



Ennoconn Corporation

SinoPac x TWSE Taiwan Corporate Day 2024

President : Nelson Tsay

Executive Vice President : Joe Fijak

5, 16, 2024

Agenda

- 1 Q1 2024 Business Performance Overview 20 min
- 2 ESaaS & AI Business Development Overview 10 min
- 3 2024 Ennoconn Business Outlook 5 min
- 4 Q & A 15 min



Q1 2024 Business Performance Overview

Our Major Shareholders



26.8 %

5.3 %

3.6 %

Global SCM & DMS
(HaaS : OEM / ODM / OBM)

ARM Based APU / SOC
IoT Devices

Global SaaS / PaaS
ESaaS

Our Market Overview

Ennoconn Industrial PC Ranking

Currency: NTD

Consolidated Revenue 2023 121.6B 24Q1 32.7B #1 in Taiwan	Industrial IoT Revenue 2023 65.4B 24Q1 18.1B #1 in Taiwan	ESaaS (AIoT) Revenue 2023 11.5B 24Q1 3.9B #1 in Taiwan	EPS 2023 \$19.01 24Q1 \$4.67 #1 in Taiwan
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Industrial IoT Global Market Share in Applications



AIoT

#1



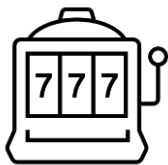
Retail

#1



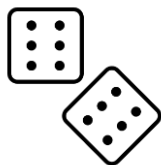
Digital Banking

#1



Lottery

#1



Casino Gaming

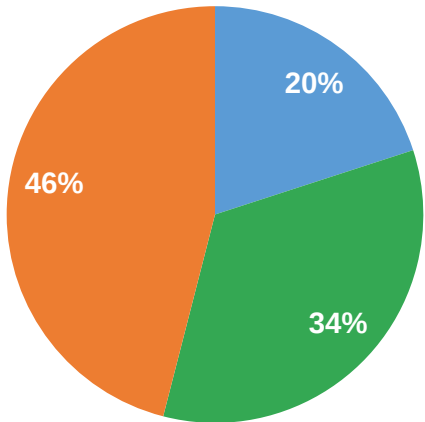
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Railway

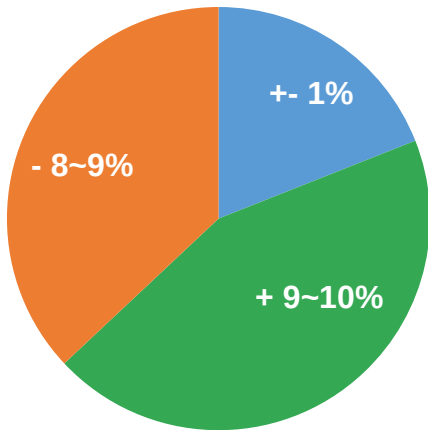
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2023 Revenue Proportion



DMS Branding SI

2024 Revenue Change Proportion



DMS Branding SI

Ennoconn Awarded "First-Tier" from Corporate Governance Evaluation (ESG) - Taiwan Stock Exchange

	2023Y 10th	2022Y 9th	2021Y 8th
Total Score	102.23	100.79	84.76
Grade	Level 1 0~5%	Level 2 6~20%	Level 3 21~35%
Level 1	Companies 48 won	Companies 46 won	Companies 46 won

Note: The 10th Corporate Governance Evaluation comprises seven tiers, including 952 listed companies and 754 over-the-counter companies, totaling 1,706 evaluated companies. The first tier represents the top 5%.

Our Organization

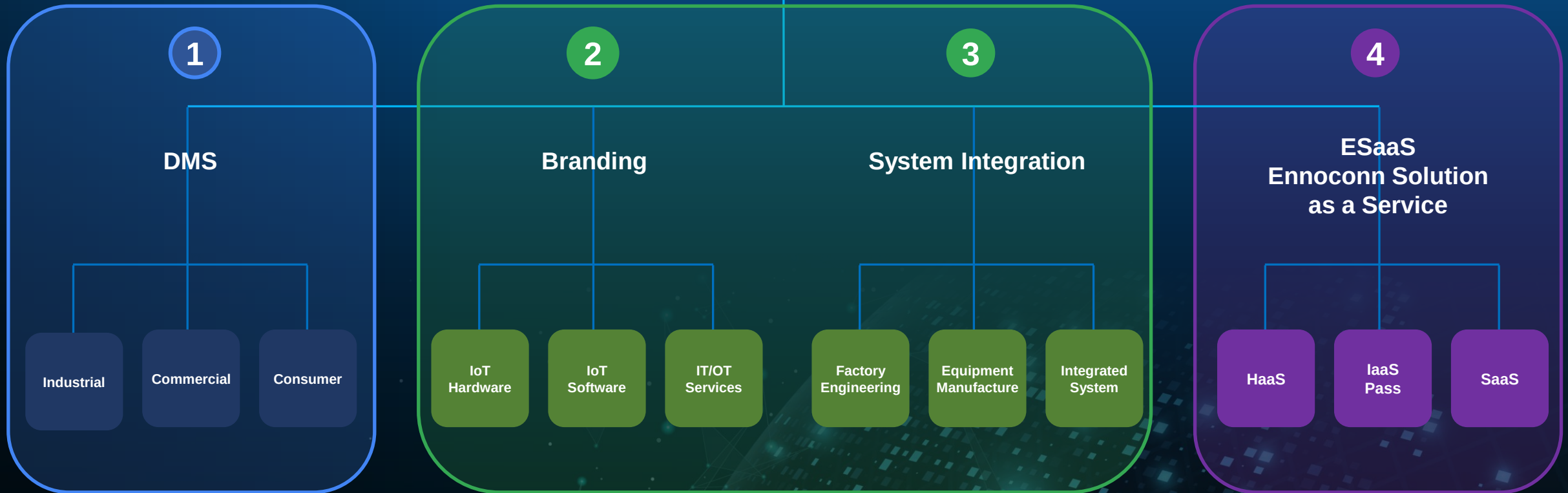
Ennoconn Corp.

Group Members: 13,811

IPC 3.0 (AIoT Cloud Platform Solutions)

IPC 1.0 (IPC SW/HW Solutions)

IPC 2.0 (IoT Platform Solutions)



> 60 Countries

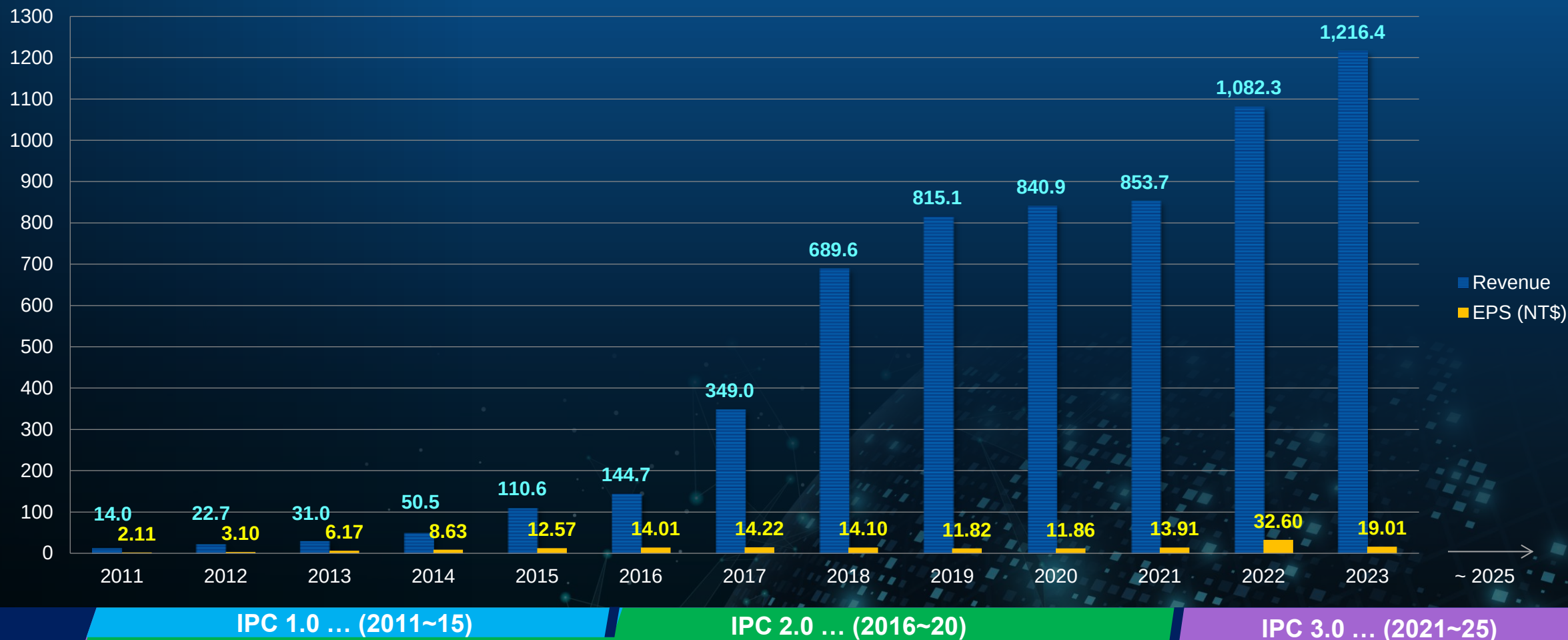
> 5k SI

> 250k Resellers

Our Operating Performance Over the Years

1. Annual revenue CAGR : 44% (2013 ~ 2023)
2. Annual net profit CAGR : 20% (2013 ~ 2023)
3. Average cash dividend payout ratio : 55% (2013 to 2023), 55% ~ 70% (2024~)
4. Parent company debt ratio : Currently 26.6%

Unit : NTD



Q1 2024 Ennoconn Business Performance

Currency: NTD

1. Revenue	:	32.72B	YoY	4.23B	YoY	14.8%
			QoQ	-1.51B	QoQ	-4.4%
2. Gross Profit	:	6.58B	YoY	1.07B	YoY	19.4%
			QoQ	290M	QoQ	4.6%
3. Operating Profit	:	970M	YoY	-310M	YoY	-24.5%
			QoQ	-100M	QoQ	-9.5%
4. Net Profit	:	1.35B	YoY	170M	YoY	14.7%
			QoQ	230M	QoQ	20.6%
5. Net Profit	:	630M	YoY	140M	YoY	28.2%
			QoQ	210M	QoQ	48.2%
Parent Company						
6. EPS	:	4.67	YoY	0.03	YoY	0.6%
			QoQ	1.55	QoQ	50.0%

Note 1: Q1 Operating Profit decreased, due to a decrease of 380M in the System Integration (MIC) from oversea operation

Note 2: Q1 Net Profit increased, due to parent and wholly-owned subsidiaries account for 38% of the overall.

January ~ April 2024 Ennoconn Revenue Overview

Currency: NTD

Ennoconn

- Revenue: 44.10B Increase 6.29B **YoY: 16.6%**

DMS

- Revenue: 7.88B Increase 640M **YoY: 8.9%**

Branding

- Revenue: 16.95B Increase 4.73B **YoY: 38.7%**

System Integration

- Revenue: 19.27B Increase 920M **YoY: 5.0%**

Q1 2024 Ennoconn Business Units Performance

Currency: NTD

DMS

• Revenue:	5.94B	Change	390M	YoY :	7.0%
• Gross Profit:	1.11B	Change	-140M	YoY :	-11.3%
• Operating Profit:	260M	Change	-110M	YoY :	-30.1%
• Net Profit:	300M	Change	110M	YoY :	54.9%
• Net Profit: Parent Company	290M	Change	120M	YoY :	72.4%

Branding

• Revenue:	12.16B	Change	3.11B	YoY :	34.3%
• Gross Profit:	4.44B	Change	1.46B	YoY :	48.8%
• Operating Profit:	480M	Change	180M	YoY :	58.3%
• Net Profit:	570M	Change	30M	YoY :	6.0%
• Net Profit: Parent Company	140M	Change	10M	YoY :	3.3%

System Integration

• Revenue:	14.62B	Change	730M	YoY :	5.3%
• Gross Profit:	1.03B	Change	-250M	YoY :	-19.2%
• Operating Profit:	230M	Change	-380M	YoY :	-62.4%
• Net Profit:	480M	Change	40M	YoY :	7.8%
• Net Profit: Parent Company	200M	Change	10M	YoY :	4.1%

Q1 2024 Ennoconn Business Units Proportion

Currency: NTD

DMS

- Revenue : 5.94B
- Gross Profit : 1.11B
- Operating Profit : 260M
- Net Profit : 300M
- Net Profit : 290M Parent Company
- Proportion : 18%
- Proportion : 17%
- Proportion : 27%
- Proportion : 22%
- Proportion : 46%

Branding

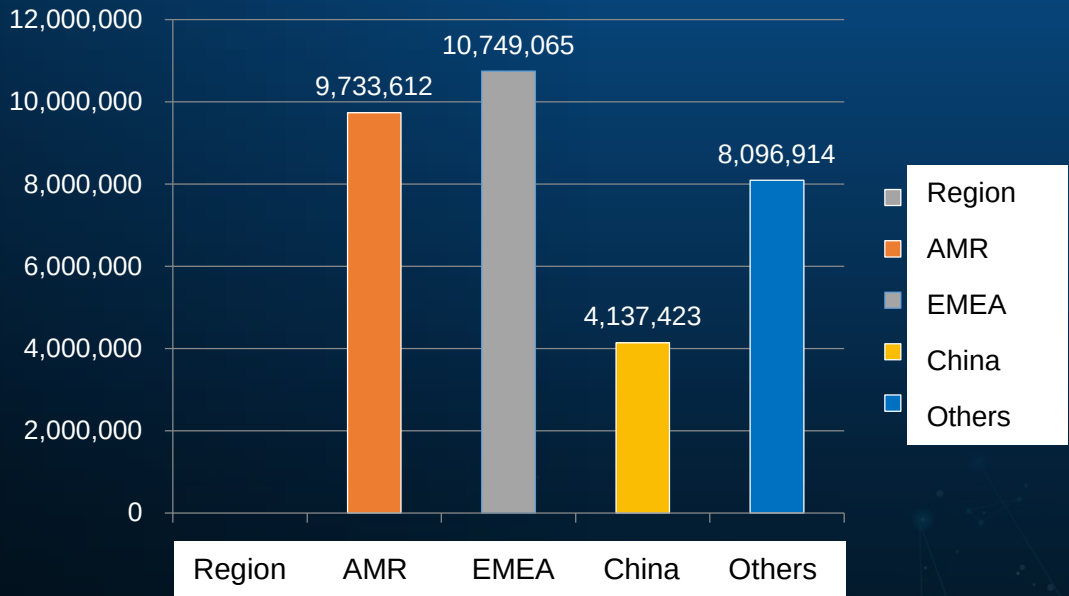
- Revenue : 12.16B
- Gross Profit : 4.44B
- Operating Profit : 480M
- Net Profit : 570M
- Net Profit : 200M Parent Company
- Proportion : 37%
- Proportion : 67%
- Proportion : 50%
- Proportion : 43%
- Proportion : 32%

System Integration

- Revenue : 14.62B
- Gross Profit : 1.03B
- Operating Profit : 230M
- Net Profit : 480M
- Net Profit : 140M Parent Company
- Proportion : 45%
- Proportion : 16%
- Proportion : 24%
- Proportion : 35%
- Proportion : 22%

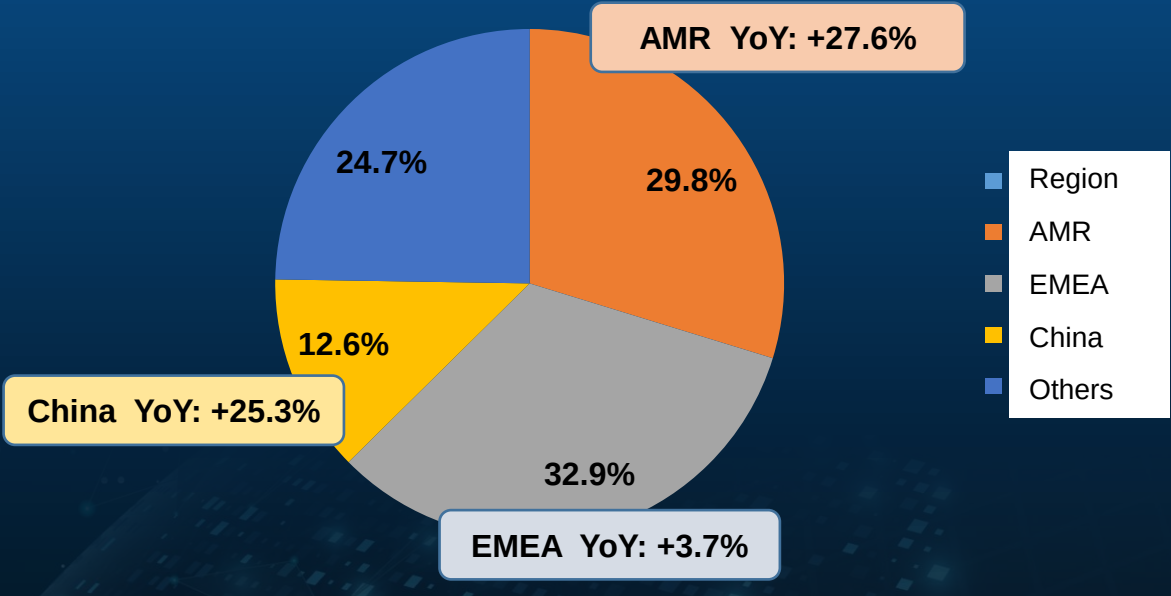
Q1 2024 Ennoconn Revenue from Major Regions

Unit: Million NTD



Ennoconn Revenue Amount

Unit: % Percentage



Ennoconn Revenue Proportion

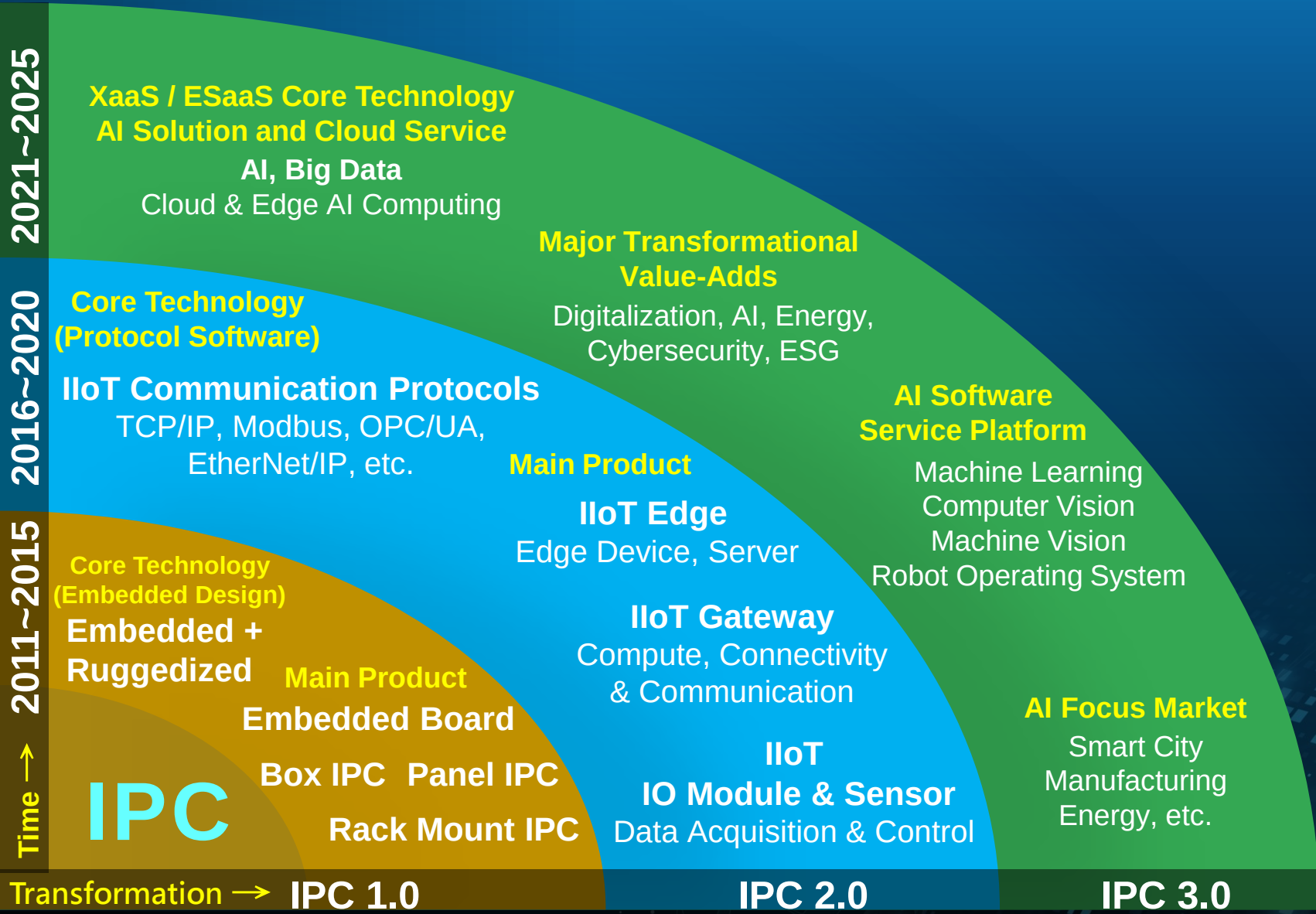


ESaaS & AI Business Development Overview

ESaaS Growth Strategy: IIoT-Data-AI SW/HW Cloud Platform

Q1 2024 ESaaS Revenue NT\$3.9B Increase NT\$1.4B YoY +56%

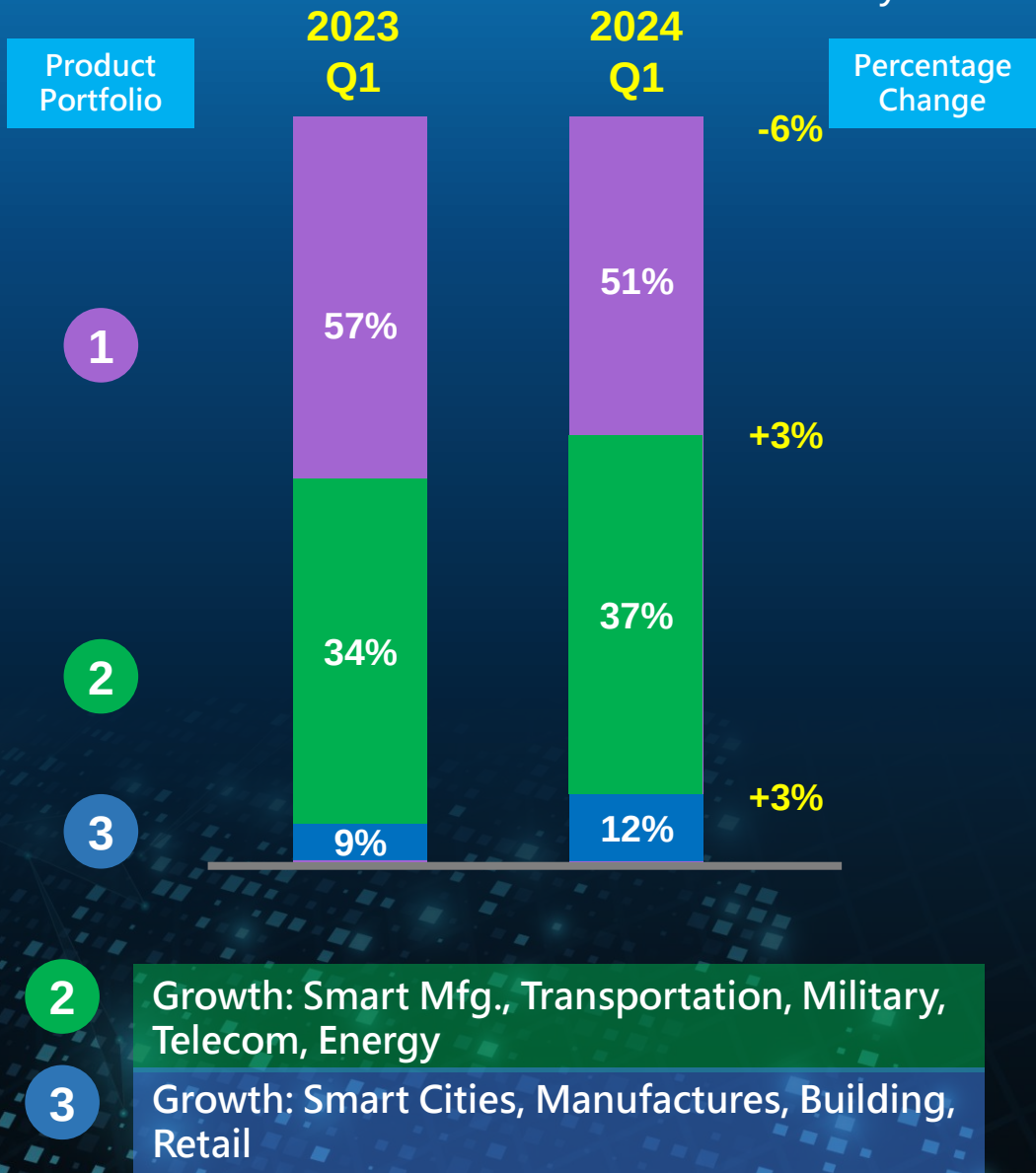
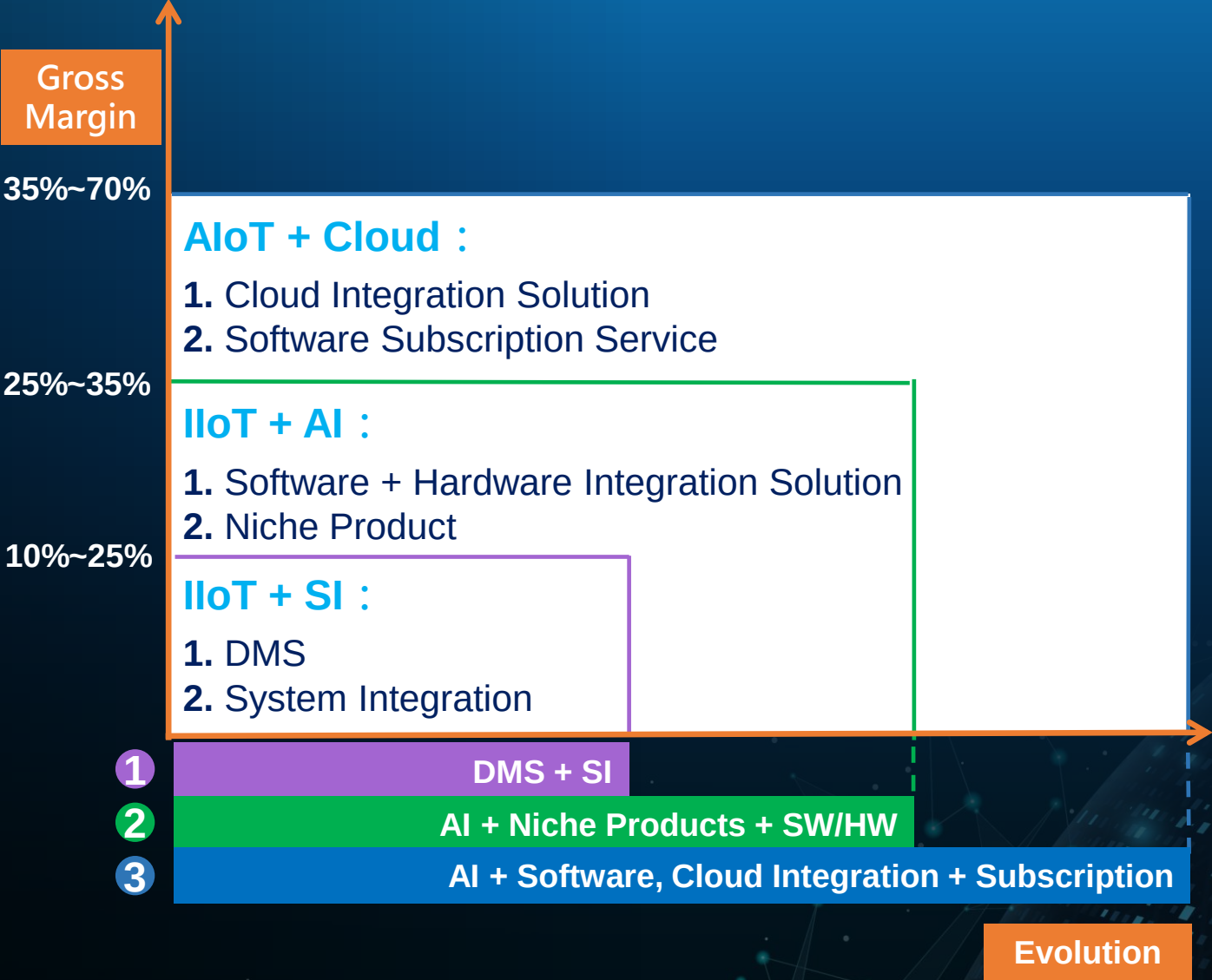
樺漢科技股份有限公司
ENNOCNN
Solutions For Smart Future



Currency: USD

	Global	Market	CAGR
IPC 3.0 IPC 2.0 IPC 1.0	XaaS	\$1,132B	23.4%
	IIoT	\$543B	22.7%
	IPC	\$6.3B	8.3%

Currency: NTD



Ennoconn Optimizing Product Portfolio and Profitability

Q1 2024 Gross Margin 20.1% YoY +0.8ppt.

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Solutions For Smart Future

Q1 2023				Q1 2024		Currency: NTD
Gross Margin	Portfolio	Revenue	Proportion	Revenue	Proportion	Increase/Decrease
1 10% ~ 25%	IIoT + SI	16.1B	57%	16.6B	51%	-6%
2 25% ~ 35%	IIoT + AI	9.9B	34%	12.2B	37%	+3%
3 > 35%	AIOT + CLOUD	2.5B	9%	3.9B	12%	+3%
CONSOLIDATED REVENUE		28.5B	100%	32.7B	100%	YoY +14.8%
CONSOLIDATED GROSS PROFIT		5.5B	19.3%	6.6B	20.1%	YoY +0.8ppt.

Ennoconn Q1 2024 Cloud + Edge AI Revenue 1.98B

Revenue 1.98B Increase 1.24B YoY +168%

Currency: NTD

1 Cloud AI Computing



Database



Application SW



App Interface

	Q1 2023	Q1 2024	YoY
Product and Service	Group Revenue	Group Revenue	Group Revenue
Cloud AI + Edge AI	740M	1.98B	168%

1 Cloud AI Computing	Q1 2023	Q1 2024	YoY
Product and Service	Revenue	Revenue	Revenue
AI HW + SW + Service	260M	820M	215%

2 Edge AI Computing



AI Server



AI Workstation



AI Device

2 Edge AI Computing	Q1 2023	Q1 2024	YoY
AI HW + SW + Service	Revenue	Revenue	Revenue
AI Server	130M	350M	169%
AI Workstation	190M	600M	216%
AI Device	160M	210M	31%
Total	480M	1.16B	142%



2024 Ennoconn Business Outlook

Ennoconn Group

24 vs. 23

- ① 2024 Outlook : Revenue, Gross Profit & Net Profit High Growth
- ② Overall BB Ratio : 1.1~1.2 , ESaaS BB Ratio : 1.4~1.5
- ③ H2 vs. H1 Net Profit & EPS : H2 > H1 (55 vs. 45)

Revenue

- ➡ • 24 vs. 23 High Growth , 2023 121.6B , Backlog orders reach historic high

Gross Profit

- ➡ • 24 vs. 23 High Growth , 2023 23.6B , AI Software and ESaaS

Operating Profit

- ➡ • 24 vs. 23 Slight Growth , 2023 5.21B , Operating expenses 15%~16%

Net Profit

- ➡ • 24 vs. 23 High Growth , 2023 2.26B , Parent and Branding

EPS

- ➡ • 24 vs. 23 Slight Growth , 2023 19.01
- 2024 Share capital increase 15% , **2023: 1.19B 2024: 1.37B**

Business Unit Revenue Outlook

DMS



Branding



SI



Q & A

stockaffairs@ennocinn.com

Thank You