privately offered funds		226,915	-	-	226,915	226,915
		1,133,311	99,467	-	1,033,844	1,133,311
Financial assets measured at fair value through other comprehensive income						

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

	2022.9.30				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Investments in equity instruments					
– Listed (OTC) stocks	193,142	193,142	-	-	193,142
– Unlisted (Non-OTC) stocks and emerging stocks	865,380	-	-	865,380	865,380
	1,058,522	193,142	-	865,380	1,058,522
Total	\$ 2,191,833	292,609	-	1,899,224	2,191,833
Financial liabilities measured at FVTPL					
Derivative financial liabilities	\$ 7,188	-	7,188	-	7,188
Total	\$ 7,188	-	7,188	-	7,188

- (2) Fair value valuation 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 valuation of fair value. If the market value is not available for reference, valuation techniques shall be used for estimation. Discounted cash flow is adopted to estimate the fair value based on the estimates and assumptions used in valuation techniques.

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

If there are quoted prices in active markets for a financial instrument, the quoted market price shall be used as its fair value. 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 quoted price of a financial instrument can be obtained from the exchange, broker, underwriter, industry association, pricing service institution, or competent authority in a timely and frequent manner, and the price represents the actual and frequent fair market transactions, then the financial instrument has a quoted price in active markets. If the above conditions are not met, the market is deemed inactive. Generally speaking, a large bid-ask spread, a significant increase in bid-ask spread, or a small trading volume are indicators of an inactive market.

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

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 abovesaid financial instruments with active markets, the fair values of other financial instruments are assessed by using valuation techniques or referring to the quotation of counter parties. The fair value obtained through valuation techniques can be calculated by referring to current fair values of other financial instruments with substantially similar conditions and characteristics, the discounted cash flow analysis, or other valuation techniques, including using the model based on the market information available on the consolidated reporting date (for example, yield curves provided by TPEX, or average interest rate on commercial paper rate provided by Reuters).

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

B. Derivative financial instruments

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

(4) Transfer between Level 1 and Level 2

There was no transfer for the nine months ended September 30, 2023 and 2022.

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

Fair value measurements categorized as Level 3 by the Group mainly include financial assets measured at fair value through profit or loss - equity securities investment, derivative financial instruments, private fund investments, convertible bonds, and financial assets measured at fair value through other comprehensive income - equity securities investment.

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

Most fair values categorized as Level 3 by the Group have single significant unobservable input, only equity instrument investments without active markets have plural significant unobservable inputs. The significant unobservable inputs of investments in equity instruments without active markets are mutually independent and therefore have no correlation.

Quantitative information on significant unobservable inputs is listed as follows:

Item	Valuation technique	Significant unobservable input	Relationship between significant unobservable input and fair value
Investments in equity instruments without active markets	Comparable companies in the market	<ul style="list-style-type: none"> • Discount for lack of marketability (15~25% for both September 30, 2023 and September 30, 2022) 	<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 assets value method	<ul style="list-style-type: none"> • Net assets value 	<ul style="list-style-type: none"> • The higher the net assets value, the higher the fair value.
Financial liabilities measured at fair value through profit or loss - convertible bonds	Discounted cash flow analysis	<ul style="list-style-type: none"> • Long-term revenue growth rate, weighted average cost of capital, long-term net operating income before tax, discount for lack of marketability 	<ul style="list-style-type: none"> • The higher the weighted average cost of capital, the lower the fair value. The higher the long-term revenue growth rate and long-term net operating income before tax, the higher the fair value. The higher the discount for lack of marketability, the lower the fair value.

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

(y) Financial risk management

There were no significant changes in the objectives and policies of the Group's financial risk management compared to those disclosed in Note 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) Non-cash transactions in investments and financing activities

The Group had no non-cash transactions in investments and financing activities for the nine months ended September 30, 2023 and 2022.

VII. Related party transactions

(a) Name of related party and the relation

The related parties that have transacted with the Group during the reporting period of this consolidated financial statements are as follows:

Name of related party	Relationship with the Group
Cloud Network Technology Kft.	Associate
Cloud Network Technology Singapore Pte. Ltd.	Associate
Competition Team Ireland Limited	Associate
FOXCONN CZ s.r.o.	Associate
Foxconn Interconnect Technology Limited (previously known as: Foxconn Interconnect Technology Limited Taiwan Branch)	Associate
Foxconn Singapore Pte. Ltd.	Associate
Radisen Co., Ltd.	Associate
Triple Win Technology (ShenZhen) Co., Ltd.	Associate
Chung Hsin Electric & Machinery Manufacturing Corp.	Associate
WT Microelectronics Co., Ltd.	Associate (Note 2)
Dongguan Oyu Precision Technology Co., Ltd.	Associate
AnPinDa Precision Industry (HuiZhou) Co., Ltd.	Associate
Everlasting Digital ESG Co., Ltd.	Associate
Premier Image Technology (China) Ltd.	Associate
E-WIN Investment Corp.	Associate
CTS Investment Corp.	Associate
KUNSHAN FUCHENGKE PRECISION ELECTRONICAL CO.,LTD.	Associate

**Notes to Consolidated Financial Statements of Ennoconn Corporation and its
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<u>Name of related party</u>	<u>Relationship with the Group</u>
HeNan FuChi Technology Co., Ltd.	Associate
HeNan YuZhan Technology Limited	Associate
Fortune International Corporation	Associate
Glory Technology Service Inc.	Associate
SERVTECH Co., Ltd.	Associate
Chongqing Hongteng Technology Co., Ltd.	Associate
ChongQing FuGui Electronics Co., Ltd	Associate
ChongQing Jingmei Precision electronic Co., Ltd.	Associate
Hong Kong Ennopower Information Technology Co., Limited	Associate
Triple Win Technology (JinCheng) Co., Ltd.	Associate
Jincheng Futaihua Precision Electronic Co., Ltd.	Associate
Jincheng Hongzhi Nano optical-mechanical-electrical institute Co., Ltd.	Associate
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Associate
Shenzhen Zhuxuntong Technology Co., Ltd.	Associate
Shenzhen Fertile Plan international Logistics Co., Ltd.	Associate
Shenzhen Fu Rong Inclusive Finance Co., Ltd.	Associate
Shenzhen Xiangxingzi Technology Co., Ltd.	Associate (Note 1)
Shenzhen Hyper Power Information Technology Co., Ltd.	Associate
Yantian Jusda Supply Chain Management Co., Ltd.	Associate
Shenzhen Asiatek Technology Co. Ltd.	Associate (Note 3)
Shenzhen FuTaiHong Precision Industry Co., Ltd.	Associate
Shenzhen Fulian Fugui Precision Industry Co., Ltd.	Associate
Fugion Material Technology (Shenzhen) Co., Ltd.	Associate
Foxconn (KunShan) Computer Connector Co., Ltd.	Associate
Foxconn Industrial Internet Co., Ltd.	Associate
Foxconn Technology Group Co., Ltd. (previously known as: Hongfujin Precision Industry (Shenzhen) Co., Ltd.)	Associate
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Associate
Fujin Precision Industry (Shenzhen) Co., Ltd.	Associate
Fujin Precision Industrial (Jincheng) Co., Ltd.	Associate
Futaihua Industrial (Shenzhen) Co., Ltd.	Associate
Futaihua Precision Industry (Weihai) Co., Ltd.	Associate
FIH (Hong Kong) Limited	Associate
Fuxiang Precision Industrial (kunshan) Co., Ltd.	Associate
Fuding Electronic Technology (Jiashan) Co., Ltd.	Associate
Fulian Technology (Shanxi) Co., Ltd.	Associate
Fulian Technology (Zhoukou) Co., Ltd.	Associate
Fulian Technology (Wuhan) Co., Ltd.	Associate
Fulian Technology (Jiyuan) Co., Ltd.	Associate
Foxon Technical (Lankao) Co., Ltd.	Associate

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

<u>Name of related party</u>	<u>Relationship with the Group</u>
Fulian Technology (Hebi) Co., Ltd.	Associate
Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	Associate
Fulian Yuzhan Technology (Hengyang) Co., Ltd.	Associate
Fulian Precision Electronics (Tianjin) Co., Ltd.	Associate
Fulian Precision Electronics (Guiyang) Co., Ltd.	Associate
Fulian Precision Electronics (Zhengzhou) Co., Ltd. (previously known as Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.)	Associate
Foxconn Global Network	Associate
Fuyun Acoustics Technology (Shenzhen) Co., Ltd.	Associate
Altus Technology Inc.	Associate
Chiun Mai Communication Systems, Inc.	Associate
Coiler Corporation	Associate
Arbor Technology Corporation	Associate
Forward Science Corp.	Associate
Ennowell Co., Ltd.	Associate
Hengyang Futaihong Precision Industry Co., Ltd.	Associate
Ur Materials Industry (ShenZhen) Co., Ltd.	Associate
Ur Hongxin Detection Technology (Shenzhen) Co., Ltd	Associate
ProbeLeader Co., Ltd.	Associate
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Associate
Hon Hai Precision Industry Co., Ltd.	Associate
Hong Fu Sheng Precision Electronics (Zhengzhou) Co., Ltd.	Associate
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Associate
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Associate
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Associate
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Associate
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Associate
Hon Young Semiconductor Corporation	Associate
Elecbay Technology Ltd.	Associate
Lankao YuFu Precision Technology Co., Ltd.	Associate
LanKao YuDe Environment Material Technology Inc.	Associate

Note1: Shenzhen Xiangxingzi Technology Co., Ltd. is no longer a related party of the Company from April 2022.

Note2: WT Microelectronics Co., Ltd. is no longer a related party of the Company from December 2022.

Note3: Shenzhen Asiatek Technology Co. Ltd. is no longer a related party of the Company from March 2023.

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

(b) Material transactions with related parties

1. Operating revenue

Significant sales amounts to related parties by the Group are as follows:

<u>Accounts Item</u>	<u>Category/Name of related party</u>	<u>July to September, 2023</u>	<u>July to September, 2022</u>	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Sales revenue	Associates:				
	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	\$ -	-	122	42,776
	Fulian Precision Electronics (Tianjin) Co., Ltd.	15,211	(3)	29,068	26,895
	Hon Hai Precision Industry Co., Ltd.	20,286	766	30,977	4,287
	Others	7,221	381	24,187	102,342
Engineering service revenue	Associate	<u>50,382</u>	<u>28,903</u>	<u>102,152</u>	<u>70,602</u>
		<u>\$ 93,100</u>	<u>30,047</u>	<u>186,506</u>	<u>246,902</u>

The sales transaction price of the Group to related parties is determined according to the agreement between both parties, and the payment term is net 60 days.

2. Purchase and processing fees

The purchase amounts of the Group from related parties are as follows:

<u>Category/ Name of related party</u>	<u>July to September, 2023</u>	<u>July to September, 2022</u>	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Associates:				
WT Microelectronics Co., Ltd.	\$ -	21,103	-	45,394
Fortune International Corporation	3,669	135	27,843	3,324
Foxconn Interconnect Technology Limited	10,481	14,044	25,986	53,926
Foxconn Technology Group Co., Ltd.	15,146	21,294	48,471	64,102
Others	<u>6,461</u>	<u>28,047</u>	<u>22,746</u>	<u>79,159</u>
	<u>\$ 35,757</u>	<u>84,623</u>	<u>125,046</u>	<u>245,905</u>

The sales transaction price of the Group to the related parties is determined according to the agreement of both parties, and the payment term is net 30-60 days.

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

3. Accounts receivable from related parties

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

<u>Accounts Item</u>	<u>Category/Name of related party</u>	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Accounts receivable - related parties	Associates:			
	HeNan FuChi Technology Co., Ltd.	\$ 21	70,987	16
	Hong Kong Ennopower Information Technology Co., Limited	25,528	47,928	49,603
	Shenzhen Hyper Power Information Technology Co., Ltd.	1,820	22,364	29,778
	Shenzhen Asiatek Technology Co. Ltd.	-	30,128	31,459
	Altus Technology Inc.	99,314	-	-
	Hon Hai Precision Industry Co., Ltd.	65,227	2,498	617
	Others	43,742	105,543	41,445
		\$ 235,652	279,448	152,918

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

Guarantees from outstanding accounts receivable from related parties are not collected.

Loss of allowance for accounts receivable from related parties on September 30, 2023, December 31, 2022, and September 30, 2022 were NT\$6,878 thousand, NT\$4,796 thousand, and NT\$54,389 thousand, respectively.

4. Accounts payable to related parties

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

<u>Accounts Item</u>	<u>Category/Name of related party</u>	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Accounts payable - related parties	Associates:			
	Cloud Network Technology Kft.	\$ -	50,520	-
	WT Microelectronics Co., Ltd.	-	-	23,613
	Dongguan Oyu Precision Technology Co., Ltd.	-	11,704	-
	Macrotec Technology Corp.	7,270	11,392	2,176
	Foxconn Interconnect Technology Limited	5,494	3,990	13,075
	Arbor Technology Corporation	9,283	102	166
	Foxconn Technology Group Co., Ltd.	3,843	38,365	34,511
	Elecbay Technology Ltd.	6,878	1,522	1,024
	Others	6,053	33,735	16,575
		\$ 38,821	151,330	91,140
Notes payable - related parties	Associates:			
	Macrotec Technology Corp.	2,142	2,048	10,618
	Chung Hsin Electric & Machinery Manufacturing Corp.	3,218	5,336	3,788
	Others	-	103	338
		\$ 5,360	7,487	14,744
Expenses payable (classified under other accounts payable)	Associate	\$ 9,945	31,940	17,348

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

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

5. Endorsements/Guarantees

<u>Name of endorsee/guarantee related party</u>	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Innovative Systems Integration Limited	\$ -	121,320
Ennoconn International Investment Co., Ltd.	-	1,000,000
Dexatek Technology Ltd.	160,000	160,000
Thecus Technology Corp.	-	100,000
HighAim Technology Inc.	258,160	571,500
Highaim Technology Inc.	48,405	47,625
Kontron AG and its subsidiary	6,963,119	6,208,281
MIC Inc. and its subsidiary	7,486,207	4,842,281
Ennoconn Hungary kft	1,129,450	2,222,500
Poslab Technology Corporation	-	50,000
	<u>\$ 16,045,341</u>	<u>15,323,507</u>

(c) Transactions with major managers

Remuneration for major managers include:

	<u>July to September, 2023</u>	<u>July to September, 2022</u>	<u>January to September, 2023</u>	<u>January to September, 2022</u>
Short-term employee benefits	\$ 119,043	108,728	341,603	278,969
Post-employment benefits	341	313	1,002	836
	<u>\$ 119,384</u>	<u>109,041</u>	<u>342,605</u>	<u>279,805</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:

<u>Name of asset</u>	<u>Subject of pledge guarantee</u>	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Pledged time deposits (recognized as financial assets measured at amortized cost)	Bank loans, tariff guarantee, performance bond, and warranty guarantee	\$ 18,571	24,687	64,647
Pledged demand deposits (recognized as other financial assets)	Bank loans and performance bond	38,006	40,110	4,806
Accounts receivable	Bank loans and performance bond	155,327	136,314	171,066
Inventories	Performance bond	7,000	17,302	22,044
Land	Bank loans	466,341	122,198	121,295
Buildings, net	Bank loans	731,647	670,799	829,763
Investment properties	Bank loans	-	51,099	51,109
Refundable deposits	Tender deposit, performance bond, and warranty deposit	241,180	276,048	247,493
		<u>\$ 1,658,072</u>	<u>1,338,557</u>	<u>1,512,223</u>

IX. Significant contingent liabilities and unrecognized contract commitments: None.

X. Losses due to major disasters: None.

XI. Significant events after balance sheet date

The Group's subsidiary Kontron AG has determined, through board resolution on October 12, 2023, to acquire BSquare Corporation for US\$1.9 per share in cash. Once approved by the U.S. Securities and Exchange Commission, the total price will be approximately US\$1,226,260 thousand. This acquisition is expected to be completed by the end of the year 2023.

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

XII. Others

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

By function By nature	July to September, 2023			July to September, 2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Wages and salaries	627,089	2,846,199	3,473,288	442,990	2,917,656	3,360,646
Labor and health insurance expenses	33,784	480,933	514,717	34,934	499,976	534,910
Pension expense	27,945	48,352	76,297	36,450	41,929	78,379
Other Employee Benefit Expenses	32,946	94,239	127,185	73,747	93,923	167,670
Depreciation expense	150,420	303,018	453,438	118,851	304,669	423,520
Amortization expense	5,163	239,831	244,994	3,545	293,779	297,324
Less: Operating costs and operating expenses attributable to discontinued operations	(618)	(547)	(1,165)	(540,408)	(135,355)	(675,763)

By function By nature	January to September, 2023			January to September, 2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expense						
Wages and salaries	1,688,564	8,040,226	9,728,790	1,297,164	8,362,481	9,659,645
Labor and health insurance expenses	108,401	1,410,833	1,519,234	90,865	1,536,398	1,627,263
Pension expense	88,471	126,150	214,621	87,225	115,185	202,410
Other Employee Benefit Expenses	110,046	299,117	409,163	199,626	228,790	428,416
Depreciation expense	438,115	847,970	1,286,085	335,355	976,777	1,312,132
Amortization expense	16,133	680,996	697,129	10,202	912,175	922,377
Less: Operating costs and operating expenses attributable to discontinued operations	(27,883)	(12,266)	(40,149)	(1,572,162)	(521,820)	(2,093,982)

- (b) Seasonality of operation:

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

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

(c) Discontinued operations:

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 September 30, 2022, the consolidated income statement of the previous period has been restated to show the discontinued operation and continuing operations separately.

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

The operating results and cash inflow of the discontinued operation are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Net operating revenue \$	-	2,988,622	178,284	8,268,027
Operating costs	(2,715)	(2,230,858)	(146,834)	(5,863,465)
Gross profit	(2,715)	757,764	31,450	2,404,562
Operating expenses	(2,693)	(589,566)	(64,887)	(1,949,805)
Non-operating income and expenses	11,847	(28,659)	52,469	(92,705)
Pre-tax gains	6,439	139,539	19,032	362,052
Income tax expenses	-	(45,379)	(2,406)	(99,212)
Current year's gains	\$ 6,439	94,160	16,626	262,840
Disposal gains from discontinued operations	-	-	43,089	-
Current net profit of discontinued operations	\$ 6,439	94,160	59,715	262,840
Gains on disposal of discontinued operations attributable to:				
Owners of the Company	\$ 1,795	26,023	16,616	72,639
Non-controlling interests	4,644	68,137	43,099	190,201
	\$ 6,439	94,160	59,715	262,840

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

The cash inflows of the discontinued operation are as follows:

	July to September, 2023	July to September, 2022	January to September, 2023	January to September, 2022
Cash flows of operating activities	\$ 132	11,798	9,140	(826,230)
Cash flows of investing activities	(761)	(29,582)	(52,420)	(78,737)
Cash flows of financing activities	(33)	(70,162)	(2,283)	(217,434)
Net cash flow	\$ (662)	(87,946)	(45,563)	(1,122,401)

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

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 nine months ended September 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) Information on investees (excluding investees in mainland China): Please refer to Table 7.
- (c) Investment information in mainland China: None.

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

1. Names, 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	25.87%

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 mainboards, network communication, and facility electromechanical system services for the nine months ended September 30, 2023 and 2022.

- (a) Segment revenue and results of operations

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

		July to September, 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	\$	6,679,914	10,348,313	919,037	13,549,726	1,424,305	(2,958,631)	-	29,962,664
Total revenue	\$	6,679,914	10,348,313	919,037	13,549,726	1,424,305	(2,958,631)	-	29,962,664
Profit and loss of reportable segments	\$	919,248	738,037	92,244	744,444	758,847	(1,264,574)	(6,439)	1,981,807

		July to September, 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	\$	4,994,052	11,022,773	1,343,190	14,243,589	1,326,041	(768,755)	(2,988,622)	29,172,268
Total revenue	\$	4,994,052	11,022,773	1,343,190	14,243,589	1,326,041	(768,755)	(2,988,622)	29,172,268
Profit and loss of reportable segments	\$	730,771	332,292	191,519	1,078,663	278,673	(728,774)	(139,539)	1,743,605

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

		January to September, 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									
	\$	20,270,327	29,055,081	3,008,536	41,057,852	3,933,945	(9,731,896)	(178,284)	87,415,561
Total revenue		<u>\$ 20,270,327</u>	<u>29,055,081</u>	<u>3,008,536</u>	<u>41,057,852</u>	<u>3,933,945</u>	<u>(9,731,896)</u>	<u>(178,284)</u>	<u>87,415,561</u>
Profit and loss of reportable segments									
	\$	2,403,475	2,116,037	351,723	2,413,350	2,216,223	(3,613,890)	(62,121)	5,824,797

		January to September, 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									
	\$	9,646,859	31,774,575	3,725,510	35,735,058	4,191,541	(1,800,981)	(8,268,027)	75,004,535
Total revenue		<u>\$ 9,646,859</u>	<u>31,774,575</u>	<u>3,725,510</u>	<u>35,735,058</u>	<u>4,191,541</u>	<u>(1,800,981)</u>	<u>(8,268,027)</u>	<u>75,004,535</u>
Profit and loss of reportable segments									
	\$	1,560,561	1,199,558	465,135	2,282,136	707,744	(1,730,473)	(362,052)	4,122,609

(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 amounts of assets/liabilities are not disclosed.

Ennoconn Corporation and subsidiaries
Loans of funds to others

Table 1

Unit: in thousands of TWD

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	-	-	0.00%	2	-	Operating turnover	-	None	-	2,145,116	8,580,462
0	Ennoconn Corporation	Ennoconn Hungary Kft	Other receivables - related parties	Yes	806,750	806,750	-	0.00%	2	-	Operating turnover	-	None	-	2,145,116	8,580,462
1	CASwell Inc.	Apligo GmbH	Other receivables - related parties	Yes	25,816	25,816	25,816	2.45%	2	-	Operating turnover	-	None	-	336,079	672,159
1	CASwell Inc.	Hawkeye Tech Co., Ltd.	Other receivables - related parties	Yes	50,000	-	-	1.60%	2	-	Operating turnover	-	None	-	336,079	672,159
2	KONTRON AG	Kontron Romania S.R.L., Romania	Other receivables - related parties	Yes	446,053	443,189	437,933	3.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Hungary Kft.	Other receivables - related parties	Yes	237,370	237,370	50,865	3.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron electronics AG	Other receivables - related parties	Yes	51,543	48,830	48,830	3.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron America Inc.	Other receivables - related parties	Yes	74,602	-	-	2.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron electronics GmbH (DE)	Other receivables - related parties	Yes	506,001	424,320	424,320	3.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Transportation GmbH	Other receivables - related parties	Yes	722,283	722,283	721,530	1.50%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Europe GmbH	Other receivables - related parties	Yes	386,574	386,574	386,574	1.50%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron AIS GmbH	Other receivables - related parties	Yes	169,550	158,699	158,699	2.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	S&T MEDTECH S.R.L.	Other receivables - related parties	Yes	96,148	96,148	96,148	3.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron d.o.o.	Other receivables - related parties	Yes	220,628	83,690	83,690	1.75%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Beteiligungs GmbH	Other receivables - related parties	Yes	881,660	881,660	881,660	2.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Comlab AG	Other receivables - related parties	Yes	67,820	67,820	67,820	1.50%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Modular Computers S.A.S.	Other receivables - related parties	Yes	152,595	152,595	152,595	1.50%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Electronics Kft.	Other receivables - related parties	Yes	7,630	4,578	4,578	3.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	Kontron Austria GmbH	Other receivables - related parties	Yes	182,266	173,789	173,789	1.50%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
2	KONTRON AG	AO IskraUralTel	Other receivables - related parties	Yes	138,368	93,036	93,036	8.00%	2	-	Operating turnover	-	None	-	2,088,179	8,352,715
3	Kontron Europe GmbH	KONTRON ASIA PACIFIC DESIGN SDN. BHD.	Other receivables - related parties	Yes	136,955	136,955	136,955	1.20%	2	-	Operating turnover	-	None	-	466,136	1,864,544
4	Techno Precision Co., Ltd.	T-lamma (Guangdong) Tech Co., Ltd.	Other receivables - related parties	Yes	37,107	-	-	2.00%	2	-	Operating turnover	-	None	-	83,884	167,768
5	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	370,860	370,860	370,860	3.00%	2	-	Operating turnover	-	None	-	626,678	626,678
6	Nanjing Asiatek Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables - related parties	Yes	207,505	-	-	0.00%	2	-	Operating turnover	-	None	-	206,577	206,577
6	Nanjing Asiatek Inc.	Ennoconn (Foshan) Investment Co., Ltd.	Other receivables - related parties	Yes	176,600	176,600	75,055	3.00%	2	-	Operating turnover	-	None	-	206,577	206,577
7	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Other receivables - related parties	Yes	39,923	-	-	0.00%	2	-	Operating turnover	-	None	-	4,285,140	4,285,140
7	Marketech International Corp.	Marketech International Sdn. Bhd.	Other receivables - related parties	Yes	55,278	25,816	16,135	4.87%	2	-	Operating turnover	-	None	-	4,285,140	4,285,140

Code	Granting company	Borrower	Financial statement account	Related party (Y/N)	Maximum amount 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		
7	Marketch International Corp.	MIC-Tech Viet Nam Co., Ltd.	Other receivables - related parties	Yes	122,960	-	-	0.00%	2	-	Operating turnover	-	None	-	4,285,140	4,285,140
7	Marketch International Corp.	Marketch International Corporation USA	Other receivables - related parties	Yes	1,129,450	1,129,450	16,135	4.87%~5.26%	2	-	Operating turnover	-	None	-	4,285,140	4,285,140
8	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other receivables	Yes	53,339	26,489	26,489	4.35%	2	-	Operating turnover	-	None	-	376,287	752,574
9	Marketch Integrated Manufacturing Co., Ltd.	Marketch Integrated Construction Co., Ltd.	Other receivables	Yes	7,678	-	-	0.00%	2	-	Operating turnover	-	None	-	55,501	111,002
10	ENNOMECH PRECISION (CAYMAN) CO.,LTD	ENNOCONN INVESTMENT HOLDINGS CO., LTD.	Other receivables - related parties	Yes	12,908	-	-	0.00%	2	-	Operating turnover	-	None	-	744,874	744,874
11	ENGA TECHNOLOGY CO., LIMITED	INNOVATIVE SYSTEMS INTEGRATION LIMITED	Other receivables - related parties	Yes	112,945	-	-	0.00%	2	-	Operating turnover	-	None	-	7	7
12	Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Other receivables - related parties	Yes	75,000	75,000	75,000	2.20%	2	-	Operating turnover	-	None	-	1,010,188	4,040,753
13	MIC-TECH Viet Nam CO., LTD	MARKETECH CO., LTD	Other receivables	Yes	5,240	5,240	2,620	4.50%~6.00%	2	-	Operating turnover	-	None	-	178,792	178,792
14	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Other receivables - related parties	Yes	161,350	161,350	151,669	1.83%	1	888,810	Operating turnover	-	None	-	166,557	166,557
15	ENNOCONN INVESTMENT HOLDINGS CO., LTD.	Ennoconn Hungary Kft	Other receivables - related parties	Yes	419,510	419,510	419,510	6.50%	2	-	Operating turnover	-	None	-	1,361,468	5,445,871

Note1: (1) 0 for issuer.

(2) Investee companies are sequentially numbered by company type, starting from Arabic numeral 1.

Note2: The nature of the loans are as follows:

(1) Please fill in 1 for business interaction.

(2) Short-term financing is necessary.

Note3: The loan limit has been resolved by the Board of Directors.

Ennoconn Corporation and subsidiaries
Endorsements/Guarantees for others
September 30, 2023

Table 2

Unit: in thousands of TWD

Number	Name of endorser	Name of endorsee		Endorsement limit for a single company	Maximum endorsement balance for the 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 by the parent for the subsidiary	Endorsement/Guarantee by the subsidiary for the parent	Endorsement/Guarantee for entities in mainland China
		Company name	Relationship										
0	Ennoconn Corporation	Ennoconn Hungary kft	2	32,176,734	2,258,900	1,129,450	677,283	-	5.27%	42,902,312	Y	N	N
0	Ennoconn Corporation	HIGHAIM TECHNOLOGY INC.	2	32,176,734	209,755	48,405	-	-	0.23%	42,902,312	Y	N	N
0	Ennoconn Corporation	HighAim Technology Inc.	2	32,176,734	774,480	258,160	-	-	1.20%	42,902,312	Y	N	Y
0	Ennoconn Corporation	Dexatek Technology Ltd.	2	32,176,734	160,000	160,000	-	-	0.75%	42,902,312	Y	N	N
		Ennoconn Corporation Subtotal				1,596,015							
1	KONTRON AG	Kontron Canada Inc	2	9,653,020	640,174	640,174	-	-	3.07%	19,306,040	Y	N	N
1	KONTRON AG	S&T Slovakia s.r.o.	2	9,653,020	135,640	-	-	-	0.00%	19,306,040	Y	N	N
1	KONTRON AG	S&T Plus s.r.o.	2	9,653,020	7,217	-	-	-	0.00%	19,306,040	Y	N	N
1	KONTRON AG	S&T CZ s.r.o.	2	9,653,020	57,739	-	-	-	0.00%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Bulgaria e.o.o.d.	2	9,653,020	32,045	32,045	-	-	0.15%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Hungary Kft.	2	9,653,020	622,204	508,437	40,386	-	2.43%	19,306,040	Y	N	N
1	KONTRON AG	S&T Poland Sp.z.o.o.	2	9,653,020	381,973	-	-	-	0.00%	19,306,040	Y	N	N
1	KONTRON AG	S&T Deutschland GmbH	2	9,653,020	13,564	-	-	-	0.00%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Europe GmbH	2	9,653,020	169,550	169,550	-	-	0.81%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Public Transportation	2	9,653,020	128,035	47,062	-	-	0.23%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Transportation GmbH	2	9,653,020	1,896,891	1,892,993	33,910	-	9.07%	19,306,040	Y	N	N
1	KONTRON AG	Kontron AIS GmbH	2	9,653,020	27,128	27,128	-	-	0.13%	19,306,040	Y	N	N
1	KONTRON AG	S&T Crna Gora d.o.o.	2	9,653,020	10,324	-	-	-	0.00%	19,306,040	Y	N	N
1	KONTRON AG	Kontron AG/ Kontron Transportation GmbH/Kontron Transportation s.r.o.	2	9,653,020	450,120	380,157	-	-	1.82%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Transportation France	2	9,653,020	8,478	8,478	-	-	0.04%	19,306,040	Y	N	N
1	KONTRON AG	Kontron Austria GmbH	2	9,653,020	8,478	8,478	-	-	0.04%	19,306,040	Y	N	N
1	KONTRON AG	Factoring Kontron Europe / Kontron Modular Computer S.A.S.	2	9,653,020	1,356,400	1,356,400	108,606	-	6.50%	19,306,040	Y	N	N
1	KONTRON AG	Kontron America Inc (Factoring)	2	9,653,020	640,174	640,174	-	-	3.07%	19,306,040	Y	N	N
1	KONTRON AG	Kontron electronics GmbH	2	9,653,020	10,173	10,173	-	-	0.05%	19,306,040	Y	N	N
1	KONTRON AG	S&T MEDTECH SRL(GADA GROUP ROMANIA SRL)	2	9,653,020	101,730	101,730	96,911	-	0.49%	19,306,040	Y	N	N

Number	Name of endorser	Name of endorsee		Endorsement limit for a single company	Maximum endorsement balance for the 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 by the parent for the subsidiary	Endorsement/Guarantee by the subsidiary for the parent	Endorsement/Guarantee for entities in mainland China
		Company name	Relationship										
1	KONTRON AG	Kontron Services Romania SRL	2	9,653,020	451,382	446,545	208,894	-	2.14%	19,306,040	Y	N	N
1	KONTRON AG	diverse / Factoring DACH	2	9,653,020	644,290	644,290	-	-	3.09%	19,306,040	Y	N	N
1	KONTRON AG	RTSoft AO	2	9,653,020	67,122	49,305	-	-	0.24%	19,306,040	Y	N	N
1	KONTRON AG	RTSoft Project OOO	2	9,653,020	89,496	-	-	-	0.00%	19,306,040	Y	N	N
		KONTRON AG Subtotal				6,963,119							
2	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	2	5,356,426	4,279,630	3,753,490	2,541,685	-	35.04%	10,712,851	Y	N	Y
2	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	5,356,426	158,733	80,128	55,497	-	0.75%	10,712,851	Y	N	N
2	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	2	5,356,426	625,448	581,652	-	-	5.43%	10,712,851	Y	N	Y
2	Marketech International Corp.	MIC-Tech (Wuxi) Co., Ltd.	2	5,356,426	319,108	318,958	136,477	-	2.98%	10,712,851	Y	N	Y
2	Marketech International Corp.	Marketech International Sdn. Bhd.	2	5,356,426	122,840	64,540	18,388	-	0.60%	10,712,851	Y	N	N
2	Marketech International Corp.	Ezoom Information, Inc.	2	5,356,426	155,000	100,000	16,900	-	0.93%	10,712,851	Y	N	N
2	Marketech International Corp.	Marketech International Corporation USA	2	5,356,426	2,148,486	1,961,646	1,851,299	-	18.31%	10,712,851	Y	N	N
2	Marketech International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	5,356,426	163,875	32,430	7,938	-	0.30%	10,712,851	Y	N	Y
2	Marketech International Corp.	Te Chang Construction Co., Ltd.	5	5,356,426	88,418	22,167	22,167	-	0.21%	10,712,851	N	N	N
		Marketech International Corp. Subtotal				6,915,011							
3	MIC-Tech Electronics Engineering Corp.	Marketech International Corp.	3	2,822,151	161,254	161,254	161,254	-	17.12%	4,703,585	N	Y	N
3	MIC-Tech Electronics Engineering Corp.	China Electronics System Engineering No.2 Construction Co., Ltd	5	2,822,151	1,132	1,124	1,124	-	0.12%	4,703,585	N	N	Y
3	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp.	4	2,822,151	102,498	102,498	102,498	-	10.88%	4,703,585	N	N	Y
		MIC-Tech Electronics Engineering Corp. Subtotal				264,876							
4	MIC-Tech (Shanghai) Corp.	MIC-Tech Electronics Engineering Corp.	4	2,786,742	306,320	306,320	306,320	-	32.98%	4,644,570	N	N	Y

Note1: Description of the Number column is as follows:

- (1) 0 for issuer.
- (2) Investee companies are sequentially numbered by company type, starting from Arabic numeral 1, and the number for the same company shall be identical.

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

- (1) A company with which it does business.
- (2) A company in which the company directly and/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.

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

Note4: The total endorsement and guarantee to a single company shall not exceed 200% of the Company's net worth in recent financial statements.

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

Table 3

Unit: in thousands of shares/in thousands of TWD

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Accounting item	End of 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%	-	
"	Ordinary share	Augentix Inc.	None	"	667	50,025	3.38%	50,025	
"	Ordinary share	Gold Rain Enterprises Corp.	None	"	5,000	249,500	8.29%	249,500	
Innovative Systems Integration Limited	Ordinary share	AIXlink	None	"	3,798	35,044	8.79%	35,044	
AIS CAYMAN TECHNOLOGY	Ordinary share	Gemini Data Inc.	None	"	44,115	132,307	10.13%	132,307	
Vecow Co., Ltd.	Ordinary share	Array Networks, Inc.	None	"	6,000	157,738	10.32%	157,738	
Goldtek Technology Co., Ltd.	Ordinary share	Augentix Inc.	None	"	333	1,871	2.20%	1,871	
"	Ordinary share	Ipevo Corporation	None	"	150	3,970	0.55%	3,970	
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 parties	"	12,000	20,239	16.00%	20,239	
Keenest Electronic Corp.	Ordinary share	AIXlink	None	"	-	7,103	6.00%	7,103	
CASwell Inc.	Ordinary share	Advanio Technology Co., Ltd.	None	"	1,045	-	19.00%	-	
"	Ordinary share	FiduciaEdge Technologies Co., Ltd.	None	"	1,600	40,000	10.65%	40,000	
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	"	-	220,420	11.11%	220,420	
"	Ordinary share	Foshan Zhaoke Innovative Intelligent Industry Investment Fund Partnership	None	"	-	282,608	18.57%	282,608	
						1,200,835		1,200,835	
Diverse	Ordinary share	Shares	None	Other financial assets	-	14	-%	14	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	Ordinary share	Shares	None	"	-	5,360	-%	5,360	
						5,374		5,374	

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Accounting item	End of 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	31,175	0.06%	31,175	
"	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	471,750	6.72%	471,750	
"	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	29,878	1.41%	29,878	
"	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	20,848	3.46%	20,848	
"	Ordinary share	Top Green Energy Technologies Inc.	None	"	1,111	-	0.89%	-	
"	Ordinary share	Zhi-Yuan Venture Capital Co., Ltd.	None	"	772	8,949	1.79%	8,949	
"	Ordinary share	Innorich Venture Capital Corp.	None	"	1,000	5,734	1.87%	5,734	
"	Ordinary share	Taiwan Foresight Co., Ltd.	None	"	380	3,208	2.24%	3,208	
"	Ordinary share	Long Time Technology Co., Ltd.	None	"	346	7,351	0.29%	7,351	
"	Ordinary share	Paradigm Venture Capital Company	None	"	77	1,009	3.50%	1,009	
"	Ordinary share	TAIWAN SPECIALITY CHEMICALS CORPORATION.(acquired by original investments)	None	"	1,681	75,480	1.22%	75,480	
"	Ordinary share	Taiwan Specialty Chemicals Corporation (acquired by the liquidation property distribution of Top Green)	None	"	178	7,983	0.13%	7,983	
"	Ordinary share	Atech Totalsolution Co., Ltd.	None	"	128	-	0.19%	-	
"	Ordinary share	East Wind Life Sciences System Co., Ltd.	None	"	124	-	12.87%	-	
"	Ordinary share	Ecoland Corporation	None	"	311	-	13.51%	-	

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Accounting item	End of period				Remarks
					Number of shares/Units	Book value	Shareholding %	Fair value	
Marketech International Corp.	Ordinary share	Foresight Energy Technologies Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	675	10,760	1.30%	10,760	
"	Ordinary share	Wings Global Technology Inc.	None	"	750	6,859	18.75%	6,859	
"	Ordinary share	Kcashin Technology Corporation	None	"	643	-	16.56%	-	
"	Ordinary share	Sum Capital Healthcare Investment Corp.	Entities controlled or significantly influenced by the main management	"	943	9,384	7.44%	9,384	
"	Ordinary share	Forward Science Corp.	Entities controlled or significantly influenced by the main management	"	2,650	41,877	8.41%	41,877	
"	Ordinary share	Mycropore Corporation	None	"	1,471	8,934	8.44%	8,934	
"	Ordinary share	STEK Co., Ltd.	None	"	634	21,403	6.21%	21,403	
"	Ordinary share	Foxconn Global Network	Entities controlled or significantly influenced by the main management	"	1,333	14,987	6.66%	14,987	
"	Ordinary share	Everlasting Digital ESG Co., Ltd.	Entities controlled or significantly influenced by the main management	"	100	546	5.88%	546	
"	Ordinary share	Artfil, Inc.	None	"	-	27,089	9.33%	27,089	
"	Ordinary share	Taiwan Truewin Technology Co., Ltd.	None	"	965	59,477	2.18%	59,477	
"	Ordinary share	Mega Union Technology Incorporated	None	"	660	65,404	1.08%	65,404	
"	Ordinary share	Infinitesima Limited	None	"	3,667	62,524	5.24%	62,524	
"	Ordinary share	Brilliant Network & Automation Integrated System Co.,Ltd.	None	"	150	20,400	0.43%	20,400	
"	Ordinary share	Wantahsing Energy Co., Ltd	None	"	5,800	58,000	Note 5	58,000	
"	Ordinary share	Advanced Supply Chain & Logistics Management Ltd.	None	"	1,200	12,000	16.67	12,000	
						1,083,009		1,083,009	

Holding company	Type of securities	Name of securities	Relationship with the issuer of securities	Accounting item	End of 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	2,796	-%	2,796	
"	Ordinary share	Lasertec Corporation	None	"	20	100,922	-%	100,922	
						103,718		103,718	
Marketech International Corp.	Convertible bonds	Nitride Solutions Inc.	None	Financial assets at fair value through profit or loss - non-current	-	-	-%	-	
"	Convertible bonds	HALLYS CORPORATION	None	"	-	-	-%	-	
"	Convertible bonds	Halio, Inc.(previously known as Kinestral Technologies, Inc.)	None	"	-	-	-%	-	
						-		-	
Marketech International Corp.	Convertible notes	Adant Technologies Inc.	None	Financial assets at fair value through profit or loss - non-current	-	4,033	-%	4,033	
						4,033		4,033	
Ennoconn International Investment Co., Ltd.	Preferred 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.	Preferred shares	EMBER TECHNOLOGIES, INC.	None	"	862	12,234	1.81%	12,234	
						107,691		107,691	
Marketech International Corp.	Preferred shares	Adant Technologies Inc.	None	Financial assets at fair value through profit or loss - non-current	175	544	Note 4	544	
"	Preferred shares	Halio, Inc.	None	"	502	-	"	-	
"	Preferred shares	Biomedical Corporation	None	"	156	10,099	"	10,099	
						10,643		10,643	
Ennoconn International Investment Co., Ltd.	Privately offered funds	Guotai Private Equity Smart Technology Co., Ltd	None	Financial assets at fair value through profit or loss - non-current	-	17,213	-%	17,213	
Marketech International Corp.	Privately offered funds	Zhuo Yi II Investment Limited Partnership	None	"	-	22,218	-%	22,218	
"	Privately offered funds	Vertex Growth(SG) LP	None	"	-	38,495	-%	38,495	
"	Privately offered funds	Vertex Growth II(SG) LP	None	"	-	4,771	-%	4,771	
CASwell Inc.	Privately offered funds	Zhuo Yi II Investment Limited Partnership	None	Financial assets at fair value through profit or loss - non-current	-	44,437	-%	44,437	
Goldtek Technology Co., Ltd.	Privately offered funds	Zhuo Yi II Investment Limited Partnership	None	"	-	219,688	-%	219,688	
"	Privately offered funds	Fuyou Private Equity Limited Partnership	None	"	-	22,978	-%	22,978	
						369,800		369,800	

Note1: None of the above securities has been pledged as collateral or restricted in other ways by agreement as of the end of September 2023.

Note2: Please refer to attached Tables 9 and 10 for information about investment in subsidiaries.

Note3: 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.

Note4: It refers to holding preference shares.

Note5: The Company's subsidiary made an initial investment in Wantahsing Energy Co., Ltd in July, 2023. The capital increase process of this company is underway. According to the final execution result of the existing investment agreement, the Company holds a 5% stake in this company.

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 nine months ended September 30, 2023

Table 4

Unit: in thousands of TWD

Purchasing/Selling company	Transaction counterpart	Relationship	Transaction				Situation and reason for difference between trading terms and general trading		Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Ratio of total purchases (sales)	Payment term	Unit price	Payment term	Balance	Ratio of total notes and accounts receivable (payable)	
American Industrial Systems, Inc.	Ennoconn Corporation	Sub-subsidiary to parent	Purchases	952,705	1.49%	Net 90 days	-	No significant discrepancy	(388,087)	(2.05)%	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Sales	(271,348)	(0.31)%	Net 150 days	-	No significant discrepancy	201,673	1.17%	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Purchases	273,476	0.43%	Net 150 days	-	No significant discrepancy	(202,799)	(1.07)%	
Ennoconn Corporation	Kontron Europe GmbH	Parent to sub-subsidiary	Sales	(50,177)	(0.06)%	Net 120 days	-	No significant discrepancy	51	-%	
Ennoconn Corporation	ENNOCONN HUNGARY KFT.	Parent to sub-subsidiary	Sales	(140,246)	(0.16)%	Net 60 days by T/T	-	No significant discrepancy	51,120	0.30%	
Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent to sub-subsidiary	Purchases	1,160,626	1.81%	Net 60 days	-	No significant discrepancy	(26,122)	(0.14)%	
Ennoconn Corporation	Kontron America Inc.	Parent to sub-subsidiary	Sales	(122,485)	(0.14)%	Net 120 days	-	No significant discrepancy	49,952	0.29%	
Marketch International Corp.	Marketch International Corporation USA	Sub-subsidiary to sub-subsidiary	Sales	(525,818)	(0.60)%	Note 2	-	No significant discrepancy	280,596	1.62%	
Shanghai Maohua Electronics Engineering Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Sales	(235,774)	(0.27)%	Note 2	-	No significant discrepancy	-	-%	
MIC-Tech Global Corp.	Marketch International Corp.	Sub-subsidiary to sub-subsidiary	Sales	(124,052)	(0.14)%	Note 2	-	No significant discrepancy	2,914	0.02%	
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	110,856	0.17%	Net 30 days	-	No significant discrepancy	-	-%	
Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	299,709	0.47%	Net 60 days	-	No significant discrepancy	-	-%	
CASwell Inc.	Caswell Americas Inc.	Sub-subsidiary to sub-subsidiary	Sales	(129,439)	(0.15)%	O/A 90 Days	-	No significant discrepancy	6,913	0.04%	
CASwell Inc.	CASO, inc.	Sub-subsidiary to sub-subsidiary	Sales	(171,219)	(0.20)%	O/A 70 Days	-	No significant discrepancy	36,112	0.21%	
EnnoMech Precision Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Purchases	1,171,772	1.83%	Net 60 days	-	No significant discrepancy	(166,341)	(0.88)%	
EnnoMech Precision Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(1,103,420)	(1.26)%	Net 120 days	-	No significant discrepancy	124,442	0.72%	
EnnoMech Precision Co., Ltd.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(107,459)	(0.12)%	Net 120 days	-	No significant discrepancy	10,712	0.06%	

Purchasing/Selling company	Transaction counterpart	Relationship	Transaction				Situation and reason for difference between trading terms and general trading		Notes and accounts receivable (payable)		Remarks
			Purchase (sale)	Amount	Ratio of total purchases (sales)	Payment term	Unit price	Payment term	Balance	Ratio of total notes and accounts receivable (payable)	
Ennoconn (Suzhou) Technology Co., Ltd.	HighAim Technology INC.	Sub-subsidiary to sub-subsidiary	Purchases	161,961	0.25%	Net 90 days	-	No significant discrepancy	40,295	0.21%	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(3,174,325)	(3.63)%	Net 30 days	-	No significant discrepancy	-	-%	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Purchases	454,499	0.71%	Net 45 days	-	No significant discrepancy	(76,175)	(0.40)%	
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(982,797)	(1.12)%	Net 30 days	-	No significant discrepancy	581,012	3.36%	
Kontron Asia Technology Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(305,836)	(0.35)%	Net 30 days	-	No significant discrepancy	15,736	0.09%	
Kontron Austria GmbH	Kontron Electronics AG	Sub-subsidiary to sub-subsidiary	Sales	(123,263)	(0.14)%	Net 30 days	-	No significant discrepancy	96,782	0.56%	
Kontron Europe GmbH	Kontron Technology Beijing Co. Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(115,215)	(0.13)%	Net 30 days	-	No significant discrepancy	35,388	0.20%	
Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Sales	(109,081)	(0.12)%	Net 30 days	-	No significant discrepancy	53,928	0.31%	
Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales	(652,143)	(0.75)%	Net 30 days	-	No significant discrepancy	79,753	0.46%	
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales	(442,329)	(0.51)%	Net 30 days	-	No significant discrepancy	22,374	0.13%	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	AO IskraUralTel Yekaterinburg	Sub-subsidiary to sub-subsidiary	Sales	(222,160)	(0.25)%	Net 30 days	-	No significant discrepancy	292,535	1.69%	
Kontron Asia Technology Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales	(324,099)	(0.37)%	Net 30 days	-	No significant discrepancy	60,173	0.35%	
Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Sales	(171,588)	(0.20)%	Net 30 days	-	No significant discrepancy	30,045	0.17%	
Kontron Europe GmbH	Kontron UK Ltd.	Sub-subsidiary to sub-subsidiary	Sales	(102,008)	(0.12)%	Net 30 days	-	No significant discrepancy	20,660	0.12%	
Kontron Transportation GmbH	Kontron Transportation Deutschland GmbH	Sub-subsidiary to sub-subsidiary	Sales	(118,704)	(0.14)%	Net 30 days	-	No significant discrepancy	73,779	0.43%	

Note1: All transactions related to consolidated entities have been written off when preparing the consolidated financial statements.

Note2: 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
September 30, 2023

Table 5

Unit: in thousands of TWD

Accounts receivable companies	Name of transaction counterpart	Relationship	Balance of accounts receivable from related parties	Turnover rate	Overdue accounts receivable from related parties		Recovery amount of accounts receivable from related parties after the balance sheet date	Loss allowance recognized
					Amount	Treatment		
Marketch International Corp.	Marketch International Corporation USA	Sub-subsidiary to sub-subsidiary	280,596	5.01%	204,615	-	-	-
Ennoconn Corporation	American Industrial Systems, Inc.	Parent to sub-subsidiary	388,087		-	-	-	-
Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	244,254	40.57%	-	-	-	-
T-Paragon Metal (Shenzhen) Ltd.	T-Paragon Die Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	246,757	24.86%	-	-	-	-
Victor Plus Holdings Ltd.	EnnoMech Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	166,341		-	-	-	-
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	201,673		-	-	-	-
EnnoMech Precision Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	124,442		-	-	-	-
Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	603,488		-	-	-	-
Kontron AG	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L.)	Sub-subsidiary to sub-subsidiary	454,916		-	-	-	-
Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	2,139,726		-	-	-	-
Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	174,081		-	-	-	-
Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	765,584		-	-	-	-
Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	481,190		-	-	-	-
Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	177,061		-	-	-	-
Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	219,344		-	-	-	-
Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	Sub-subsidiary to sub-subsidiary	292,819		-	-	-	-

Accounts receivable companies	Name of transaction counterpart	Relationship	Balance of accounts receivable from related parties	Turnover rate	Overdue accounts receivable from related parties		Recovery amount of accounts receivable from related parties after the balance sheet date	Loss allowance recognized
					Amount	Treatment		
Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	162,697		-	-	-	-
Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	162,928		-	-	-	-
Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	429,777		-	-	-	-
Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	894,271		-	-	-	-
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	893,531		-	-	-	-
Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	151,362		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Sub-subsidiary to sub-subsidiary	310,030		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation France S.A.S.	Sub-subsidiary to sub-subsidiary	165,415		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	208,891		-	-	-	-
Kontron AG	Kontron AIS GmbH	Sub-subsidiary to sub-subsidiary	162,561		-	-	-	-
Kontron Transportation s.r.o.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	123,284		-	-	-	-
Kontron Transportation GmbH	Comlab AG	Sub-subsidiary to sub-subsidiary	356,457		-	-	-	-
Kontron AG	JSC Iskra Technologies (formerly: AO IskraUralTel)	Sub-subsidiary to sub-subsidiary	103,869		-	-	-	-
Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	415,554		-	-	-	-

Note1: All transactions related to consolidated entities have been written off when preparing the consolidated financial statements.

Note2: Other receivables arising from financing and therefore not applicable.

Ennoconn Corporation and subsidiaries
Written-off material transactions between the parent and subsidiaries and between subsidiaries
For the nine months ended September 30, 2023

Table 6

Unit: in thousands of TWD

Number (Note 1)	Company name	Counterparty	Relationship with counterparty (Note 2)	Transaction status			
				Accounting item	Amount	Transaction terms	% of consolidated total sales revenue or total assets (Note 3)
0	Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent to sub-subsidiary	Cost of goods purchased	1,160,626	General terms and conditions	1.33%
0	Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent to sub-subsidiary	Accounts payable - related parties	26,122	General terms and conditions	0.02%
0	Ennoconn Corporation	Kontron Europe GmbH	Parent to sub-subsidiary	Sales revenue	50,177	General terms and conditions	0.06%
0	Ennoconn Corporation	American Industrial Systems, Inc.	Parent to sub-subsidiary	Sales revenue	949,267	General terms and conditions	1.09%
0	Ennoconn Corporation	American Industrial Systems, Inc.	Parent to sub-subsidiary	Accounts receivable - related parties	388,087	General terms and conditions	0.32%
0	Ennoconn Corporation	American Industrial Systems, Inc.	Parent to sub-subsidiary	Cost of goods purchased	77,666	General terms and conditions	0.09%
0	Ennoconn Corporation	American Industrial Systems, Inc.	Parent to sub-subsidiary	Accounts payable - related parties	11,280	General terms and conditions	0.01%
0	Ennoconn Corporation	ENNOCONN HUNGARY KFT.	Parent to sub-subsidiary	Sales revenue	140,246	General terms and conditions	0.16%
0	Ennoconn Corporation	ENNOCONN HUNGARY KFT.	Parent to sub-subsidiary	Accounts receivable - related parties	51,120	General terms and conditions	0.04%
0	Ennoconn Corporation	HighAim Technology INC.	Parent to sub-subsidiary	Cost of goods purchased	71,768	General terms and conditions	0.08%
0	Ennoconn Corporation	HighAim Technology INC.	Parent to sub-subsidiary	Accounts payable - related parties	70,355	General terms and conditions	0.06%
0	Ennoconn Corporation	Kontron America Inc.	Parent to sub-subsidiary	Sales revenue	122,485	General terms and conditions	0.14%
0	Ennoconn Corporation	Kontron America Inc.	Parent to sub-subsidiary	Accounts receivable - related parties	49,952	General terms and conditions	0.04%
1	Marketech International Corp.	MIC-Tech (Shanghai) Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	7,854	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.01%
1	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	14,208	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.01%
1	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	6,428	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.01%
1	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	Sub-subsidiary to sub-subsidiary	Non-operating income	37,296	Subject to transaction contracts	0.04%
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	8,404	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 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	7,751	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	19,144	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.02%

Number (Note 1)	Company name	Counterparty	Relationship with counterparty (Note 2)	Transaction status			
				Accounting item	Amount	Transaction terms	% of consolidated total sales revenue or total assets (Note 3)
1	Marketech International Corp.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	8,769	The project price of the Group to related parties and unrelated parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about 2-3 months after the project acceptance.	0.01%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	16,135	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.01%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Non-operating income	11,860	Subject to transaction contracts	0.01%
1	Marketech International Corp.	Marketech International Sdn. Bhd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	16,491	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.01%
1	Marketech International Corp.	Ezoom Information, Inc.	Sub-subsidiary to sub-subsidiary	Advance payment	18,000	Subject to transaction contracts	0.01%
1	Marketech International Corp.	MIC-Tech Global Corp.	Sub-subsidiary to sub-subsidiary	Advance payment	10,548	Subject to transaction contracts	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 2-3 months after the transaction is confirmed	0.21%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	342,562	The project price of the Group to related parties and unrelated parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about 2-3 months after the project acceptance.	0.39%
1	Marketech International Corp.	Marketech International Corporation USA	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	280,596	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.23%
1	Marketech International Corp.	Marketech Netherlands B.V.	Sub-subsidiary to sub-subsidiary	Advance payment	12,031	Subject to transaction contracts	0.01%
2	Ezoom Information, Inc.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	14,230	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.01%
2	Ezoom Information, Inc.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from labor service contracts	45,443	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	40,756	The project price of the Group to related parties and unrelated parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about 2-3 months after the project acceptance.	0.05%
3	MIC-Tech Global Corp.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	124,052	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.14%

Number (Note 1)	Company name	Counterparty	Relationship with counterparty (Note 2)	Transaction status			
				Accounting item	Amount	Transaction terms	% of consolidated total sales revenue or total assets (Note 3)
4	Marketech Netherlands B.V.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	18,370	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.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	13,455	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.01%
5	Spiro Technology Systems Inc.	Marketech International Corp.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	66,036	The transaction price and collection terms of commodity sales are not significantly different from those of non related parties	0.08%
6	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp.	Sub-subsidiary to sub-subsidiary	Revenue from engineering contracts	5,392	The project price of the Group to related parties and unrelated parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about 2-3 months after the project acceptance.	0.01%
6	MIC-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	26,489	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 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	235,774	The project price of the Group to related parties and unrelated parties is subject to the general project contract or individual agreement conditions. In addition, the collection conditions of the Group to related parties are not significantly different from those of general customers, subject to the project contract or individual agreement, about 2-3 months after the project acceptance.	0.27%
8	MIC-Tech (Wuxi) Co., Ltd.	Marketech Integrated Pte. Ltd.	Sub-subsidiary to sub-subsidiary	Revenue from sales contracts	12,443	Depending on the conditions of the contract or individual agreement, the payment will be collected 2-3 months after the transaction is confirmed	0.01%
9	CASwell Inc.	Caswell Americas Inc.	Sub-subsidiary to sub-subsidiary	sales revenue	129,439	Following general terms	0.11%
9	CASwell Inc.	CASO, inc.	Sub-subsidiary to sub-subsidiary	sales revenue	171,219	Following general terms	0.14%
9	CASwell Inc.	Beijing Caswell Ltd.	Sub-subsidiary to sub-subsidiary	sales revenue	11,843	Following general terms	0.01%
9	CASwell Inc.	Apligo GmbH	Sub-subsidiary to sub-subsidiary	sales revenue	8,289	Following general terms	0.01%
9	CASwell Inc.	Caswell Americas Inc.	Sub-subsidiary to sub-subsidiary	accounts receivable - related parties	6,913	Following general terms	0.01%
9	CASwell Inc.	CASO, inc.	Sub-subsidiary to sub-subsidiary	accounts receivable - related parties	36,112	Following general terms	0.03%
9	CASwell Inc.	Beijing Caswell Ltd.	Sub-subsidiary to sub-subsidiary	accounts receivable - related parties	9,795	Following general terms	0.01%
10	Apligo GmbH	CASwell Inc.	Sub-subsidiary to sub-subsidiary	sales revenue	6,436	Following general terms	0.01%
11	Goldtek Technology Co., Ltd.	Techno Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	17,833	General terms and conditions	0.02%
11	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	accounts receivable - related parties	81,998	General terms and conditions	0.07%
11	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	110,856	General terms and conditions	0.13%
11	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	accounts receivable - related parties	10,087	General terms and conditions	0.01%

Number (Note 1)	Company name	Counterparty	Relationship with counterparty (Note 2)	Transaction status			
				Accounting item	Amount	Transaction terms	% of consolidated total sales revenue or total assets (Note 3)
11	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	Sales revenue	52,527	General terms and conditions	0.06%
11	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Sub-subsidiary to sub-subsidiary	Other operating revenue	18,273	General terms and conditions	0.02%
12	Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	244,254	General terms and conditions	0.20%
12	Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	65,275	General terms and conditions	0.07%
12	Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	299,709	General terms and conditions	0.34%
12	Techno Precision Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	14,861	General terms and conditions	0.02%
12	Techno Precision Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	15,663	General terms and conditions	0.02%
13	T-Paragon Die Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	246,757	General terms and conditions	0.20%
13	T-Paragon Die Casting Co., Ltd.	T-Paragon Metal (Shenzhen) Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	48,606	General terms and conditions	0.06%
14	T-Paragon Metal (Shenzhen) Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables	20,009	General terms and conditions	0.02%
14	T-Paragon Metal (Shenzhen) Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other operating revenue	11,158	General terms and conditions	0.01%
15	HighAim Technology INC.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	40,295	General terms and conditions	0.03%
15	HighAim Technology INC.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	161,961	General terms and conditions	0.19%
15	HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	202,799	General terms and conditions	0.17%
15	HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	273,476	General terms and conditions	0.31%
15	HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	17,038	General terms and conditions	0.01%
15	HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	51,001	General terms and conditions	0.06%
16	HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	201,673	General terms and conditions	0.16%
16	HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Sub-subsidiary to sub-subsidiary	Sales revenue	271,348	General terms and conditions	0.31%
16	HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	16,840	General terms and conditions	0.01%
16	HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Sub-subsidiary to sub-subsidiary	Sales revenue	50,411	General terms and conditions	0.06%
17	Nanjing Asiatek Inc.	Ennoconn (Foshan) Investment Co., Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	75,140	General terms and conditions	0.06%
18	Victor Plus Holdings Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	21,254	General terms and conditions	0.02%
18	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	43,349	General terms and conditions	0.04%
18	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	-27,691	General terms and conditions	(0.03)%

Number (Note 1)	Company name	Counterparty	Relationship with counterparty (Note 2)	Transaction status			
				Accounting item	Amount	Transaction terms	% of consolidated total sales revenue or total assets (Note 3)
18	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	3,174,325	General terms and conditions	3.63%
18	Victor Plus Holdings Ltd.	EnnoMech Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	166,341	General terms and conditions	0.14%
18	Victor Plus Holdings Ltd.	EnnoMech Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	1,201,676	General terms and conditions	1.37%
18	Victor Plus Holdings Ltd.	CASwell Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	36,242	General terms and conditions	0.04%
19	Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Subsidiary to sub-subsidiary	Other receivables - related parties	75,014	General terms and conditions	0.06%
20	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	76,175	General terms and conditions	0.06%
20	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	454,499	General terms and conditions	0.52%
20	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	4,416	General terms and conditions	0.01%
20	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	23,395	General terms and conditions	0.02%
20	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	81,449	General terms and conditions	0.09%
21	Kontron AG	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L.)	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	450,521	General terms and conditions	0.37%
21	Kontron AG	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	2,062,081	General terms and conditions	1.69%
21	Kontron AG	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	174,081	General terms and conditions	0.14%
21	Kontron AG	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	765,584	General terms and conditions	0.63%
21	Kontron AG	Kontron Modular Computers S.A.S.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	162,928	General terms and conditions	0.13%
21	Kontron AG	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	429,777	General terms and conditions	0.35%
21	Kontron AG	Kontron Beteiligungs GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	894,271	General terms and conditions	0.73%
21	Kontron AG	Kontron AIS GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	162,561	General terms and conditions	0.13%
21	Kontron AG	JSC Iskra Technologies (formerly: AO IskraUralTel)	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	103,869	General terms and conditions	0.08%
22	Kontron America Inc.	EnnoMech Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	123,190	General terms and conditions	0.14%
23	Kontron Austria GmbH	Kontron Electronics AG	Sub-subsidiary to sub-subsidiary	Sales revenue	123,263	General terms and conditions	0.14%
23	Kontron Austria GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	652,143	General terms and conditions	0.75%
24	Kontron Beteiligungs GmbH	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	893,531	General terms and conditions	0.73%
25	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	442,329	General terms and conditions	0.51%
25	Kontron Canada Inc.	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	134,405	General terms and conditions	0.11%
26	Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	Sub-subsidiary to sub-subsidiary	Sales revenue	222,160	General terms and conditions	0.25%
26	Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	292,535	General terms and conditions	0.24%

Number (Note 1)	Company name	Counterparty	Relationship with counterparty (Note 2)	Transaction status			
				Accounting item	Amount	Transaction terms	% of consolidated total sales revenue or total assets (Note 3)
27	Kontron Electronics Kft.	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	171,588	General terms and conditions	0.20%
28	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Sales revenue	982,797	General terms and conditions	1.12%
28	Kontron Europe GmbH	Kontron America Inc.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	581,012	General terms and conditions	0.48%
28	Kontron Europe GmbH	Kontron Asia Pacific Design Sdn Bhd	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	160,106	General terms and conditions	0.13%
28	Kontron Europe GmbH	Kontron Technology Beijing Co. Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	115,215	General terms and conditions	0.13%
28	Kontron Europe GmbH	Kontron Electronics GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	479,318	General terms and conditions	0.39%
28	Kontron Europe GmbH	Kontron UK Ltd.	Sub-subsidiary to sub-subsidiary	Sales revenue	102,008	General terms and conditions	0.12%
28	Kontron Europe GmbH	EnnoMech Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Accounts payable - related parties	548,448	General terms and conditions	0.45%
28	Kontron Europe GmbH	EnnoMech Precision Co., Ltd.	Sub-subsidiary to sub-subsidiary	Cost of goods purchased	1,118,201	General terms and conditions	1.28%
29	Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	195,737	General terms and conditions	0.16%
29	Kontron Transportation France S.A.S.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	109,081	General terms and conditions	0.12%
30	Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	241,210	General terms and conditions	0.20%
30	Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Sub-subsidiary to sub-subsidiary	Accounts receivable - related parties	-207,227	General terms and conditions	(0.17)%
30	Kontron Transportation GmbH	Kontron Transportation s.r.o.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	110,412	General terms and conditions	0.09%
30	Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	305,279	General terms and conditions	0.25%
30	Kontron Transportation GmbH	Kontron Transportation Deutschland GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	118,704	General terms and conditions	0.14%
30	Kontron Transportation GmbH	Comlab AG	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	356,457	General terms and conditions	0.29%
31	Kontron Transportation s.r.o.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	113,373	General terms and conditions	0.09%
32	Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Sub-subsidiary to sub-subsidiary	Other receivables - related parties	206,946	General terms and conditions	0.17%
33	Kontron Asia Technology Inc.	Kontron Europe GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	305,836	General terms and conditions	0.35%
33	Kontron Asia Technology Inc.	Kontron Austria GmbH	Sub-subsidiary to sub-subsidiary	Sales revenue	324,099	General terms and conditions	0.37%

Note1: The business information between the parent and the subsidiary shall be indicated in the number column, respectively, and the number shall be filled in as follows:

- (1) 0 for the parent company.
- (2) Subsidiaries are sequentially numbered by company type, starting from Arabic numeral 1.

Note2: 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.

Note3: All transactions herein refer to transactions in which consolidated revenue or total assets reach 0.01%.

Ennoconn Corporation and subsidiaries
Information on investees (excluding investees in mainland China)
September 30, 2023

Table 7

Unit: in thousands of TWD

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 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%	2,102,459	518,216,530	39,701	39,701	
Ennoconn Corporation	Ennoconn International Investment Co., Ltd.	Taiwan	Professional investment	8,010,000	8,010,000	820,635,000	100.00%	10,106,447	820,635,000	1,009,227	1,009,227	
Ennoconn Corporation	CASwell Inc.	Taiwan	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	1,031,800	1,031,800	20,000,000	27.27%	1,131,326	20,000,000	271,150	59,716	
Ennoconn Corporation	Ennoconn Investment Holdings Co.,Ltd	Samoa	Professional investment	9,588,707	9,588,707	309,510,000	100.00%	13,748,510	309,510,000	419,912	419,912	
Ennoconn Corporation	AIS Cayman Technology	Cayman Islands	Professional investment	230,586	230,586	4,028,217	37.64%	507,349	4,028,217	219,831	82,747	
Innovative Systems Integration Limited	ENGA Technology Co., Ltd.	Hong Kong	Wholesale, manufacturing, service, and import/export of software and hardware related to industrial computers and industrial control systems	-	112,332	3,500,000	100.00%	7	3,500,000	(445)	(445)	
Innovative Systems Integration Limited	Victor Plus Holdings Ltd.	Seychelles	Import and export trading	-	-	500,000	100.00%	4,567	500,000	(9,028)	(9,028)	
Ennoconn Investment Holdings Co.,Ltd	AIS Cayman Technology	Cayman Islands	Professional investment	307,646	307,646	6,672,469	62.36%	840,549	6,672,469	219,603	136,942	
Ennoconn Investment Holdings Co.,Ltd	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	5,728,621	5,728,621	16,835,008	26.68%	9,627,391	16,835,008	1,793,476	424,987	
Ennoconn Investment Holdings Co.,Ltd	Ennoconn Hungary Kft.	Hungary	Manufacturing and marketing of industrial computers	2,581,600	2,581,600	300,000	100.00%	2,680,263	300,000	15,351	15,351	
AIS Cayman Technology	American Industrial Systems Inc.	USA	Human-machine interface, industry 4.0, and other related products	48,405	48,405	1,500,000	100.00%	530,960	1,500,000	113,859	113,859	
AIS Cayman Technology	Vecow Co., Ltd.	Taiwan	Communication machinery and equipment, electronic equipment, and electronic devices	52,621	52,621	5,000,000	100.00%	589,555	5,000,000	106,414	106,414	
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%	969,379	-	94,129	53,411	
Ennoconn International Investment Co., Ltd.	CASwell Inc.	Taiwan	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	149,500	149,500	3,250,000	4.43%	152,741	-	95,350	9,705	
Ennoconn International Investment Co., Ltd.	EnnoMech Precision (Cayman) Co., Ltd.	Cayman Islands	Professional investment	445,326	445,326	13,800,000	100.00%	744,874	-	90,171	90,171	
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%	(60,247)	-	(4,582)	(5,490)	
Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Taiwan	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	102,000	102,000	10,200,000	60.00%	(19,548)	-	(14,067)	(9,176)	
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%	373,216	-	98,996	50,037	

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 period	End of previous year	Shares	Percentage %	Book value				
Ennoconn International Investment Co., Ltd.	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	255,088	255,088	750,000	1.19%	501,339	-	1,795,078	18,981	
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	42.52%	6,782,125	-	1,850,141	774,048	
Ennoconn International Investment Co., Ltd.	Poslab Technology Corporation	Taiwan	Manufacturing, wholesale and sale of electronic and peripheral equipment	132,317	132,317	9,100,000	70.00%	108,517	-	(1,753)	(1,227)	
Ennoconn International Investment Co., Ltd.	RIGO GLOBAL CO., LTD.	Taiwan	Manufacturing, wholesale and sale of electronic and peripheral equipment	32,000	32,000	1,066,667	26.23%	28,570	-	(3,418)	(897)	
Ennoconn International Investment Co., Ltd.	Renown Information Technology Corp.	Taiwan	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	29,600	29,600	2,960,000	37.09%	19,147	-	(1,818)	(1,350)	
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%	333,214	-	121,652	20,389	
Ennoconn International Investment Co., Ltd.	Ennowell Co., Ltd.	Taiwan	Smart building system integration, energy management services, and cloud services	9,000	9,000	900,000	30.00%	20,007	-	18,464	5,539	
EnnoMech Precision (Cayman) Co., Ltd.	HighAim Technology INC.	Samoa	Professional investment	349,911	349,911	3,382,618	67.65%	450,617	3,382,618	34,058	23,041	
EnnoMech Precision (Cayman) Co., Ltd.	EnnoMech Precision Co., Ltd.	Taiwan	Manufacturing of electronic components, computers and peripheral equipment, wholesale of electronic materials, and information software services	12,784	12,784	1,000,000	100.00%	90,458	1,000,000	62,694	62,694	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Angola	Cloud components	29	29	900	100.00%	23,820	900	4,715	4,715	
HighAim Technology Inc.	FUNOLOGY INVESTMENT INC.	Samoa	Cloud components	32	32	1,000	100.00%	17,404	1,000	808	808	
CASwell Inc.	CASO, INC.	Japan	Import and sales of goods related to network machines and computers	27,062	27,062	1,881	99.00%	110,401	1,881	13,174	13,042	
CASwell Inc.	Caswell International investment Co., Ltd.	Samoa	Overseas investments	101,135	101,135	3,205,760	100.00%	168,627	3,205,760	(36,868)	(36,868)	
CASwell Inc.	Caswell Americas, Inc	USA	Sales of netcom products	92,460	92,460	3,000,000	100.00%	78,927	3,000,000	(1,082)	(1,082)	
CASwell Inc.	Hawkeye Tech Co., Ltd.	Taiwan	Design and manufacturing of computers, networks, and computing equipment	602,041	602,041	9,096,667	60.64%	512,195	9,096,667	48,149	26,600	
CASwell Inc.	APLIGO GmbH	Germany	Hub and SI Service	60,275	60,275	24,000	66.67%	52,768	24,000	(21,237)	(14,340)	
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Samoa	Professional investment	774,480	774,480	24,000,000	100.00%	208,322	24,000,000	(59,685)	(59,685)	
Keenest Electronic Corp.	Techno Precision Co., Ltd.	Hong Kong	Metal stamping and casting industry	329,554	329,554	7,500,000	40.30%	191,883	7,500,000	25,624	10,181	
Techno Precision Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Hong Kong	Finance/Logistics	30,931	30,931	7,500,000	50.00%	134,953	7,500,000	90,619	45,310	
T-Paragon Die Casting Co., Ltd.	T-Paragon Industrial (Thailand) Co., Ltd.	Thailand	Metal stamping and casting industry	194,966	164,089	221,000,000	100.00%	244,816	186,000,000	32,140	32,140	
Goldtek Technology Co., Ltd.	NATIONGATE INTEGRATION (M) SDN.	Malaysia	Electronic manufacturing services	4,072	4,072	600,000	60.00%	4,225	600,000	46	27	
Taiwan Applied Module Corporation	Hua Qun Venture Management Corporation	Taiwan	General investment and investment consultancy	400	400	40,000	40.00%	133	40,000	(193)	(77)	
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting of automation supply systems business in the semiconductor industry	331,732	292,147	14,636,958	100.00%	54,427	14,636,958	434	434	

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 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%	2,457,037	40,119,104	366,383	366,383	
Marketech International Corp.	MIC-Tech Global Corp.	South Korea	General international trade	19,147	19,147	131,560	100.00%	18,321	131,560	3,451	3,451	
Marketech International Corp.	Headquarter International Ltd.	British Virgin Islands	Shareholding and reinvestment business	42,475	42,475	1,289,367	100.00%	38,445	1,289,367	(475)	(475)	
Marketech International Corp.	Tiger United Finance Ltd.	British Virgin Islands	Shareholding and reinvestment business	46,475	46,475	1,410,367	100.00%	36,298	1,410,367	(128)	(128)	
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%	3,317	1,270,133	(1,017)	(1,017)	
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%	138,753	1,535,600	(14,510)	(14,510)	
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%	223,490	-	(9,438)	(9,438)	
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%	488	-	(6,133)	(6,133)	
Marketech International Corp.	Ezoom Information, Inc.	Taiwan	R&D, trading, consulting, and other information system software and hardware application services; Sales of medical equipment	280,737	230,737	11,100,000	100.00%	54,575	11,100,000	(56,913)	(56,913)	
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Professional engineering contracting and related maintenance services; medical equipment sales	80,484	82,014	12,242,750	100.00%	6,425	12,242,750	(37,424)	(37,424)	
Marketech International Corp.	Marketech International Corporation USA	USA	Engineering professional contracting and related maintenance services	556,886	259,794	18,450,000	100.00%	997,500	18,450,000	(21,884)	(21,884)	
Marketech International Corp.	Spiro Technology Systems Inc.	USA	General international trade	54,074	54,074	1,000,000	100.00%	89,428	1,000,000	2,483	2,483	
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%	16,398	5,005,940	(48,931)	(12,534)	
Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment, and parts	38,042	38,042	1,199,000	99.92%	36,442	1,199,000	(539)	(539)	
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%	(998)	1,200,000	(6,495)	(6,495)	
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%	71,101	5,968,371	20,674	6,045	
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Panel equipment and material sales	2,000	2,000	200,000	20.00%	1,805	200,000	(10)	(2)	
Marketech International Corp.	Smart Health Corp.	Taiwan	Smart medical consulting services and investment	500	500	50,000	100.00%	342	50,000	(35)	(35)	
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%	25,787	5,000,000	(18,398)	(11,287)	

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 period	End of previous year	Shares	Percentage %	Book value				
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%	18,823	1,600,000	(24,446)	(7,823)	
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%	10,009	3,600,000	(17,830)	(17,830)	
Marketech International Corp.	Marketech International Corp. Japan	Japan	General international trade	13,750	2,302	6,000	100.00%	5,482	6,000	(7,671)	(7,671)	
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%	64,540	2,000,000	-	-	
Marketech International Corp.	Radisen Co., Ltd. (ordinary shares)	South Korea	AI medical solutions and teleradiology platform	12,454	12,454	87,803	18.49%	18,810	87,803	(19,697)	(3,642)	
Marketech International Corp.	Radisen Co., Ltd. (ordinary shares)	South Korea	AI medical solutions and teleradiology platform	73,208	73,208	188,961	44.85%	88,645	188,961	(19,697)	-	
Marketech International Corp.	Marketech International Corporation Germany GmbH	Germany	Sale of equipment and components; technical services	6,617	-	200,000	100.00%	6,751	200,000	(30)	(30)	
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%	2,455,710	40,016,604	366,441	-	
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%	2,852	88,500	(821)	-	
MIC-Tech Ventures Asia Pacific Inc.	Rusky H.K. Limited	Hong Kong	Shareholding and reinvestment business	34,551	34,551	833,000	100.00%	8,123	833,000	16,031	-	
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Shareholding and reinvestment business	-	31,422	-	0.00%	-	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%	29,068	5,400,000	(6,944)	-	
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Shareholding and reinvestment business	8,990	8,990	303,000	31.43%	(5,646)	303,000	(3,518)	-	
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Shareholding and reinvestment business	45,985	45,985	500,000	27.78%	6,713	500,000	(40)	-	
Rusky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading of machinery, equipment, and parts	32	32	1,000	0.08%	32	1,000	(539)	-	
Kontron AG, Austria	S&T Plus s.r.o., Czech Republic	Prague, CZ	IoT Solutions Europe	-	101,170	-	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	133,945	43,098	13,126	100.00%	112,585	13,126	17,768	17,768	
Kontron AG, Austria	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L., Romania)	Bucharest, RO	IoT Solutions Europe	109,431	109,431	2,461	31.00%	90,269	2,461	9,070	2,818	
Kontron AG, Austria	S&T Mold srl., Moldova	Chisinau, MD	IT Services	-	61,038	-	0.00%	-	-	11,110	5,666	
S&T Mold srl., Moldova	S&T IT Technologie S.R.L., Moldova	Chisinau, MD	IT Services	-	83	-	0.00%	-	-	(1,450)	(1,450)	
Kontron AG, Austria	Kontron Hungary Kft. (formerly: S&T Consulting Hungary Kft., Hungary)	Budapest, HU	IT Services	588,225	405,111	100,000	100.00%	334,048	100,000	(4,992)	(4,992)	

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 period	End of previous year	Shares	Percentage %	Book value				
Kontron Hungary Kft. (formerly: S&T Consulting Hungary Kft., Hungary)	Kontron Operations Hungary Kft. (formerly:S&T Services Kft., Hungary)	Budapest, HU	IT Services	123,003	123,003	268,000	100.00%	42,081	268,000	(14,716)	(14,716)	
Kontron S&T AG, Germany	Kontron Asia Inc., Taiwan	Taipei, TW	IT Services	94,850	94,850	13,000	100.00%	201,513	13,000	79,762	79,762	
Kontron AG, Austria	CBCX Technologies GmbH (formerly: computer betting company gmbh, Austria)	Linz, AT	IT Services	1,280,874	1,279,687	36,336	100.00%	408,437	36,336	35,617	35,617	
computer betting company gmbh, Austria	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L., Romania)	Bucharest, RO	IoT Solutions Europe	57,300	57,300	5,460	69.00%	200,266	5,460	9,070	6,252	
Kontron AG, Austria	SecureGUARD GmbH, Austria	Linz, AT	IT Services	121,160	80,401	92,460	100.00%	35,778	92,460	(14,429)	(2,417)	
Kontron Europe GmbH, Germany	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IT Services	2,394	2,394	3,634	10.00%	79,092	3,634	95,715	9,572	
Kontron Austria GmbH, Austria	Kontron Electronics AG, Switzerland	Rotkreuz, CH	IT Services	-	-	1,000	100.00%	(114,957)	1,000	(5,748)	(5,748)	
Kontron AG, Austria	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IT Services	639,026	249,061	32,702	90.00%	711,830	32,702	95,715	86,144	
Kontron AG, Austria	Kontron Technologies GmbH (former S&T Technologies GmbH), Austria	Linz, AT	IoT Solutions Europe	453,664	419,754	35,000	100.00%	358,307	35,000	12,272	12,272	
Kontron AG, Austria	S&T MEDTECH SRL (former GADA GROUP ROMANIA SRL), Romania	Bucharest, RO	IoT Solutions Europe	395,894	395,894	105,000	100.00%	259,831	105,000	(18,027)	(18,027)	
Kontron Europe GmbH, Germany	Kontron electronics GmbH, Germany	Großbettlingen, DE	IoT Solutions Europe	653,158	653,158	102,150	100.00%	648,896	102,150	(35,279)	(35,279)	
Kontron electronics GmbH, Germany	Kontron Electronics Kft.	Kapoly, HU	IT Services	4,917	4,917	3,000,000	100.00%	108,183	3,000,000	21,328	21,328	
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Ismaning, DE	IoT Solutions Europe	7,618,023	7,099,897	23,600,000	100.00%	4,661,363	23,600,000	517,990	517,990	
Kontron Europe GmbH, Germany	Kontron America Inc.	SAN DIEGO / USA	IoT Solutions Europe	1,118,949	1,118,949	2,036,040	100.00%	449,713	2,036,040	72,999	72,999	
Kontron Europe GmbH, Germany	Kontron Canada Inc.	BOISBRIAND / CANADA	IoT Solutions Europe	1,645,139	2,041,814	50,000,200	100.00%	1,004,208	50,000,200	(3,078)	(3,078)	
Kontron Europe GmbH, Germany	Kontron Asia Pacific Design Sdn. Bhd.	PENANG / MALAYSIA	IoT Solutions Europe	171,968	171,968	44,581,102	100.00%	(135,761)	44,581,102	(7,344)	(7,344)	
Kontron Europe GmbH, Germany	Kontron Technology Beijing Co. Ltd.	BEIJING / CHINA	IoT Solutions Europe	31,138	31,138	15,398,961	100.00%	409,148	15,398,961	16,626	16,626	
Kontron Europe GmbH, Germany	Kontron Modular Computers S.A.S.	Toulon / France	IoT Solutions Europe	174,917	174,917	344,503	100.00%	188,422	344,503	36,662	36,662	
Kontron Europe GmbH, Germany	Kontron UK Ltd.	Chichester / UK	IoT Solutions Europe	58,043	58,043	172,550	100.00%	150,609	172,550	21,226	21,226	

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 period	End of previous year	Shares	Percentage %	Book value				
Kontron AG, Austria	Kontron Transportation GmbH	Vienna, AT	IoT Solutions Europe	369,683	369,683	10,000,000	100.00%	919,153	10,000,000	248,335	248,335	
Kontron Transportation GmbH	Kapsch CarrierCom Sp. z o.o.	Warsaw, PL	IoT Solutions Europe	338	-	100,000	100.00%	(27,134)	100,000	16,892	16,892	
Kontron Transportation GmbH	Kontron Transportation Espana SL (former Kapsch CarrierCom Espana, S.L.U.)	Madrid, Spain	IoT Solutions Europe	16,616	-	250,000	100.00%	17,318	250,000	5,315	5,315	
Kontron Transportation GmbH	Kontron Transportation Portugal Unipessoal LDA (former Kapsch CarrierCom - Unipessoal LDA Co., Ltd)	Lisboa, Portugal	IoT Solutions Europe	27,298	-	5,000	100.00%	52,494	5,000	10,566	10,566	
Kontron Transportation GmbH	Kontron Transportation s.r.o.	Prague, CZ	IoT Solutions Europe	166,159	-	30,400,000	100.00%	170,178	30,400,000	93,006	93,006	
Kontron Transportation GmbH	Kontron Transportation Hungary Kft.	Budapest, HU	IoT Solutions Europe	-	-	67,000,000	100.00%	(51,371)	67,000,000	(10,929)	(10,929)	
Kontron Transportation GmbH	Kontron Transportation Deutschland GmbH (former Kapsch CarrierCom Deutschland GmbH)	Neu-Isenburg, GE	IoT Solutions Europe	33,740	-	25,000	100.00%	12,267	25,000	14,175	14,175	
Kontron Transportation GmbH	Kontron Transportation France S.A.S	Paris, FR	IoT Solutions Europe	505,259	-	8,600,000	100.00%	267,706	8,600,000	53,535	53,535	
Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Harrow, UK	IoT Solutions Europe	16,834	-	415,950	100.00%	115,895	415,950	17,317	17,317	
Kontron Transportation GmbH	Kontron Public Transportation (former: Kontron Transportation Belgium NV)	Diegem, BE	IoT Solutions Europe	443,619	-	11,318,887	99.00%	(27,112)	11,318,887	(13,777)	(13,773)	
Kontron AG, Austria	Kontron AIS GmbH	Dresden, Germany	IoT Solutions Europe	446,768	446,768	51,000	100.00%	415,747	51,000	11,460	11,460	
Kontron AG, Austria	Kontron Beteiligungs GmbH	Augsburg, DE	IoT Solutions Europe	7,704,298	7,126,036	25,001	100.00%	7,618,122	25,001	(4)	(4)	
Kontron AG, Austria	Kontron d.o.o. (formerly: Iskratel d.o.o.)	Kranj, SI	IoT Solutions Europe	2,375,242	2,052,473	109,275	100.00%	1,858,745	109,275	(12,807)	(12,807)	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	ITS Softver d.o.o	Skopje, MK	IoT Solutions Europe	13,452	170	309,000	100.00%	13,849	309,000	(245)	(245)	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	IskraCom	Almaty, KZ	IoT Solutions Europe	-	-	15,365,000	100.00%	7,510	15,365,000	1,560	1,560	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	OOO Iskratel Tashkent	Tashkent, UZ	IoT Solutions Europe	64	64	8,798,207	76.00%	12,862	8,798,207	3,185	2,420	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	Yekaterinburg, RU	IoT Solutions Europe	38,351	38,351	760,000	48.00%	121,749	760,000	142,038	142,038	

Name of investor	Name of investee	Location	Primary business	Original investment amount		Amount held at end of period			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 period	End of previous year	Shares	Percentage %	Book value				
JSC Iskra Technologies (formerly: AO IskraUralTel)	RTSoft, AO	Moscow, RU	IT Services	260,104	260,104	1,000,000	100.00%	-	1,000,000	(50,212)	(50,212)	
Kontron AIS GmbH	LUCOM GmbH	Fürth, DE	IoT Solutions Europe	169,550	169,550	26,076	100.00%	174,081	26,076	1,137	1,137	
Kontron Transportation Espana SL	Kontron Public Transport Arce S.A.U. (formerly: Arce Mobility Solutions S.A.U.)	Bilbao, ES	IoT Solutions Europe	257,716	257,716	60,000	100.00%	270,449	60,000	12,587	12,587	
Kontron Transportation GmbH	Comlab AG	Ittigen, CH	IoT Solutions Europe	-	-	12,000,000	100.00%	213,649	12,000,000	(33,243)	(33,243)	
Comlab AG	Comlab Deutschland GmbH	Hilden, DE	IoT Solutions Europe	5,734	-	100,000	100.00%	(134,605)	100,000	21,792	21,792	

Note1: Calculated according to the investee's financial statements audited by a CPA and the investor's shareholding ratio in the same period.

Note2: 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.

Note3: Kontron AG, Austria previously held 100% of Kontron S&T AG, Germany directly. Due to the adjustment of the organizational structure, it indirectly held Kontron S&T AG, Germany through the establishment of Kontron Beteiligungs GmbH.

Note4: 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 nine months ended September 30, 2023

Table 8

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

Unit: in thousands of TWD

Name of investee in mainland China	Primary business	Paid-in capital	Investment method	Accumulated investment amount remitted out of Taiwan at beginning of period	Amount of investment remitted or repatriated for the period		Accumulated investment amount remitted out of Taiwan at end of period	Current (loss) profit of the investee company for the period	The Company's direct or indirect investment shareholding ratio	Highest amount of shareholding or capital contribution during the period	Investment (loss) profit recognized for the period	Carrying amounts of investments at end of 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	96,810	(2)	33,508	-	-	33,508	22,905	100.00%	100.00%	22,905	206,268	-
Shenzhen Asiatek Technology Co. Ltd.	Metal products, plastic products	132,600	(3)	-	-	-	-	15,693	0.00%	25.00%	3,923	-	-
Ennoconn (Foshan) Investment Co., Ltd.	Professional investment	509,591	(3)	314,505	-	-	314,505	(850)	100.00%	100.00%	(850)	516,242	-
Ennoconn (Suzhou) Technology Co., Ltd.	R&D, production, and sales of industrial computers	1,952,335	(2)	968,100	-	-	968,100	30,615	100.00%	100.00%	30,615	1,646,517	-
Ennoconn (Kunshan) Technology Co., Ltd.	Intelligent technology development and hardware sales	16,953	(3)	-	-	-	-	2,778	70.00%	70.00%	1,945	15,477	-
Ennoconn Investment Co., Ltd.	Professional investment	593,288	(3)	645,400	-	-	645,400	7,628	100.00%	100.00%	7,628	630,555	-
Ennoconn (Suzhou) Technology Co., Ltd.	Manufacturing of smart telematics devices	3,227	(2)	-	-	-	-	(19)	100.00%	100.00%	(19)	3,162	-
Beijing Caswell Ltd.	Production and sales of network communication products	122,626	(2)	100,553	-	-	100,553	(44,906)	25.99%	25.99%	(11,673)	58,650	-
HighAim Technology Inc.	Design, research, development, and production of various molds, service enterprises, and communication equipment	645,400	(2)	482,472	-	-	-	21,968	67.65%	67.65%	14,862	424,698	-
Kunshan Lidingcheng Intelligent Equipment Co., Ltd.	Leasing, sales, and after-sales service of smart machines, equipment, and accessories.	4,420	(3)	-	-	-	-	369	67.65%	67.65%	250	(8,875)	-
HighAim Technology (Shenzhen) Inc.	Automatic jigs, gauges, and molds	-	(3)	-	-	-	-	6,115	67.65%	67.65%	4,137	(1)	-
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.	419,510	(2)	419,510	-	-	419,510	(71,091)	56.74%	56.74%	(40,339)	(61,202)	-
Techno Precision (Shenzhen) Co., Ltd.	Stamping/Assembly	94,829	(2)	-	-	-	-	(4,186)	22.87%	22.87%	(957)	(27,869)	-
T-Paragon Metal (Shenzhen) Ltd.	Zinc/Aluminum Alloy Die Casting	20,615	(2)	-	-	-	-	41,626	11.43%	11.43%	4,759	21,973	-
Goldtek Technology Trade (Shenzhen) Co., Ltd.	Sales of electronic products and electronic special materials	2,208	(2)	-	-	-	-	(1,155)	56.74%	56.74%	(655)	162	-
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	822,885	(2)	661,535	-	-	661,535	(40,654)	42.52%	42.52%	(17,101)	43,171	-
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;	265,937	(2)	16,135	-	-	16,135	209,358	42.52%	42.52%	89,019	394,974	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	19,362	(2)	19,459	-	-	19,459	18,819	36.99%	36.99%	6,961	2,374	-

Name of investee in mainland China	Primary business	Paid-in capital	Investment method	Accumulated investment amount remitted out of Taiwan at beginning of period	Amount of investment remitted or repatriated for the period		Accumulated investment amount remitted out of Taiwan at end of period	Current (loss) profit of the investee company for the period	The Company's direct or indirect investment shareholding ratio	Highest amount of shareholding or capital contribution during the period	Investment (loss) profit recognized for the period	Carrying amounts of investments at end of period	Repatriated investment income by year end
					Remitted	Repatriated							
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	568,565	(2)	274,940	-	-	274,940	148,600	42.52%	42.52%	63,185	399,993	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	225,890	(2)	125,853	-	-	125,853	(6,944)	25.51%	25.51%	(1,772)	12,016	-
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	48,405	(2)	48,405	-	-	48,405	74,116	42.52%	42.52%	31,514	80,919	-
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	30,879	(2)	9,705	-	-	9,705	(3,518)	13.36%	13.36%	(470)	(2,402)	-
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	58,086	(2)	16,135	-	-	16,135	(50)	11.81%	11.81%	(6)	2,838	-
Comlab Beijing Radio Frequency Technology co. Ltd.	Software and Solutions	121,256	(3)	-	-	-	-	6,179	12.79%	12.79%	790	6,577	-

(II) Investment quota in mainland China:

Company name	Accumulated outward remittance for investment from Taiwan to mainland China - end of 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	1,961,513	3,057,672	12,870,694
Goldtek Technology Co., Ltd.	749,851	749,851	999,343
CASwell Inc.	100,553	100,553	2,016,476
Ennoconn International Investment Co., Ltd.	349,911	467,330	6,061,129
Marketech International Corp.	1,264,661	1,979,280	6,494,491

Note1: 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.

Note2: 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.

Note3: The conversion rate is the spot average exchange rate of the Bank of Taiwan on September 30, 2023.

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