

Consolidated Financial Statements and Independent Auditors' Review Report

Three Months Ended March 31, 2024 and 2023

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Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. 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.

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Independent Auditors' Review Report

Preface

The consolidated balance sheets of Ennoconn Corporation and its subsidiaries as of March 31, 2024 and 2023, and the Consolidated Statement of Comprehensive Income, Changes in Equity, and Cash Flows for the three months ended March 31, 2024 and 2023, and Notes to the Consolidated Financial Statements(including a summary of significant accounting policies) have been reviewed by the certified public accountant. The 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 the International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission. The certified public accountant's responsibility is to express a conclusion on the consolidated financial statements based on the review results.

Scope

Except as described in the basis for qualified conclusion paragraph, the review was conducted in accordance with the Auditing Standards No. 2410, "Review of Financial Statements" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical procedures, and other review procedures. A review is substantially less in scope than an audit and consequently does not enable the certified public accountant to obtain assurance that the certified public accountant would become aware of all significant matters that might be identified in an audit. Accordingly, a review does not provide a basis for expressing an audit opinion.

Basis for Conclusions

As described in Note 4(2) to the accompanying consolidated financial statements, the assets and liabilities of certain insignificant subsidiaries included in the aforementioned consolidated financial statements were based on the unaudited financial statements of those invested companies for the same periods. As of March 31, 2024 and 2023, the total assets were NT\$19,743,497 thousand and NT\$1,171,157 thousand, representing 13.72% and 1.00% of the consolidated total assets, respectively; the total liabilities were NT\$12,483,957 thousand and NT\$303,815 thousand, representing 13.74% and 0.41% of the consolidated total liabilities, respectively; and the comprehensive income for the three months ended March 31, 2024 and 2023 amounted to NT\$(162,166) thousand and NT\$(64,352) thousand, representing (7.25)% and (5.54)% of the consolidated comprehensive income, respectively.

In addition, as described in Note 6(7) to the consolidated financial statements, the equity-method investments of Ennoconn Corporation and its subsidiaries as of March 31, 2024 and 2023 amounted to NT\$560,117 thousand and NT\$476,012 thousand, respectively; and the share of profit or loss of

associates accounted for using the equity method for the three months ended March 31, 2024 and 2023 amounted to NT\$(7,730) thousand and NT\$7,755 thousand, respectively, which were based on the unaudited financial statements of those invested companies for the same periods.

Qualified Opinion

Except for the possible effects of the adjustments, if any, as might have been determined to be necessary had the financial statements of those invested companies described in the Basis for Qualified Opinion paragraph been audited, based on our reviews, 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 Technology Corporation and its subsidiaries as of March 31, 2024 and 2023, and their consolidated financial performance and consolidated cash flows for the three months ended March 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG Taiwan

CPA:

Pei-Ju Hsiao

Chi-Lung Yu

Financial Supervisory Commission Approval Document:

No. 1040003949

No. 0920122026

May 9, 2024

Notice to Reader

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ENNOCONN CORPORATION AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
March 31, 2024, December 31, 2023 and March 31, 2023 Unit: NT\$ thousand

Asset		2024.3.31		2023.12.31		2023.3.31		Liabilities and Equity		2024.3.31		2023.12.31		2023.3.31	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current Assets:								Current Liabilities:							
1100	Cash and Cash Equivalents (Notes 6(1) and (27))	25293006	18	24060954	19	26253789	22	2100	Short-Term Borrowings (Notes 6(16) and (27))	11776740	8	12638623	10	14075138	12
1110	Financial Assets Measured at Fair Value through Profit or Loss - Current (Note 6(2) and (27))	184951	0	164696	0	111458	0	2120	Financial Liabilities at Fair Value through Profit or Loss - Current (Notes 6(2), and (27))	24990	0	0	0	0	0
1136	Financial Assets Measured at Amortized Cost - Current (Notes 8)	277179	0	223659	0	185636	0	2130	Contract Liabilities - Current (Note 6(24))	12020778	8	12294270	10	9939290	9
1140	Contract Assets - Current (Notes 6(24))	15230345	11	14825773	12	11888524	10	2150	Notes Payable (Note 6(27))	1448396	1	1766628	1	1653904	2
1150	Net Notes Receivable (Notes 6(4) and (24))	216945	0	268107	0	58773	0	2160	Notes Payable - Related Parties (Note 6(27) and 7)	4725	0	11335	0	7875	0
1172	Net Accounts Receivable (Notes 6(4), (24) and 8)	19196307	13	20073067	16	14713148	13	2170	Accounts Payable (Note 6 (27))	21233702	15	18930714	15	17981784	15
1180	Net Accounts Receivable - Related Parties (Notes 6(4), (24) and 7)	126192	0	67243	0	106545	0	2180	Accounts Payable - Related Parties (Notes 6(27) and 7)	57948	0	83755	0	37242	0
130X	Inventories (Notes 6(5) and 8)	29287853	20	21685112	17	23167413	20	2200	Other Payables (Including Related Parties) (Note 6(27))	8404492	6	5470927	4	6163210	5
1460	Non-Current Assets Held for Sale (Note 6(6))	0	0	0	0	197921	0	2230	Current Income Tax Liabilities	1785825	1	1525118	1	1156004	1
1470	Other Current Assets (Note 6(15) and 8)	6011660	5	6025546	5	6997707	6	2250	Provisions for Liabilities - Current	1330089	1	1136285	1	831917	1
11XX	Total Current Assets	95824438	67	87394157	69	83680914	71	2260	Liabilities Directly Associated with Non-Current Assets Held for Sale (Note 6(6))	0	0	0	0	145375	0
Non-Current Assets:								2280	Lease Liabilities - Current (Notes 6(19) and 6(27))	1753830	1	1353187	1	1123969	1
1510	Financial Assets Measured at Fair Value through Profit or Loss - Non-Current (Note 6(2) and (27))	2060700	1	1723028	1	1001313	1	2321	Current Portion of Convertible Corporate Bonds Payable within One Year or One Operating Cycle (Notes 6(18) and (27))	0	0	800248	1	5675061	5
1520	Financial Assets at Fair Value through Other Comprehensive Income - Non-Current (Notes 6(3) and (27))	1706673	1	1577610	1	1308826	1	2322	Long-Term Liabilities Due within One Year or One Operating Cycle (Note 6(17) and (27))	5992572	5	4554479	4	1304509	1
1550	Investments Accounted for Using Equity Method (Note 6(7))	587879	0	602334	0	476012	0	2399	Other Current Liabilities	591526	0	640861	1	748079	1
1600	Property, Plant and Equipment (Note 6(12) and 8)	9827320	7	7178531	6	6863347	6	21XX	Total Current Liabilities	66425613	46	61206430	49	60843357	53
1755	Right-of-Use Assets (Note 6(14))	6406108	4	4894351	4	3353887	3	Non-Current Liabilities:							
1760	Net Investment Property (Note 8)	50370	0	49650	0	50864	0	2530	Corporate Bonds Payable (Notes 6(18) and (27))	6883550	5	7076055	6	2346232	2
1805	Goodwill (Notes 6(13))	16688014	12	14463663	11	13260551	11	2540	Long-Term Loans (Notes 6(17) and (27))	8664943	6	2716721	2	7134292	6
1821	Other Intangible Assets (Note 6(13))	7482335	5	5970103	5	5126360	5	2550	Provisions for Liabilities - Non-Current	548848	0	482405	0	436440	0
1840	Deferred Income Tax Assets (Note 6 (21))	2190241	2	2088376	2	1493930	1	2570	Deferred Income Tax Liabilities	1082754	0	576350	0	554823	0
1960	Prepaid Investment	42920	0	32547	0	124956	0	2580	Non-Current Lease Liabilities (Notes 6(19) and 6(27))	5329140	4	3985321	3	2708391	2
1990	Other Non-Current Assets (Notes 6(15) and 8)	1012435	1	810117	1	849250	1	2640	Net Defined Benefit Liability — Non-Current	725626	0	611805	0	374823	0
15XX	Total Non-Current Assets	48054995	33	39390310	31	33909296	29	2670	Other Non-Current Liabilities	1221298	1	451422	0	576674	0
								25XX	Total Non-Current Liabilities	24456159	16	15900079	11	14131675	10
								2XXX	Total Liabilities	90881772	62	77106509	60	74975032	63
								Equity Attributable to Owners of Parent Company (Notes 6(22)):							
								3110	Share Capital	1370270	1	1319999	1	1087651	1
								3200	Capital Surplus	15821638	11	14940752	12	9862424	8
								Retained Earnings:							
								3310	Legal Surplus Reserve	1161514	1	1161514	1	812521	1
								3320	Special Surplus Reserve	905934	1	905934	1	1768490	2
								3350	Undistributed Earnings	3684885	3	4612432	4	2403730	2
								3300	Subtotal Retained Earnings	5752333	5	6679880	6	4984741	5
								3490	Other Equity	-367712	0	-1039929	-1	-955873	-1
								31XX	Subtotal Equity Attributable to Owners of the Parent Company	22576529	17	21900702	18	14978943	13
								36XX	Equity (Notes 6(11) and (22)):	30421132	21	27777256	22	27636235	24
								3XXX	Total Equity	52997661	38	49677958	40	42615178	37
1XXX	Total Assets	143879433	100	126784467	100	117590210	100	Total liabilities and equity		143879433	100	126784467	100	117590210	100

(Please refer to the notes to the consolidated financial statements attached)

Chairman: Fu-Chuan Chu

Managerial Officer: Neng-Chi Tsai

Accounting Supervisor: Tsung-Hsien Chuang

ENNOCNN CORPORATION AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Three Months Ended March 31, 2024 and 2023

Unit: NT\$ thousand

		Three Months Ended March 31, 2024		Three Months Ended March 31, 2023	
		Amount	%	Amount	%
4100	Net Operating Revenue (Notes 6(24) and 7)	\$ 32,717,014	100	\$ 28,491,310	100
5110	Operating Costs (Notes 6(5), (12), (13), (14), (20), (25) and 7)	26,134,080	80	22,978,620	81
5900	Gross Profit	6,582,934	20	5,512,690	19
Operating Expenses (Notes 6(5), (12), (13), (14), (20) and (25)):					
6100	Selling Expenses	918,197	3	761,034	3
6200	Management Expenses	2,118,031	6	1,293,511	4
6300	Research and Development Expenses	2,393,102	7	2,014,770	7
6450	Expected Credit Losses	184,783	1	160,760	-
6000	Total Operating Expenses	5,614,113	17	4,230,075	14
6900	Net Operating Income	968,821	3	1,282,615	5
Other Operating Income and Expenses (Notes 6(7), (10) and (26)):					
7100	Interest Revenue	116,902	-	108,539	-
7190	Other Income	4,608	-	6,203	-
7020	Other Gains and Losses	944,236	3	378,810	1
7050	Financial Costs	(338,980)	(1)	(223,843)	(1)
7060	Share of Profit or Loss of Associates Accounted for Using Equity Method	(8,543)	-	7,755	-
7000	Total Non-Operating Income and Expenses	718,223	2	277,464	-
7900	Profit before Tax	1,687,044	5	1,560,079	5
7950	Less: Income Tax Expense (Note 6(21))	343,568	1	385,205	1
8000	Net Profit from Continuing Operations for the Current Period	1,343,476	4	1,174,874	4
8100	Profit or Loss from Discontinued Operations (Note 12(2))	3,916	-	195	-
8200	Net profit for the period	1,347,392	4	1,175,069	4
Other comprehensive income:					
8310	Items that Will not be Reclassified to Profit or Loss				
8311	Remeasurement of Defined Benefit Plan	647	-	1,223	-
8316	Unrealized gains or losses on equity instrument investments measured at fair value through other comprehensive income	5,312	-	(12,784)	-
8320	Share of Other Comprehensive Income of Associates Accounted for Using Equity Method (Note 6(5))	518	-	-	-
8349	Less: Income tax relating to items that will not be reclassified	-	-	-	-
	Total items not reclassified to profit or loss	6,477	-	(11,561)	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange Differences on Translation of Foreign Financial Statements	886,393	3	1,489	-
8380	Share of Other Comprehensive Income of Associates Accounted for Using Equity Method (Note 6(5))	3,559	-	280	-
8399	Less: Income Tax Relating to Items that May be Reclassified	8,417	-	(416)	-
	Items that May be Reclassified Subsequently to Profit or Loss	881,535	3	2,185	-
8300	Other Comprehensive Income for the Fiscal Year	888,012	3	(9,376)	-
8500	Total Comprehensive Income (Loss) for the Period	\$ 2,235,404	7	\$ 1,165,693	4
Net Profit for the Period Attributable to:					
8610	Parent Company	\$ 631,341	2	\$ 492,446	2
8620	Non-Controlling Interests	716,051	2	682,623	2
		\$ 1,347,392	4	\$ 1,175,069	4
Total comprehensive income attributable to:					
8710	Parent Company	\$ 1,303,742	4	\$ 442,846	1
8720	Non-Controlling Interests	931,662	3	722,847	3
		\$ 2,235,404	7	\$ 1,165,693	4
9750	Basic Earnings per Share (NT\$) (Note 6(23))	\$ 4.67		\$ 4.64	
9850	Diluted Earnings per Share (NT\$) (Note 6(23))	\$ 4.11		\$ 3.47	

(Please refer to the notes to the consolidated financial statements attached)

Chairman: Fu-Chuan Chu

Managerial Officer: Neng-Chi Tsai

Accounting Supervisor: Tsung-Hsien Chuang

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Three Months Ended March 31, 2024 and 2023

Unit: NT\$ thousand

	Equity Attributable to Owners of the Parent Company											
	Retained Earnings						Other Equity Items			Total Equity Attributable to Owners of the Parent Company	Non-Controlling Interests	Total Equity
							Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gain or Loss on Financial Assets at Fair Value through Other Comprehensive Income	Total			
	Share Capital	Capital Surplus	Legal Surplus Reserve	Special Surplus Reserve	Undistributed Earnings	Total						
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
The number of impacts from adjustments applying the new criteria retrospectively	-	-	-	-	2,202	2,202	-	-	-	2,202	2,944	5,146
Balance after recompiling on January 1, 2023	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 profit for the period	-	-	-	-	492,446	492,446	-	-	-	492,446	682,623	1,175,069
Other Comprehensive Income After Tax for the Period	-	-	-	-	339	339	(69,119)	19,180	(49,939)	(49,600)	40,224	(9,376)
Total Comprehensive Income (Loss) for the Period	-	-	-	-	492,785	492,785	(69,119)	19,180	(49,939)	442,846	722,847	1,165,693
Cash Dividends on Common Stock	-	-	-	-	(1,604,720)	(1,604,720)	-	-	-	(1,604,720)	-	(1,604,720)
Subsidiary Shareholder Cash Dividends	-	-	-	-	-	-	-	-	-	-	(180,323)	(180,323)
Changes in Equity of Associates Accounted for Using the Equity Method	-	6,541	-	-	-	-	-	-	-	6,541	-	6,541
Changes in Ownership Interests in Subsidiaries	-	24,872	-	-	-	-	-	-	-	24,872	(24,872)	-
Convertible Corporate Bond Conversion	27,281	545,687	-	-	-	-	-	-	-	572,968	-	572,968
Changes in Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	(61,517)	(61,517)
Balance as of March 31, 2023	1,087,651	9,862,424	812,521	1,768,490	2,403,730	4,984,741	(899,386)	(56,487)	(955,873)	14,978,943	27,636,235	42,615,178
Balance as of January 1, 2024	1,319,999	14,940,752	1,161,514	905,934	4,612,432	6,679,880	(1,081,452)	41,523	(1,039,929)	21,900,702	27,777,256	49,677,958
Net profit for the period	-	-	-	-	631,341	631,341	-	-	-	631,341	716,051	1,347,392
Other Comprehensive Income After Tax for the Period	-	-	-	-	184	184	666,676	5,541	672,217	672,401	215,611	888,012
Total Comprehensive Income (Loss) for the Period	-	-	-	-	631,525	631,525	666,676	5,541	672,217	1,303,742	931,662	2,235,404
Cash Dividends on Common Stock	-	-	-	-	(1,559,072)	(1,559,072)	-	-	-	(1,559,072)	-	(1,559,072)
Subsidiary Shareholder Cash Dividends	-	-	-	-	-	-	-	-	-	-	(140,278)	(140,278)
Changes in Equity of Associates Accounted for Using the Equity Method	-	469	-	-	-	-	-	-	-	469	-	469
Changes in Ownership Interests in Subsidiaries	-	(87,641)	-	-	-	-	-	-	-	(87,641)	87,641	-
Convertible Corporate Bond Conversion	50,271	968,058	-	-	-	-	-	-	-	1,018,329	-	1,018,329
Changes in Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	1,764,851	1,764,851
Balance as of March 31, 2024	1,370,270	15,821,638	1,161,514	905,934	3,684,885	5,752,333	(414,776)	47,064	(367,712)	22,576,529	30,421,132	52,997,661

(Please refer to the notes to the consolidated financial statements attached)

Chairman: Fu-Chuan Chu

Managerial Officer: Neng-Chi Tsai

Accounting Supervisor: Tsung-Hsien Chuang

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

Three Months Ended March 31, 2024 and 2023

Unit: NT\$ thousand

	<u>Three Months Ended March 31, 2024</u>	<u>Three Months Ended March 31, 2023</u>
Cash Flows From Operating Activities:		
Continuing Operations Income Before Tax	\$ 1,687,044	\$ 1,560,079
Net Income Before Tax from Discontinued Operations	3,916	1,415
Net Profit Before Tax for the Period	<u>1,690,960</u>	<u>1,561,494</u>
Adjustments for:		
Income and Expense Items		
Depreciation Expense	610,502	410,699
Amortization expenses	283,682	226,562
Expected Credit Losses	184,783	160,760
Net (Gains) Losses on Financial Assets and Liabilities at Fair Value through Profit or Loss	(311,686)	(105,474)
Interest Expense	338,980	223,843
Interest Revenue	(116,902)	(108,539)
Dividend Revenue	(261)	(1,769)
Share of Profits of Associates Accounted for Using the Equity Method	8,543	(7,755)
Gains on Disposals of Property, Plant and Equipment	3,278	(1,142)
Gains on Disposals of Investments	-	(120,797)
Lease Modification Benefits	(3)	-
Gain from Price Recovery of Inventory	(64,369)	60,836
Loss on Inventory Scrap	31,578	8,843
Total Revenue Expenses and Losses	<u>968,125</u>	<u>746,067</u>
Changes in Assets/Liabilities Related to Operating Activities:		
Contract Assets	(404,573)	(1,054,443)
Notes and Accounts Receivable	3,047,588	2,288,039
Inventories	(157,426)	(1,347,525)
Other Current Assets	590,663	2,448,632
Contract Liabilities	(870,127)	430,681
Notes Payable (Including Related Parties)	(324,842)	(505,698)
Accounts Payable (Including Related Parties)	(1,353,016)	(1,103,480)
Other Payables	(3,139,076)	(630,426)
Provision for Liabilities	(91,535)	(52,722)
Other Current Liabilities	(77,663)	(206,441)
Other Liabilities	111,166	216,842
Total Adjustments	<u>(1,700,716)</u>	<u>1,229,526</u>
Cash Flows from Operations	<u>(9,756)</u>	<u>2,791,020</u>
Interest Received	117,063	108,539
Dividends Received	261	1,769
Interest Paid	(265,485)	(215,710)
Income Taxes Paid	<u>(325,946)</u>	<u>(128,332)</u>
Net Cash Flows from Operating Activities	<u>(483,863)</u>	<u>2,557,286</u>

(Please refer to the notes to the consolidated financial statements attached)

Chairman: Fu-Chuan Chu Managerial Officer: Neng-Chi Tsai Accounting Supervisor: Tsung-Hsien Chuang

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023 and 2022

	Unit: NT\$ thousand	
	Three Months Ended March	Three Months Ended March
	31, 2024	31, 2023
Cash Flows from Investing Activities:		
Acquisition of Financial Assets Measured at Fair Value through Other Comprehensive Income	(32,425)	(77,040)
Obtain Financial Assets Measured at Amortized Cost	(16,559)	(161,970)
Derecognition of Financial Assets Measured at Amortized Cost	1,000	-
Obtain Financial Assets Measured at Fair Value through Profit or Loss	(21,026)	(11,857)
Disposal of Financial Assets at Fair Value through Profit or Loss	670	273
Redemption of Financial Assets Measured at Fair Value through Profit or Loss	7,811	1,215
Disposal of Investments Accounted for Using the Equity Method	-	67,454
Prepaid Investment	(10,373)	(102,013)
Acquisition of Subsidiaries (Net of Cash Acquired)	(2,216,415)	-
Disposal of Subsidiary	-	71,060
Acquisition of Property, Plant and Equipment	(266,290)	(686,657)
Disposal of Property, Plant and Equipment	6,275	9,599
Acquisitions of Intangible Assets	(299,206)	(165,496)
Disposal of Intangible Assets	698	40,598
Obtain Right-of-Use Assets	(6,694)	(1,076)
Other Non-Current Assets	(103,411)	174,588
Net Cash Outflow from Investing Activities	(2,955,945)	(841,322)
Cash Flows from Financing Activities:		
Short-Term Borrowings	(4,555,810)	(1,040,300)
Repayment of Convertible Corporate Bonds	(216)	(151,937)
Borrowing of Long-Term Loans	7,008,965	473,997
Repayment of Long-Term Loans	(50,330)	(5,022)
Repayment of the Principal Portion of Lease Liabilities	(335,645)	(129,723)
Change in Non-Controlling Interests	1,752,949	98,248
Net Cash Flows from Investing Activities	3,819,913	(754,737)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	851,947	(670,694)
Net (Decrease) Increase in Cash and Cash Equivalents for the Period	1,232,052	290,533
Beginning Balance of Cash and Cash Equivalents	24,060,954	25,963,256
Ending Balance of Cash and Cash Equivalents	\$ 25,293,006	\$ 26,253,789

(Please refer to the notes to the consolidated financial statements attached)

Chairman: Fu-Chuan Chu

Managerial Officer: Neng-Chi Tsai

Accounting Supervisor: Tsung-Hsien Chuang

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

ENNOCONN CORPORATION AND ITS SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended March 31, 2023 and 2022

(Unless otherwise specified, all amounts are in NT\$ thousand)

1. Formation History

Ennoconn Corporation (“the Company”) was established on July 12, 1999 after approval from the Ministry of Economic Affairs, and registered at 3F-6F, No. 10, Jiankang Road, Zhonghe District, New Taipei City. The main business activities of the Company and its subsidiaries (hereinafter referred to as the "Consolidated Company") are the manufacturing and sale of data storage, processing equipment, and 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 at Taipei Exchange (TPEX) and its stocks were listed at the Taiwan Stock Exchange Corporation on March 28, 2014.

2. Financial statements approval dates and procedures

The Consolidated Financial Statements were approved by the Board of Directors and authorized for issuance on May 9, 2024.

3. Adoption of newly issued and revised regulations and interpretations

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

The following newly amended International Financial Reporting Standards have been applied since January 1, 2023 for the Consolidated Company, with the impacts explained as follows:

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

The amendment to the article limits the scope of the exemption for recognizing deferred tax assets and liabilities arising from the initial recognition of assets or liabilities related to a particular transaction, so that it no longer applies to transactions that generate equal taxable and deductible temporary differences upon initial recognition, such as leases and decommissioning liabilities. In other words, the Consolidated Company should recognize deferred income tax separately for the temporary differences arising from the initial recognition of such transactions, and cannot measure them on a net basis. Regarding lease

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

and decommissioning liabilities, according to regulations, they should be applied retrospectively from the beginning date of the earliest comparative period presented in these consolidated financial statements (January 1, 2022), and the cumulative effects of initially applying these amendments should be recognized as an adjustment to the opening balance of retained earnings on that date. As for all other transactions, only those occurring after January 1, 2022, shall be subject to the amended provisions. Due to the aforementioned adjustments, the Consolidated Company recognized deferred tax assets and liabilities related to the transactions involving right-of-use assets and lease liabilities as of January 1, 2022.

The relevant impacts are listed below:

	2023.3.31	2023.1.1
Deferred Income Tax Assets	\$ 145,295	\$ 128,229
Deferred Income Tax Liabilities	137,440	123,083
Retained Earnings	3,359	2,202
Non-Controlling Interests	4,496	2,944
		Three Months Ended March 31, 2023
Income Tax Expense (Benefit)	-	\$ (2,709)

The Consolidated Company have evaluated the newly revised International Financial Reporting Standards (IFRSs) applicable from January 1, 2024, and determined that their adoption will not have a material impact on the consolidated financial statements.

Amendment to IAS 1 “The 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”

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

The International Accounting Standards Board has issued and amended standards and interpretations that have not yet been endorsed by the Financial Supervisory Commission, which may be relevant to the Consolidated Company as follows:

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

Newly issued or amended standards	Main amendments	Effective date issued by the International Accounting Standards Board (IASB)
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new guidelines introduce three types of income and expenses, two subtotals in the income statement, and one note related to Management-defined Performance Measures. These three amendments and enhancements to the guidance on how information is disaggregated in financial statements provide a basis for better and more consistent information for users and will impact all companies.</p> <ul style="list-style-type: none"> • A more structured income statement: Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across different companies. The new standards adopt a more structured income statement, introducing a newly defined subtotal for "operating profit" and requiring all income and expenses to be categorized into three new distinct types based on the company's main operating activities. • Management-defined Performance Measure (MPM): The new standards introduce a Management-defined Performance Measures and require companies to explain in a single note in the financial statements why each measure provides useful information, how it is calculated, and how it reconciles to amounts recognized under IFRS accounting standards. • More disaggregated information: The new standards include guidance for companies on how to enhance the disaggregation of information in financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes. 	January 1, 2027

The Consolidated Company does not expect the following new releases and amended standards that have not yet been recognized to have a material impact on the consolidated financial statements.

Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

IFRS 17 "Insurance Contracts", including the amendment to IFRS 17.

Amendments to IAS 21 "Lack of Exchangeability"

4. Summary of significant accounting policies

(1) Statement of Compliance

This consolidated financial report is prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred

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

to as the "Preparation Regulations") and the International Accounting Standard³⁴ "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission. This consolidated financial report does not include all the necessary information that should be disclosed in the complete annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Announcements endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "IFRSs endorsed by the FSC").

Except as described below, the significant accounting policies adopted in this consolidated financial report are the same as those in the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2023.

(2) Merger Fundamentals

1. Subsidiaries included in the consolidated financial statements

The subsidiaries included in these consolidated financial statements are:

Name of Investor	Subsidiary Name	Business Nature	Percentage of Shares Held			Explanation
			2024.3.31	2023.12.31	2023.3.31	
The Company	Innovative Systems Integration Limited (Innovative 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 and its Subsidiaries)	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	31.70%	31.70%	31.74%	Note 1:
Innovative Systems	Nanjing Asiatek Inc.	Engaging in research, development, and sales of software and hardware products, as well as providing installation, debugging, and technical consulting services.	100.00%	100.00%	100.00%	
Innovative Systems	ENGA Technology Co., Ltd.	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	100.00%	100.00%	100.00%	
Innovative Systems	Ennoconn (Suzhou) Technology Co., Ltd. (Ennoconn (Suzhou))	R&D, production, and sales of industrial computers	100.00%	100.00%	100.00%	

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

Name of Investor	Subsidiary Name	Business Nature	Percentage of Shares Held			Explanation
			2024.3.31	2023.12.31	2023.3.31	
Innovative Systems	Victor Plus Holdings Ltd. (Victor Plus)	Import and export trading	100.00%	100.00%	100.00%	
Innovative Systems	Suzhou HuaShiDa Intelligent Technology Co., Ltd.	Manufacture of intelligence vehicle equipment	100.00%	100.00%	-	Note 2:
Innovative Systems	Ennoconn Investment Co., Ltd. (Ennoconn Investment)	Professional investment	-	-	100.00%	Note 3:
Innovative Systems and Ennoconn Investment	Ennoconn (Foshan) Investment Holdings Co., Ltd.	Professional investment	-	-	100.00%	Note 3:
Ennoconn (Suzhou)	Ennoconn (Kunshan) Technology Co., Ltd. (Ennoconn (Kunshan))	Intelligent technology development and hardware sales	70.00%	70.00%	70.00%	
Ennoconn (Suzhou)	Ennoconn Investment Co., Ltd. (Ennoconn Investment)	Professional investment	100.00%	100.00%	-	Note 3:
Ennoconn (Suzhou)	Ennoconn Malaysia SDN. BHD.	R&D, production, and sales of industrial computers	100.00%	-	-	Note 4:
Ennoconn (Suzhou) and Ennoconn Investment	Ennoconn (Foshan) Investment Holdings Co., Ltd.	Professional investment	100.00%	100.00%	-	Note 3:
Ennoconn International	Goldtek Technology Co., Ltd. and its Subsidiaries (Goldtek and its Subsidiaries)	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	Research, design and sales of mobile payment, electronic signature, and information security products	100.00%	100.00%	100.00%	
Ennoconn International	Thecus Technology Corp.	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	60.00%	60.00%	60.00%	Note 5 and Note 11:
Ennoconn International	Dexatek Technology Ltd.	Multimedia product R&D and design and manufacturing business	56.00%	56.00%	56.00%	
Ennoconn International	Marketch International Corp. and its Subsidiaries (Marketch and its Subsidiaries)	High-tech industry plant operations and manufacturing system planning and integration services	41.50%	42.32%	42.70%	Note 6:
Ennoconn International	Poslab Technology Corporation (Poslab)	Manufacturing, wholesale and sales of electronic and peripheral equipment	70.00%	70.00%	70.00%	Note 7:
Ennoconn International	EnnoRise Corporation	Other power generation, transmission and distribution machinery manufacturing	60.00%	60.00%	-	Note 8:
Ennoconn International	Ennoconn(Vietnam) Co., Ltd.	Import and export trading	100.00%	-	-	Note 9 and Note 11:
Ennoconn International, Caswell, Marketch and Goldtek	Renown Information Technology Corp. (Renown Information Technology)	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	36.95%	37.06%	37.14%	

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

Name of Investor	Subsidiary Name	Business Nature	Percentage of Shares Held			Explanation
			2024.3.31	2023.12.31	2023.3.31	
Ennoconn International and EIH	Kontron AG and its Subsidiaries	Information system software and hardware integration service	28.51%	27.86%	27.70%	
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.	Manufacture, processing, trading and import/export of telecommunication machinery equipment, electronic equipment and electronic devices, etc.	100.00%	100.00%	100.00%	
EnnoMech (Cayman)	EnnoMech Precision Co., Ltd.	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	100.00%	100.00%	100.00%	
EnnoMech (Cayman)	HighAim Technology Inc. (HighAim)	Professional investment	67.65%	67.65%	67.65%	
HighAim	Highaim Technology (Shenzhen) Inc. and its Subsidiaries	Design, research and 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%	Note 10:
HighAim	Funology Investment Inc.	Import and export trading	100.00%	100.00%	100.00%	
Thecus Technology	Thecus U.S.A., Inc	Sales of network storage devices and repair services	-	-	100.00%	
ENNOWYSE CORPORATION	HCT capital Management Consulting Co., Ltd. (HCT)	General investment and investment consultancy	40.00%	40.00%	40.00%	

Note 1: The Company and Ennoconn International hold 27.27% and 4.43% of the shares, respectively. The Consolidated Company gained the power to exercise majority voting rights in the board of directors of Caswell, giving it the ability to lead decisions on personnel, finance and operations. Therefore, Caswell is listed as a subsidiary.

Note 2: The Consolidated Company was established in July 2023 for the development of intelligent vehicle-mounted device manufacturing.

Note 3: For the purpose of enhancing operational synergy, reducing management costs and improving operational efficiency, the Consolidated Company will reorganize the organizational structure of its subsidiaries Ennoconn (Suzhou), Ennoconn Investment and Ennoconn (Foshan) held by Innovation Systems. Innovation Systems contributed all of its equity interests in Ennoconn Investment and Ennoconn (Foshan) to increase the capital of Ennoconn (Suzhou), and Ennoconn (Suzhou) acquired all the equity interests in Ennoconn Investment and Ennoconn (Foshan) through a share swap. The record date for this stock conversion transaction is July 1, 2023.

Note 4: The Consolidated Company was established in March 2024 for the development of industrial computers developing, manufacturing and sales.

Note 5: The Consolidated Company, considering the relative proportion of voting rights held by other shareholders, is determined to have substantive control and is therefore listed as a subsidiary. During the holding period, the shareholding ratio decreased due to an increase in equity resulting from the exercise of share option issued.

Note 6: The Consolidated Company was established in September 2023 for the development of other power generation, transmission and distribution machinery manufacturing.

Note 7: The Consolidated Company was established in January 2024 for the development of Import and Export Trade.

Note 8: As of the fiscal year 2023, due to the partial conversion of the convertible corporate bonds issued by Marketch into common shares, the company and its subsidiaries' indirect shareholding in Renown Information has decreased to 36.95%.

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

Note 9: The company is a publicly listed company in Frankfurt, Germany and serves as the holding company of the group. Since the company's shareholding structure is dispersed, and the Consolidated Company's shareholding ratio is relatively significant compared to other shareholders, being the largest shareholder and obtaining more than half of the board seats, it has substantial control. Therefore, it is listed as a subsidiary. During the holding period, the consolidated shareholding ratio increased due to Kontron AG's execution of treasury stock buyback.

Note 10: The company was liquidated and dissolved in June 2023.

Note 11: The non-significant subsidiaries included in this Consolidated Financial report, including the subsidiaries Marketch Integrated Pte. Ltd. held by Marketch International, Headquarter International Ltd., Tiger United Finance Ltd., MIC-Tech Global Corp., MIC-Tech Viet Nam Co., Ltd., Marketch Engineering Pte. Ltd., Ezoom Information, Inc., Marketch Co., Ltd., Marketch Integrated Manufacturing Company Limited, Marketch International Sdn. Bhd., PT Marketch International Indonesia, Marketch Netherlands B.V., Adat Technology Co., Ltd., Spiro Technology Systems Inc., Taiwan Radisen HealthCare Co., Ltd., MIC Healthcare Korea Co., Ltd., Vertex System Corporation, Marketch International Corp. Japan, Advanced Technology Matrix United Corporation, Marketch International Corporation Germany GmbH, MIC Industrial Viet Nam Co., Ltd., Marketop Smart Solutions Co., Ltd., PT Marketch International Indonesia and Marketch Integrated Construction Co., Ltd. and the subsidiaries held by Kontron AG, KATEK SE (including its subsidiaries), are based on the unaudited financial reports of those companies for the same period.

2. Subsidiaries not included in the consolidated financial statements: None.

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

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

1. Those that are expected to be realized during the normal operating period of the Consolidated Company or intended to be sold or consumed;
2. The asset is held primarily for the purpose of transaction;
3. Liability will be repaid within twelve months after the reporting period; or
4. The asset is cash or a cash equivalent (defined by the IAS 17), unless the asset is to be used for an exchange or to settle a liability, or otherwise remains restricted, at more than 12 months after the balance sheet date.

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

1. It is expected that the liability will be settled in the normal operating cycle;
2. The liabilities is held primarily for the purpose of transaction;
3. The liability will be repaid within twelve months after the reporting period; or

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

4. At the end of the reporting period, it does not have the right to defer settlement of the liability for at least twelve months after the reporting period.

(4) Employee benefits

Retirement pension for defined benefit plans during the interim period is calculated using the retirement pension cost rate determined by actuarial calculations from the previous reporting date, based on the period from the beginning of the year to the end of the current period, and adjusted for significant market fluctuations and material curtailments, settlements, or other one-time events after the reporting date.

(5) Income tax

The Consolidated Company measure and disclose interim period income tax expenses in accordance with paragraph B12 of IAS 34, Interim Financial Reporting.

Income tax expense is measured by multiplying the pre-tax net profit for the interim reporting period by management's best estimate of the average annual effective tax rate, and allocating it to current income tax expense and deferred income tax expense based on the proportion of estimated current income tax expense and deferred income tax expense for the full year.

Income tax expense recognized directly in equity or other comprehensive income items is measured using the applicable tax rate expected to apply when the related assets and liabilities are realized or settled, based on the temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and their tax bases.

(6) Business Combinations

The Consolidated Company accounts for each business combination using the acquisition method. Goodwill is measured at the fair value of the consideration transferred, including the amount attributable to any non-controlling interests in the acquiree, less the net amount (usually at fair value) of the identifiable assets acquired and liabilities assumed on the acquisition date. If the remaining balance after deduction is negative, the Consolidated Company should reassess whether all acquired assets and all assumed liabilities have been correctly identified before recognizing the bargain purchase gain in profit or loss.

Except for those related to the issuance of debt or equity instruments, transaction costs related to a business combination should be recognized immediately as expenses by the acquirer when incurred.

For non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, the acquirer has the option on a transaction-by-transaction basis to measure them at either

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

fair value on the acquisition date or the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. Other non-controlling interests are measured at their fair value on the acquisition date or on another basis as prescribed by the International Financial Reporting Standards endorsed by the Financial Supervisory Commission.

In a business merger achieved in stages, the acquirer remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and recognizes any resulting gain or loss in profit or loss. For the changes in the equity value of the acquiree that were recognized in other comprehensive income prior to the acquisition date, they should be treated in the same manner as if the combined company had directly disposed of its previously held equity interest. If the disposal of such equity interest would require reclassification to profit or loss, then the amount should be reclassified to profit or loss.

If the original accounting treatment for a business combination is not completed before the reporting date of the combination transaction, the Consolidated Company recognizes provisional amounts for the incomplete accounting items and retrospectively adjusts or recognizes additional assets or liabilities during the measurement period to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period should not exceed one year from the date of acquisition.

The Consolidated Company formally obtained control over the acquiree through an acquisition on February 29, 2024, and included it as a subsidiary in the consolidated financial statements from March 1, 2024, starting to apply the aforementioned accounting policies related to business combinations. In addition, according to local laws and regulations, the Consolidated Company has an obligation to make a mandatory tender offer to acquire shares held by the non-controlling interests of the acquiree. Although such legal obligations impose a settlement obligation on the Consolidated Company to deliver cash or another financial asset to the non-controlling interests of the acquiree, this is not a contractual obligation as described in paragraph 23 of International Accounting Standard 32 "Financial Instruments: Presentation", but rather a pending contract as defined in International Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets". Therefore, unless assessed as an onerous contract, the Consolidated Company does not need to recognize a liability for this acquisition obligation.

5. Significant accounting judgments, estimates and major sources of estimation uncertainty

When the management prepares the Consolidated Financial Statements according to the IAS 34 "Interim Financial Reporting" approved into effect by the Financial Supervisory Commission, the management is required to make judgments, estimates and assumptions in preparing this Consolidated Financial Statements, which will affect the adoption of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from estimates.

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

In preparing the consolidated financial statements, the significant judgments made by management in applying the Consolidated Company's accounting policies and the key sources of estimation uncertainty were consistent with those applied in the consolidated financial statements for the year ended December 31, 2023.

6. Explanation of significant accounts

(1) Cash and Cash Equivalents

	<u>2024.3.31</u>	<u>2023.12.31</u>	<u>2023.3.31</u>
Cash on Hand	\$ 102,711	118,825	40,627
Demand Deposits and Check Deposits	22,940,326	22,696,253	24,785,328
Deposit Account	2,249,969	1,245,876	1,427,834
Cash and Cash Equivalents Listed in the Cash Flow Statement	<u>\$ 25,293,006</u>	<u>24,060,954</u>	<u>26,253,789</u>

Please refer to Note 6(27) for the disclosure of interest rate risk and sensitivity analysis of the financial assets and liabilities of the Consolidated Company.

(2) Financial assets and liabilities at fair value through profit or loss

	<u>2024.3.31</u>	<u>2023.12.31</u>	<u>2023.3.31</u>
Financial assets measured mandatorily at fair value through profit and loss:			
Hybrid Instruments			
Redemption Right for Domestic Convertible Corporate Bond	\$ 7,676	2,709	5,453
Others	3,707	-	-
Non-Derivative Financial Assets			
— Listed Stocks	251,873	217,331	163,613
- Unlisted and Emerging Stocks	1,572,724	1,259,862	635,119
- Private Equity Fund	405,221	403,372	308,586
- Convertible Corporate Bonds	4,450	4,450	-
	<u>2,245,651</u>	<u>1,887,724</u>	<u>1,112,771</u>
Current	\$ 184,951	164,696	111,458
Non-Current	2,060,700	1,723,028	1,001,313
	<u>\$ 2,245,651</u>	<u>1,887,724</u>	<u>1,112,771</u>

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

	2024.3.31	2023.12.31	2023.3.31
Financial Liabilities Designated at Fair Value through Profit or Loss			
Hybrid Instruments			
Others	\$ 24,990	-	-
Current	\$ 24,990	-	-

In accordance with the fair value remeasurement through profit or loss, the amount recognized under the other interests and losses. Please refer to Note 6(26) for details.

(3) Financial Assets Measured at Fair Value Through Other Comprehensive Income

	2024.3.31	2023.12.31	2023.3.31
Disposal of equity instruments measured at fair value through other comprehensive income:			
— Listed Stocks	\$ 542,638	402,649	388,314
- Unlisted and Emerging Stocks	660,002	681,678	417,096
Limited Partnership	504,033	493,283	503,416
	\$ 1,706,673	1,577,610	1,308,826
Non-Current	\$ 1,706,673	1,577,610	1,308,826

1. Current equity investments measured at fair value through other comprehensive income

The Consolidated Company holds these equity instrument investments as long-term strategic investments and not for trading purposes, so they have been designated as measured at fair value through other comprehensive income.

The Consolidated Company recognized dividend income of NT\$0 thousand for equity instrument investments measured at fair value through other comprehensive income for three months ended March 31, 2024 and 2023.

The Consolidated Company invested in Foshan Zhaoke Innovation Intelligent Industry Investment Fund Partnership (hereinafter referred to as the Zhaoke Innovation Fund) in January 2017 and Guangdong Hongfu Xinghehongtu Entrepreneurship Investment Fund Partnership (hereinafter referred to as the Hongfu Xinghehongtu Fund) in May 2020. The term of the Zhaoke Innovation Fund is seven years from the initial closing date, which can be extended by two years by resolution

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

of the partners' meeting; the term of the Hongfu Xinghehongtu Fund is seven years from the initial closing date, which can be extended by resolution of the partners' meeting without being subject to the ten-year term limit. Upon initial recognition, the Consolidated Company designated the investment in the limited partnership as a financial asset measured at fair value through other comprehensive income. According to the IFRS Q&A issued by the Accounting Research and Development Foundation on June 15, 2023, this financial asset cannot be designated as measured at fair value through other comprehensive income. However, according to the Financial Supervisory Commission's Q&A on whether the classification of financial assets for investment in limited partnerships should be applied retrospectively, for limited partnership investments before June 30, 2023, there is no need to apply the past classification retrospectively. Therefore, the Consolidated Company continues to recognize the Zhaoke Innovation Fund and Hongfu Xinghehongtu Fund as financial assets measured at fair value through other comprehensive income.

2. For information on credit risk and market risk, please refer to Note 6(27).
3. The Consolidated Company's financial assets measured at fair value through other comprehensive income are not provided as collateral, guarantees, or subject to restrictions.

(4) Notes receivable and accounts receivable

	2024.3.31	2023.12.31	2023.3.31
Notes Receivable	\$ 216,945	268,107	58,773
Accounts Receivable	20,575,523	21,259,749	15,919,326
Accounts Receivable – Related Parties	133,426	73,498	106,545
Less: Allowance for Loss	(1,386,450)	(1,192,937)	(1,206,178)
	\$ 19,539,444	20,408,417	14,878,466

For all notes receivable and accounts receivable, the Consolidated Company adopts the simplified approach to estimate expected credit losses, i.e., using the lifetime expected credit losses, for this measurement purpose, these notes receivable and accounts receivable are evaluated based on the shared credit risk characteristics representing the customers' ability to pay all amounts due in accordance with the contractual terms, and forward-looking information has been incorporated. The analysis of expected credit losses on the Consolidated Company's notes receivable and accounts receivable is as follows:

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

	2024.3.31		
	Carrying Amount of Accounts and Notes Receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
Not Past Due	\$ 14,675,076	0.21%	31,410
1–30 days past due	2,205,706	2.52%	55,511
31–150 days past due	2,064,937	5.82%	120,213
151–270 days past due	464,599	13.88%	64,482
271–365 days past due	219,348	25.53%	55,998
1–2 years past due	740,671	67.95%	503,279
Past due over 2 years	555,557	100.00%	555,557
	\$ 20,925,894		1,386,450

	2023.12.31		
	Carrying Amount of Accounts and Notes Receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
Not Past Due	\$ 16,741,588	0.23%	37,800
1–30 days past due	1,478,789	1.52%	22,454
31–150 days past due	1,666,980	2.72%	45,269
151–270 days past due	296,723	12.24%	36,329
271–365 days past due	228,137	46.87%	106,933
1–2 years past due	660,656	62.92%	415,671
Past due over 2 years	528,481	100.00%	528,481
	\$ 21,601,354		1,192,937

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

	2023.3.31		
	Carrying Amount of Accounts and Notes Receivable	Weighted average expected credit loss rate	Expected credit loss during the allowance
Not Past Due	\$ 11,999,011	0.17%	20,929
1–30 days past due	899,882	1.29%	11,639
31–150 days past due	1,495,083	11.71%	175,122
151–270 days past due	353,987	18.05%	63,886
271–365 days past due	204,336	17.30%	35,345
1–2 years past due	559,223	58.32%	326,135
Past due over 2 years	573,122	100.00%	573,122
	\$ 16,084,644		1,206,178

The changes in the allowance for doubtful notes and accounts receivable of the Consolidated Company are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Beginning Balance	\$ 1,192,937	1,084,628
Impairment Losses Recognized	209,561	243,321
Reversal Impairment Loss	(32,652)	(81,249)
The Amount Written Off as Uncollectible for the Fiscal Year	(908)	(32,233)
Foreign Currency Translation Gains and Losses	17,512	(8,198)
Merge Acquisition	-	(91)
Ending Balance	\$ 1,386,450	1,206,178

For details on the situation where the Consolidated Company's accounts receivable are pledged as collateral for borrowing, please refer to Note 8.

The Consolidated Company signed a non-recourse accounts receivable factoring agreement with financial institutions. According to the agreement, the Consolidated Company does not need to bear the risk of uncollectible accounts receivable, but only needs to bear losses caused by commercial disputes. Since the Consolidated Company has transferred almost all the risks and rewards of ownership of the aforementioned accounts receivable and has not continued to be involved, it meets the conditions for derecognition of financial assets.

Please refer to Note 6 (27) for other credit risk information.

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

(5) Inventories

	2024.3.31	2023.12.31	2023.3.31
Raw Materials	\$ 20,094,129	14,089,734	16,464,279
Raw Materials in Transit	246,027	240,093	392,284
Work in Process	1,880,063	2,217,786	1,728,307
Semi-Finished Products	2,439,140	1,163,733	1,146,543
Finished Goods	4,228,966	3,550,169	3,344,524
Merchandise Inventory	2,855,568	2,901,019	2,206,547
Less: Allowance for Inventory Market Price Decline	(2,456,040)	(2,477,422)	(2,115,071)
	<u><u>\$ 29,287,853</u></u>	<u><u>21,685,112</u></u>	<u><u>23,167,413</u></u>

The Consolidated Company recognized inventory-related (profit) costs and losses of NT\$(32,791) thousand and NT\$ thousand for the three months ended March 31, 2024 and 2023, respectively, which were included in operating costs. The details are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Gain from price recovery of inventory loss	\$ (64,369)	60,836
Write-off loss	31,578	8,843
Total	<u><u>\$ (32,791)</u></u>	<u><u>69,679</u></u>

The details of the inventory costs recognized as operating costs and expenses for the three months ended March 31, 2024 and 2023 are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Inventory costs recognized as operating costs and expenses	\$ 26,166,871	22,968,194
Less: Operating costs of suspended business units	-	(59,253)
Total	<u><u>\$ 26,166,871</u></u>	<u><u>22,908,941</u></u>

For details on the situation where the Consolidated Company's inventory is provided as collateral for a pledge, please refer to Note 8.

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

(6) Disposal groups for sale

On August 11, 2022, the Board of Directors of Kontron AG resolved to sell part of its IT service business, and on December 29, 2022, the deal passed antitrust review. Consequently, the assets and liabilities related to this business have been reported as a disposal group held for sale. On March 31, 2023, the amount of the disposal group held for sale was assets of NT\$197,921 thousand and liabilities of NT\$145,375 thousand. These assets and liabilities were fully disposed of on June 30, 2023, with the details as follows:

	2023.3.31
Property, Plant, and Equipment	\$ 12,883
Inventories	18,659
Accounts Receivable and Other Receivables	93,540
Cash and Cash Equivalents	72,839
Assets of Groups Pending for Sale	\$ 197,921
Accounts Payable and Other Payables	\$ 145,375
Liabilities of Groups Pending for Sale	\$ 145,375

(7) Investments Accounted for Using Equity Method

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

	2024.3.31	2023.12.31	2023.3.31
Associate	\$ 587,879	602,334	476,012

1. The Consolidated Company disposed of its equity interest in Shenzhen Asiatek Technology Co.,Ltd. and lost significant influence over it in March 2023. The disposal price was NT\$132,696 thousand (RMB 30,000 thousand), and the resulting disposal gain of NT\$44,927 thousand was included in other gains and losses in the consolidated statement of profit or loss.
2. In July 2023, the Consolidated Company invested in the common and preferred shares of Radisen Co., Ltd. After evaluation, the consolidated voting rights shareholding ratio in the company was 30.88%, so the equity method was used for valuation.
3. The associates accounted for using the equity method of the Consolidated Company are individually immaterial, and the aggregate financial information is as follows. These financial amounts are included in the consolidated financial statements of the Consolidated Company:

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

	2024.3.31	2023.12.31	2023.3.31
Aggregate carrying amount at the end of the period for interests in individual associates that are not individually material	\$ 587,879	602,334	476,012

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Portion Attributable to the Consolidated Company:		
Net Profit from Continuing Operations for the Current Period	\$ (8,543)	7,755
Other Comprehensive Income	4,077	280
Total Comprehensive Income	\$ (4,466)	8,035

4. Investment using the Equity Method:

The investment using the equity method and the Company's share of profit or loss and other comprehensive income from that investment, except for Rigo Global Co., Ltd. which is recognized based on the reviewed financial statements for the same period, are calculated based on the unreviewed financial statements.

5. The investments using the equity method by the Consolidated Company are not pledged, guaranteed or restricted.

(8) Business Combinations

The Consolidated Company has expanded its group business through the acquisition of the following companies and obtained relevant development, design, and production technologies.

	Main Operating Activities	Date of Acquisition	Acquisition Ratio	Consideration Transferred	Fair Value
Ennovision Inc.	Security surveillance video monitoring	2024.01.26	60.00 %		90,000
KATEK SE and its Subsidiaries	Information Services	2024.02.29	59.44 %		4,400,050

The relevant information for three months ended March 31, 2024 of the Consolidated Company's acquisition of Ennovision Inc., Katek SE and its subsidiaries, are as follows:

1. The major classes of consideration transferred and their fair values at the acquisition date are as follows:

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

	<u>Ennovision Inc.</u>	<u>KATEK SE and its Subsidiaries</u>
Consideration Transferred		
Cash (Note)	<u>\$ 90,000</u>	<u>4,400,050</u>

Note: The transfer consideration for the acquisition of 59.44% equity interest in KATEK SE and its subsidiaries includes NT\$1,325,650 thousand (EUR 38,807 thousand) recorded under "Other payables", which remains unpaid as of March 31, 2024.

2. The fair value of the identifiable net assets acquired and liabilities assumed:

	<u>Ennovision Inc.</u>	<u>KATEK SE and its Subsidiaries</u>
Current Assets		
Cash and Cash Equivalents	\$ 79,713	868,272
Financial Assets Measured at Fair Value through Profit or Loss - Current		- 3,744
Net Accounts Receivable	34,254	2,144,360
Other Receivables	-	268,141
Inventories	9,324	7,406,135
Other Current Assets	2,534	300,731
Total Current Assets	<u>125,825</u>	<u>10,991,383</u>
Non-Current Assets		
Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-Current		62,296
Property, Plant, and Equipment	-	2,556,713
Right-of-Use Assets	-	1,473,113
Other Intangible Assets	34,864	1,367,890
Deferred Income Tax Assets	-	16,717
Other Non-Current Assets	-	38,311
Total Non-Current Assets	<u>34,864</u>	<u>5,515,040</u>
Total Assets	<u>160,689</u>	<u>16,506,423</u>
Current Liabilities		
Short-Term Borrowings	-	885,350
Financial Liabilities Measured at Fair Value through Profit or Loss - Current		24,772
Contract Liability - Current	-	596,635
Accounts Payable	29,700	3,600,498
Other Payables	1,167	1,262,381

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

	Ennovision Inc.	KATEK SE and its Subsidiaries
Current Income Tax Liabilities	-	27,555
Provisions for Liabilities - Current	-	258,574
Lease Liabilities - Current	-	353,457
Other Current Liabilities	-	28,326
Total Current Liabilities	30,867	7,037,548
Non-Current Liabilities		
Long-Term Loans	-	2,642,246
Provisions for Liabilities - Non-Current	-	172,108
Deferred Income Tax Liabilities	-	435,623
Lease Liabilities - Non-Current	-	1,291,627
Other Non-Current Liabilities	-	772,644
Total Non-Current Liabilities	-	5,314,248
Total Liabilities	30,867	12,351,796
Identifiable Net Assets (Liabilities) at Fair Value	\$ 129,822	4,154,627

The fair value of the accounts receivable acquired from the companies in the merger transactions approximates the book value, and there were no expected uncollectible amounts as of the acquisition date.

3. Goodwill

The goodwill recognized from acquisitions is as follows:

	Ennovision Inc.	KATEK SE and its Subsidiaries
Consideration Transferred	\$ 90,000	4,400,050
Less: The fair value of the identifiable net assets (liabilities) acquired	129,822	4,154,627
Plus: Non-controlling interests (measured as the proportionate share of the identifiable net assets of non-controlling interests)	51,929	1,685,113
Goodwill Arising from Acquisition	\$ 12,107	1,930,536

The goodwill arising from the acquisition mainly comes from the control premium. Furthermore, the consideration paid for the merger includes expected merger synergies, revenue growth, and future market development. However, such benefits

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

do not meet the recognition criteria for identifiable intangible assets, and therefore are not recognized separately.

4. From the acquisition date to March 31, 2024, the revenue and net income contributed by the acquired company are as follows:

	<u>Ennovision Inc.</u>	<u>KATEK SE and its Subsidiaries</u>
Operating Revenue	<u>\$ 7,710</u>	<u>2,035,167</u>
Current net profit (loss)	<u>\$ (2,936)</u>	<u>37,588</u>

(9) Changes in ownership interests in subsidiaries

The changes in equity of subsidiaries of the Consolidated Company for the three months ended March 31, 2024 and 2023, that did not result in a change in control over those companies are as follows:

1. For the three months ended March 31, 2024 and 2023, Marketch increased its share capital due to the conversion of convertible corporate bonds, resulting in a decrease in Ennoconn International's shareholding ratio from 42.32% to 41.50%, and from 42.80% to 42.70%, respectively.
2. For the three months ended March 31, 2024 and 2023, Kontron AG implemented a buyback of treasury shares, resulting in EIH and Ennowell International increasing their combined shareholding from 27.64% to 27.70%.
3. In 2023, Caswell increased its equity due to the conversion of convertible corporate bonds, resulting in a decrease in the shareholding percentage of the Company and Ennoconn International from 31.77% to 31.70%.
4. For the three months ended March 31, 2024, due to the partial conversion of Renown Information's convertible corporate bonds into common stocks, which increased its equity, the Consolidated Company's indirect shareholding ratio in Marketch decreased from 37.06% to 36.95%.
5. The list showing the effect of changes in ownership interests in the aforementioned subsidiaries due to the merger of the companies on the equity attributable to the Consolidated Company is as follows:

For the Three Months Ended March 31, 2024

<u>Marketch</u>	<u>Kontron AG</u>	<u>Caswell Inc.</u>	<u>Renown Information</u>	<u>Total</u>
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Ennoconn Corporation and its Subsidiaries Notes to Consolidated Financial Statements (Continued)

The book value of the subsidiary's net assets is calculated based on the relative change in equity interests to transfer the amount out of (into) non-controlling interests

	\$ (90,985)	3,393	(6)	(43)	(87,641)
Equity Trading Differences	\$ (90,985)	3,393	(6)	(43)	(87,641)

For the Three Months Ended March 31, 2023

	<u>Marketech</u>	<u>Kontron AG</u>	<u>Total</u>
The book value of the subsidiary's net assets is calculated based on the relative change in equity interests to transfer the amount out of (into) non-controlling interests	\$ 19,708	5,164	24,872
Equity Trading Differences	\$ 19,708	5,164	24,872

The above difference in equity transactions is adjusted as capital surplus.

(10) Loss of control over a subsidiary

For the three months ended March 31, 2023, the Consolidated Company disposed S&T Plus s.r.o., and lost the control over a subsidiary. The relevant information is as follows:

1. Consideration received:

	<u>S&T Plus s.r.o.</u>
Cash and Cash Equivalents	\$ 115,080

2. Loss of control over assets and liabilities:

	<u>S&T Plus s.r.o.</u>
Cash and Cash Equivalents	\$ 44,020
Other Receivables	104,949
Inventories	98,303
Property, Plant, and Equipment	11,375
Goodwill	40,048
Deferred Income Tax Assets	26,873
Other Payables	(266,454)
	\$ 59,114

3. Disposal of subsidiary losses:

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

	<u>S&T Plus s.r.o.</u>
Consideration Received	\$ 115,080
Net assets from disposals	(59,114)
Reclassification of other comprehensive income	16,389
Net Gains	<u>\$ 72,355</u>

4. Net cash outflow from disposal of subsidiaries:

	<u>S&T Plus s.r.o.</u>
Consideration Received	\$ 115,080
Less: Disposal of cash and cash equivalents	44,020
Net Cash Inflows from Disposal of Subsidiaries	<u>\$ 71,060</u>

(11) Subsidiaries with Material Non-Controlling Interests

The non-controlling interests in subsidiaries that are material to the Consolidated Company are as follows:

Subsidiary Name	The country where the company is registered	<u>Proportion of ownership interests and voting rights in major operating locations/non-controlling interests.</u>		
		2024.3.31	2023.12.31	2023.3.31
Caswell Inc.	Taiwan	68.30%	68.30%	68.26%
Kontron AG	Austria	71.49%	72.14%	72.30%
Marketch	Taiwan	58.50%	57.68%	57.30%

The summarized financial information of the aforementioned subsidiaries is as follows. This financial information is prepared in accordance with International Financial Reporting Standards recognized by the Financial Supervisory Commission, and reflects the fair value adjustments made by the Consolidated Company on the acquisition date and the adjustments made for differences in accounting policies. These amounts are before elimination of inter-company transactions:

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

1. Consolidated financial information of Caswell Inc. and its Subsidiaries

	2024.3.31	2023.12.31	2023.3.31
Current Assets	\$ 3,659,649	3,410,527	3,994,573
Non-Current Assets	2,018,646	2,016,004	1,235,313
Current Liabilities:	(1,421,698)	(980,208)	(1,272,585)
Non-Current Liabilities	(804,398)	(859,810)	(559,423)
Net assets	\$ 3,452,199	3,586,513	3,397,878
Ending balance of non-controlling interests	\$ 2,452,006	2,555,834	2,469,666

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating Revenue	\$ 839,358	1,076,550
Net profit for the period	\$ 63,953	101,506
Other Comprehensive Income	7,109	1
Total Comprehensive Income	\$ 71,062	101,507
Net Profit for the Period Attributable to Non-Controlling Interests	\$ 31,028	59,353
Total Comprehensive Income Attributable to Non-Controlling Interests	\$ 36,444	71,233

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash Flows from Operating Activities	\$ 336,557	188,094
Cash Flows from Investing Activities	(23,888)	(527,084)
Cash Flows from Financing Activities	(68,752)	282,296
The Effect of Exchange Rate Fluctuations on Cash Amounts	5,786	(244)
Net (Decrease) Increase in Cash and Cash Equivalents	\$ 249,703	(56,938)
Dividends Paid to Non-Controlling Interests	\$ 140,278	180,323

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

2. Consolidated Financial Information of Kontron AG and its Subsidiaries

	2024.3.31	2023.12.31	2023.3.31
Current Assets	\$ 40,254,288	29,839,575	31,348,465
Non-Current Assets	24,680,917	16,735,327	13,585,252
Current Liabilities:	(28,455,720)	(21,427,382)	(15,200,933)
Non-Current Liabilities	(13,383,675)	(4,624,594)	(8,497,911)
Net assets	\$ 23,095,810	20,522,926	21,234,873
Ending balance of non-controlling interests	\$ 19,203,898	17,048,079	17,686,597

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating Revenue	\$ 12,164,743	9,133,937
Net profit for the period	\$ 573,484	541,216
Other Comprehensive Income	51,745	(53,321)
Total Comprehensive Income	\$ 625,229	487,895
Net Profit for the Period Attributable to Non-Controlling Interests	\$ 367,021	345,254
Total Comprehensive Income Attributable to Non-Controlling Interests	\$ 521,857	426,023

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash Flows from Operating Activities	\$ (469,405)	94,618
Cash Flows from Investing Activities	(2,618,057)	2,332,562
Cash Flows from Financing Activities	4,001,182	(2,369,643)
The Effect of Exchange Rate Fluctuations on Cash Amounts	(96,303)	(9,343)
Net (Decrease) Increase in Cash and Cash Equivalents	\$ 817,417	48,194

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

3. Consolidated financial information of Marketch International Corp. and its Subsidiaries

	2024.3.31	2023.12.31	2023.3.31
Current Assets	\$ 37,421,327	39,459,227	31,546,215
Non-Current Assets	7,704,542	7,237,477	5,574,847
Current Liabilities:	(27,959,459)	(30,223,059)	(25,021,871)
Non-Current Liabilities	(5,296,010)	(5,237,606)	(2,078,883)
Net assets	\$ 11,870,400	11,236,039	10,020,308
Ending balance of non-controlling interests	\$ 7,012,905	6,530,604	5,832,391

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating Revenue	\$ 14,615,323	13,885,761
Net profit for the period	\$ 476,154	441,586
Other Comprehensive Income	82,641	(3,664)
Total Comprehensive Income	\$ 558,795	437,922
Net Profit for the Period Attributable to Non-Controlling Interests	\$ 266,776	240,036
Total Comprehensive Income Attributable to Non-Controlling Interests	\$ 315,749	238,043

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash Flows from Operating Activities	\$ 1,451,464	(1,196,134)
Cash Flows from Investing Activities	(156,725)	(158,683)
Cash Flows from Financing Activities	(1,738,848)	1,437,920
The Effect of Exchange Rate Fluctuations on Cash Amounts	281,331	15,295
Net (Decrease) Increase in Cash and Cash Equivalents	\$ (162,778)	98,398

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

(12) Property, Plant, and Equipment

The following are the details of the changes in the cost, depreciation, and impairment loss of property, plant, and equipment for the Consolidated Company:

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Leasehold Improvement</u>	<u>Others</u>	<u>Total</u>
Cost:						
January 1, 2024	\$ 947,166	6,282,171	3,923,670	85,491	1,104,794	12,343,292
Additions	-	10,551	134,759	3,190	117,791	266,291
Acquisition through business combinations	-	601,297	1,884,950	-	70,465	2,556,712
Disposal	-	(162)	(37,583)	(114)	(43,616)	(81,475)
Reclassification	(6,765)	63,254	10,554	29,413	(86,567)	9,889
The Effects of Changes in Foreign Exchange Rates	1,439	59,409	83,663	550	10,405	155,466
March 31, 2024	<u>\$ 941,840</u>	<u>7,016,520</u>	<u>6,000,013</u>	<u>118,530</u>	<u>1,173,272</u>	<u>15,250,175</u>
January 1, 2023	\$ 596,263	5,652,411	3,408,266	43,114	1,009,414	10,709,468
Additions	259,830	5,262	79,913	11,184	330,469	686,658
Disposal	-	(597)	(51,080)	-	(15,650)	(67,327)
Reclassification	83,580	15,322	10,834	2,122	45,635	157,493
The Effects of Changes in Foreign Exchange Rates	(289)	4,257	(2,346)	(62)	225	1,785
March 31, 2023	<u>\$ 939,384</u>	<u>5,676,655</u>	<u>3,445,587</u>	<u>56,358</u>	<u>1,370,093</u>	<u>11,488,077</u>
Depreciation:						
January 1, 2024	\$ -	2,188,359	2,367,095	34,593	574,714	5,164,761
Depreciation of the Current Year	-	64,026	156,242	3,524	30,804	254,596
Disposal	-	(146)	(29,369)	(114)	(42,293)	(71,922)
Reclassification	-	-	(1,988)	2,439	(453)	(2)
The Effects of Changes in Foreign Exchange Rates	-	24,328	44,796	155	6,143	75,422
March 31, 2024	<u>\$ -</u>	<u>2,276,567</u>	<u>2,536,776</u>	<u>40,597</u>	<u>568,915</u>	<u>5,422,855</u>
	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Leasehold Improvement</u>	<u>Others</u>	<u>Total</u>
January 1, 2023	\$ -	1,943,357	2,025,550	18,141	513,357	4,500,405
Depreciation of the Current Year	-	59,366	99,286	1,994	27,706	188,352
Disposal	-	(325)	(44,916)	-	(13,413)	(58,654)
Reclassification	-	-	86	-	34	120
The Effects of Changes in Foreign Exchange Rates	-	174	(5,595)	(9)	(63)	(5,493)
March 31, 2023	<u>\$ -</u>	<u>2,002,572</u>	<u>2,074,411</u>	<u>20,126</u>	<u>527,621</u>	<u>4,624,730</u>
Book value:						
January 1, 2024	<u>\$ 947,166</u>	<u>4,093,812</u>	<u>1,556,575</u>	<u>50,898</u>	<u>530,080</u>	<u>7,178,531</u>
March 31, 2024	<u>\$ 941,840</u>	<u>4,739,953</u>	<u>3,463,237</u>	<u>77,933</u>	<u>604,357</u>	<u>9,827,320</u>
March 31, 2023	<u>\$ 939,384</u>	<u>3,674,083</u>	<u>1,371,176</u>	<u>36,232</u>	<u>842,472</u>	<u>6,863,347</u>

Please refer to Note 8 for details on the real estate, plants and equipment of the Consolidated Company that were provided as collateral for the pledge.

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

(13) Intangible assets

The cost and amortization details of the intangible assets of the Consolidated Company are as follows:

	<u>Goodwill</u>	<u>Trademark</u>	<u>Patents</u>	<u>Computer software cost</u>	<u>Customer Relationships</u>	<u>Others</u>	<u>Total</u>
Cost or Deemed Cost:							
Balance as of January 1, 2024	\$ 14,532,167	2,157,982	634,848	6,859,627	2,108,853	2,376,953	28,670,430
Obtain Individually	-	-	-	297,206	-	2,000	299,206
Obtain through Corporate Merger	1,942,643	272,084	35,714	570,444	-	525,362	3,346,247
Disposal	-	-	-	(114,350)	-	(5,156)	(119,506)
Reclassification	-	-	-	4	-	-	4
The Effects of Changes in Foreign Exchange Rates	284,563	28,093	-	152,769	26,007	36,400	527,832
Balances as of March 31, 2024	<u>\$ 16,759,373</u>	<u>2,458,159</u>	<u>670,562</u>	<u>7,765,700</u>	<u>2,134,860</u>	<u>2,935,559</u>	<u>32,724,213</u>
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
Obtain Individually	-	-	-	165,496	-	-	165,496
Disposal	(40,048)	-	-	(10,212)	-	(50,592)	(100,852)
Reclassification	-	-	-	1,407	-	-	1,407
The Effects of Changes in Foreign Exchange Rates	(246)	6,171	-	(25,907)	8,669	311	(11,002)
Balances as of March 31, 2023	<u>\$ 13,328,493</u>	<u>2,104,958</u>	<u>619,206</u>	<u>5,571,899</u>	<u>2,049,254</u>	<u>2,086,826</u>	<u>25,760,636</u>
Amortization:							
Balance as of January 1, 2024	\$ 68,504	692,960	499,492	3,754,181	1,580,707	1,640,820	8,236,664
Current Amortization	-	22,233	16,761	123,780	62,569	58,339	283,682
Obtain through Corporate Merger	-	-	850	-	-	-	850
Disposal	-	-	-	(113,652)	-	(5,156)	(118,808)
Reclassification	-	-	-	2	-	-	2
The Effects of Changes in Foreign Exchange Rates	2,855	5,754	-	101,204	19,234	22,427	151,474
Balances as of March 31, 2024	<u>\$ 71,359</u>	<u>720,947</u>	<u>517,103</u>	<u>3,865,515</u>	<u>1,662,510</u>	<u>1,716,430</u>	<u>8,553,864</u>
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	-	19,960	15,463	93,517	60,252	37,370	226,562
Disposal	-	-	-	(9,662)	-	(50,592)	(60,254)
The Effects of Changes in Foreign Exchange Rates	(573)	(657)	-	(26,457)	5,689	(1,840)	(23,838)
Balances as of March 31, 2023	<u>\$ 67,942</u>	<u>624,433</u>	<u>452,650</u>	<u>3,329,048</u>	<u>1,355,735</u>	<u>1,543,917</u>	<u>7,373,725</u>
Book value:							
January 1, 2024	<u>\$ 14,463,663</u>	<u>1,465,022</u>	<u>135,356</u>	<u>3,105,446</u>	<u>528,146</u>	<u>736,133</u>	<u>20,433,766</u>
March 31, 2024	<u>\$ 16,688,014</u>	<u>1,737,212</u>	<u>153,459</u>	<u>3,900,185</u>	<u>472,350</u>	<u>1,219,129</u>	<u>24,170,349</u>
March 31, 2023	<u>\$ 13,260,551</u>	<u>1,480,525</u>	<u>166,556</u>	<u>2,242,851</u>	<u>693,519</u>	<u>542,909</u>	<u>18,386,911</u>

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

1. Indefinite-lived intangible assets

Part of the trademarks of the Consolidated Company can be extended for the statutory period at a minimal cost. The Consolidated Company plans to continue applying for extensions of the statutory period and continue producing the product series. Therefore, it is expected that the trademarks will continue to generate net cash inflows, so they are considered intangible assets with indefinite useful lives.

2. Guarantees

The intangible assets of the Consolidated Company have not been provided as collateral.

(14) Right-of-Use Assets

The Consolidated Company leases land, buildings and structures, machinery and equipment, office equipment, and other equipment. The relevant information is as follows:

	Land	Buildings	Machinery	Office Equipment	Transportation equipment	Other equipment	Total
Cost:							
January 1, 2024	\$1,851,776	4,843,779	1,711	31,594	739,659	207	7,468,726
Additions	85,432	172,330	-	6,352	65,321	-	329,435
Disposal	-	(26,093)	-	(2,945)	(31,823)	-	(60,861)
Reclassification	-	-	-	(5,255)	-	-	(5,255)
Acquisition through business combinations	-	1,073,586	-	399,527	-	-	1,473,113
The Effects of Changes in Foreign Exchange Rates	2,702	106,857	3	4,155	878	-	114,595
March 31, 2024	<u>\$1,939,910</u>	<u>6,170,459</u>	<u>1,714</u>	<u>433,428</u>	<u>774,035</u>	<u>207</u>	<u>9,319,753</u>
January 1, 2023	\$1,066,996	3,461,655	1,184	18,314	620,599	165	5,168,913
Additions	-	281,775	-	902	39,755	-	322,432
Disposal	(46)	(31,552)	-	-	(36,000)	-	(67,598)
The Effects of Changes in Foreign Exchange Rates	(7)	(7,362)	1	70	12,460	-	5,162
March 31, 2023	<u>\$1,066,943</u>	<u>3,704,516</u>	<u>1,185</u>	<u>19,286</u>	<u>636,814</u>	<u>165</u>	<u>5,428,909</u>
Depreciation:							
January 1, 2024	\$ 192,030	1,997,020	564	19,754	364,912	95	2,574,375
Depreciation of the Current Year	9,016	292,786	131	13,347	40,435	18	355,733
Disposal	-	(25,945)	-	(2,945)	(25,873)	-	(54,763)
The Effects of Changes in Foreign Exchange Rates	336	37,618	-	643	(297)	-	38,300
March 31, 2024	<u>\$ 201,382</u>	<u>2,301,479</u>	<u>695</u>	<u>30,799</u>	<u>379,177</u>	<u>113</u>	<u>2,913,645</u>
January 1, 2023	\$ 164,745	1,388,559	184	13,274	338,359	33	1,905,154
Depreciation of the Current Year	6,415	179,279	95	1,071	35,300	14	222,174
Disposal	(17)	(25,417)	-	-	(28,514)	-	(53,948)
The Effects of Changes in Foreign Exchange Rates	13	(5,471)	1	60	7,039	-	1,642
March 31, 2023	<u>\$ 171,156</u>	<u>1,536,950</u>	<u>280</u>	<u>14,405</u>	<u>352,184</u>	<u>47</u>	<u>2,075,022</u>
Book value:							
January 1, 2024	<u>\$1,659,746</u>	<u>2,846,759</u>	<u>1,147</u>	<u>11,840</u>	<u>374,747</u>	<u>112</u>	<u>4,894,351</u>
March 31, 2024	<u>\$1,738,528</u>	<u>3,868,980</u>	<u>1,019</u>	<u>402,629</u>	<u>394,858</u>	<u>94</u>	<u>6,406,108</u>
March 31, 2023	<u>\$ 895,787</u>	<u>2,167,566</u>	<u>905</u>	<u>4,881</u>	<u>284,630</u>	<u>118</u>	<u>3,353,887</u>

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

(15) Other Current Assets and Other Non-Current Assets

	2024.3.31	2023.12.31	2023.3.31
Other Receivables	\$ 975,973	1,037,483	876,195
Current Tax Assets	106,371	112,266	7,728
Prepayments	2,074,725	2,018,364	1,780,556
Other Financial Assets	261,054	282,559	275,155
Margin Deposit	691,200	671,169	624,013
Prepayments for Business Facilities	35,548	22,001	16,779
Contract Asset - Non-Current	29,705	29,059	35,630
Others	2,849,519	2,662,762	4,230,901
	\$ 7,024,095	6,835,663	7,846,957
Current	\$ 6,011,660	6,025,546	6,997,707
Non-Current	1,012,435	810,117	849,250
	\$ 7,024,095	6,835,663	7,846,957

For details on other current assets and other non-current assets of the Consolidated Company pledged as collateral for borrowings, please refer to Note 8.

(16) Short-Term Borrowings

	2024.3.31	2023.12.31	2023.3.31
Unsecured Bank Borrowings	\$ 10,893,338	12,475,062	13,371,098
Unsecured Bank Borrowings	883,402	163,561	704,040
	\$ 11,776,740	12,638,623	14,075,138
Unused Quota	\$ 38,420,680	36,616,620	19,681,369
Interest Rate Range	0.97%~12.39%	0.70%~12.20%	0.25%~19.25%

1. Issuance and repayment of loans

The Consolidated Company had no significant issuance, repurchase, or repayment of short-term borrowings for the three months ended March 31, 2024 and 2023. For interest expenses, please refer to Note 6(26).

2. Collateral for bank loans

For details on the situation where assets were pledged as collateral for bank borrowings in the case of the Consolidated Company, please refer to Note 8.

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

(17) Long-Term Loans

2024.3.31			
	Interest Rate Range (%)	Expiration Year	Amount
Unsecured Bank Borrowings	0.50%~5.30%	2026~2028	\$ 12,134,250
Unsecured Bank Borrowings	0.40%~9.00%	2030~2044	2,523,265
Subtotal			14,657,515
Less: Portion due within one year			(5,992,572)
Total			\$ 8,664,943

2023.12.31			
	Interest Rate Range (%)	Expiration Year	Amount
Unsecured Bank Borrowings	0.50%~5.32%	2026~2028	\$ 6,337,507
Unsecured Bank Borrowings	0.44%~5.16%	2030~2044	933,693
Subtotal			7,271,200
Less: Portion due within one year			(4,554,479)
Total			\$ 2,716,721

2023.3.31			
	Interest Rate Range (%)	Expiration Year	Amount
Unsecured Bank Borrowings	1.05%~3.32%	2024~2026	\$ 7,042,260
Unsecured Bank Borrowings	0.44%~3.81%	2030~2044	1,396,541
Subtotal			8,438,801
Less: Portion due within one year			(1,304,509)
Total			\$ 7,134,292

1. The Consolidated Company complied with the relevant contractual terms as of March 31, 2024, and therefore classified the borrowing as a non-current liability. The Consolidated Company expects to comply with the relevant contractual terms at the end of each quarter for at least twelve months after the reporting date.
2. For details on the situation where assets were pledged as collateral for bank borrowings in the case of the Consolidated Company, please refer to Note 8.

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

(18) Corporate Bonds Payable

The balance of corporate bonds payable for the Consolidated Company is as follows:

	2024.3.31	2023.12.31	2023.3.31
The 3rd Domestic Unsecured Convertible Corporate Bonds	\$ -	800,248	5,097,452
The 1st Privately Placed Unsecured Convertible Corporate Bonds	1,482,744	1,480,973	1,475,676
The 4th Domestic Unsecured Convertible Corporate Bonds	122,170	339,553	870,556
The 5th Domestic Unsecured Convertible Corporate Bonds	2,876,429	2,863,817	-
Subsidiary's Unsecured Convertible Corporate Bonds	2,402,207	2,391,712	577,609
Less: Listed as the portion due within one year or redeemable within one year	-	(800,248)	(5,675,061)
Ending Balance of Corporate Bonds Payable	<u>\$ 6,883,550</u>	<u>7,076,055</u>	<u>2,346,232</u>

1. To meet the needs of working capital and reinvestment, the Company issued the third domestic unsecured convertible corporate bonds on February 26, 2019. The issuance conditions are as follows:

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

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

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

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

(8) Conversion Price and Its Adjustment:

The conversion price at the time of initial issuance is set at NT\$272.8. In the event of an increase in the shares of the Company's issued common stocks, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of March 31, 2024, the conversion price was adjusted to NT\$204.4.

(9) Redemption rights of creditors:

30 days prior to 3 years after the issuance of corporate bonds (February 26, 2022), bondholders may notify the Company in written based on the regulations of corporate bonds conversion method to request the addition of interest charges to face value (1.5075% of corporate bonds face value after 3 years) and redeem convertible corporate bonds in cash.

(10) The Company's Redemption Right:

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

The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. The measured amount of derivative financial liabilities on March 31, 2024 is NT\$0 thousand at fair value

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

cost and non-derivative financial liabilities on March 31, 2024 is NT\$0 thousand at amortized cost, and its effective interest rate initially recognized is 1.1542%.

Issue Proceeds (Less Transaction Costs of NT\$4,852 thousand)	6,007,148
Equity Components	(332,132)
Current portion of long-term liabilities (including payable corporate bonds of NT\$5,665,424 thousand and non-current financial liabilities at fair value through profit or loss of NT\$9,592 thousand)	5,675,016
Interest Calculated at Effective Interest Rate of 1.1542%	283,569
Gain on Valuation of Financial Product	(3,701)
Converting Corporate Bonds Payable into Common Stock	(5,955,148)
Pay Off the Matured Corporate Bonds for Redemption	264
Liability Components as of March 31, 2024	\$ -

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

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

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

- A. During the book closure period, the transfer of common stocks is suspended

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

in accordance with the law.

- B. The period of 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of common stocks for cash to the record date of rights distribution.
- C. The date of capital reduction is cut off one day before the commencement of capital reduction.
- D. Other suspension periods of stock transfer by law.

(8) Conversion Price and Its 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 issued common stocks, the conversion price shall be adjusted under Article 11 of the Company's regulations on issuance and conversion of domestic unsecured convertible corporate bonds. As of March 31, 2024, the conversion price was adjusted to NT\$196.7.

(9) Redemption rights of creditors:

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

(10) The Company's Redemption Right:

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

(11) Repayment upon maturity of bonds:

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

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

the bonds. This convertible corporate bonds comprise liabilities and equity component.

The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. The measured amount of derivative financial liabilities on March 31, 2024 is NT\$1,800 thousand at fair value cost and non-derivative financial liabilities on March 31, 2024 is NT\$1,482,744 thousand at amortized cost, and its effective interest rate initially recognized is 0.479%.

Issue Proceeds (Less Transaction Costs of NT\$165 thousand)	1,499,835
Equity Components	<u>(35,396)</u>
Liabilities due at maturity date consist partly of payable corporate bonds in the amount of NT\$1,464,589 thousand and non-current financial assets at fair value through profit or loss of NT\$150 thousand.	1,464,439
Interest Calculated at Effective Interest Rate of 0.479%	18,155
Gain on Valuation of Financial Product	<u>(1,650)</u>
Liability Components as of March 31, 2024	<u><u>\$ 1,480,944</u></u>

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

- (1) Total issuance: NT\$1,000,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 0.9994%
- (5) Book value at issuance: NT\$951,494 thousand
- (6) Term: 2021.11.16-2026.11.16
- (7) Conversion Period:

Except during the suspension of conversion period, the creditors may request at any time in accordance with the rules of the convertible corporate bonds to convert the convertible corporate bonds they hold into the company's common

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

stocks from the day following 3 months after the issuance date (February 17, 2022) until the maturity date on November 16, 2026. The suspension period of conversion is as follows:

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

(8) Conversion Price and Its Adjustment:

The conversion price at the time of initial issuance is set at NT\$221.1. In the event of an increase in the shares of the Company's issued common stocks, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds. As of March 31, 2024, the conversion price was adjusted to NT\$202.5.

(9) Redemption rights of creditors:

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

(10) The Company's Redemption Right:

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

- A. Redemption upon maturity of bonds:

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

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

The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. The measured amount of derivative financial liabilities on March 31, 2024 is NT\$(226) thousand at fair value cost and non-derivative financial liabilities on March 31, 2024 is NT\$122,170 thousand at amortized cost, and its effective interest rate initially recognized is 0.9994%.

Issue Proceeds (Less Transaction Costs of NT\$3,480 thousand)	1,001,520
Equity Components	(49,428)
Current portion of long-term liabilities (including payable corporate bonds of NT\$951,494 thousand and non-current financial liabilities at fair value through profit or loss of NT\$598 thousand)	952,092
Interest Calculated at Effective Interest Rate of 0.9994%	17,664
Gain on Valuation of Financial Product	(351)
Converting Corporate Bonds Payable into Common Stock	(847,461)
Liability Components as of March 31, 2024	<u><u>\$ 121,944</u></u>

4. To meet the needs of working capital and reinvestment, the Company issued the fifth domestic unsecured convertible corporate bonds on August 16, 2023. The issuance conditions are as follows:
 - (1) Total issuance: NT\$3,000,000 thousand
 - (2) Face value: NT\$100 thousand each
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 1.787%
 - (5) Book value at issuance: NT\$2,844,753 thousand
 - (6) Term: 2023.08.16-2026.08.16

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

(7) Conversion Period:

Except for the suspension period of conversion, the creditors may at any time request that the convertible corporate bonds held be converted into the common stocks of the Company from the following day after three months of issuance date (November 17, 2023) to the expiration 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 common stocks is suspended in accordance with the law.
- B. The Company will negotiate with Taipei Exchange on the period from the 15 business days before the book closure date of issuance of bonus shares, the book closure date of cash dividend or the book closure date of the issuance of common stocks for cash to the record date of rights distribution.
- C. The date of capital reduction is cut off one day before the commencement of capital reduction.
- D. Other suspension periods of stock transfer by law.

(8) Conversion Price and Its Adjustment:

The conversion price at the time of initial issuance is set at NT\$295. In the event of an increase in the shares of the Company's issued common stocks, the conversion price shall be adjusted under Article 12 of the Company's regulations on domestic issuance and conversion of unsecured convertible corporate bonds.

(9) The Company's Redemption Right:

From the day after the issuance of corporate bonds for 3 months (November 17, 2023) to 40 days before the maturity date (July 7, 2026), if the closing price of the Company's common stocks exceeds the current conversion price for 30 consecutive business days for up to 30%, or the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount of the issuance, the Company may notify the bondholders in accordance with the regulations of conversion method and call back all the corporate bonds by cash at par value.

A. Redemption upon maturity of bonds:

Unless the bonds have been redeemed, repurchased, and written-off or the bondholder has exercised the conversion right, the issuer will repay the

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

bonds in full cash on the maturity date according to the nominal amount of the bonds. These convertible corporate bonds comprise liabilities and equity component.

The equity component is presented in equity as a capital surplus - stock warrants. The liability components are the liabilities of embedded derivative financial products and non-derivative financial products. The measured amount of derivative financial liabilities on March 31, 2024 is NT\$(3,900) thousand at fair value cost and non-derivative financial liabilities on March 31, 2024 is NT\$2,876,429 thousand at amortized cost, and its effective interest rate initially recognized is 1.787%.

Issue Proceeds (Less Transaction Costs of NT\$5,550 thousand)	3,009,450
Equity Components	<u>(166,194)</u>
Liability components on the date of issuance (including corporate bonds payable of NT\$2,844,753 thousand and financial assets 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%	31,772
Gain on Valuation of Financial Product	(2,403)
Converting Corporate Bonds Payable into Common Stock	(96)
Liability Components as of March 31, 2024	<u><u>\$ 2,872,529</u></u>

5. The main conditions relating to the issuance of unsecured convertible corporate bonds by the subsidiary are as follows:
- (1) Total issuance: NT\$1,500,000 thousand
 - (2) Face value: NT\$100 thousand each
 - (3) Coupon rate: 0%
 - (4) Effective interest rate: 1.0255%
 - (5) Term: 2020.12.15 - 2023.12.15
 - (6) Conversion Period: From the day following three months after the issuance date of these convertible corporate bonds, until the maturity date, except during the suspension period stipulated by the conversion regulations or laws, the holders of these convertible corporate bonds may request the subsidiary company to convert the bonds into common stocks of the subsidiary company. The rights and

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

obligations of the converted common stocks shall be the same as those of the originally issued common stocks.

(7) Conversion Price and Its Adjustment:

The conversion price of this convertible bond is determined according to the prescribed formula in the conversion regulations. If there is a situation where the Company is subject to anti-dilution provisions, the conversion price will be adjusted according to the prescribed formula in the conversion regulations. Subsequently, on the prescribed base date, the conversion price will be re-determined according to the prescribed formula in the regulations. If the new conversion price is higher than the previous conversion price of that year, no adjustment will be made.

(8) Redemption Rights:

- A. Redemption at maturity: The subsidiary will redeem the principal in one lump sum upon maturity of the bond issue.
- B. Early Redemption: From the day following three months after the issuance of this convertible corporate bond until forty days before the maturity of the issuance period, if the closing price of the subsidiary's common stocks exceeds 30% of the then-effective conversion price for thirty consecutive trading days, or from the day following three months after the issuance of this convertible corporate bond until forty days before the maturity of the issuance period, if the outstanding balance of this convertible corporate bond falls below 10% of the original total issued amount, the subsidiary may redeem all of the bonds at any time thereafter at their face value in cash.
- C. According to the conversion method, all subsidiary bonds redeemed, repaid or converted by the convertible bonds will be cancelled, and all rights and obligations attached to the convertible bonds will also be extinguished and no longer issued.

6. The main conditions relating to the issuance of unsecured convertible corporate bonds by the subsidiary are as follows:

- (1) Total Issuance Amount: NT\$25,000,000 thousand
- (2) Face value: NT\$100 thousand each
- (3) Coupon rate: 0%
- (4) Effective interest rate: 1.796%

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

- (5) Term: 2023.06.26 - 2026.06.27
- (6) Conversion Period: From the day following three months after the issuance date of these convertible corporate bonds, until the maturity date, except during the suspension period stipulated by the conversion regulations or laws, the holders of these convertible corporate bonds may request the subsidiary company to convert the bonds into common stocks of the subsidiary company. The rights and obligations of the converted common stocks shall be the same as those of the originally issued common stocks.

(7) Conversion Price and Its Adjustment:

The conversion price of this convertible bond is determined according to the prescribed formula in the conversion regulations. If there is a situation where the Company is subject to anti-dilution provisions, the conversion price will be adjusted according to the prescribed formula in the conversion regulations. Subsequently, on the prescribed base date, the conversion price will be re-determined according to the prescribed formula in the regulations. If the new conversion price is higher than the previous conversion price of that year, no adjustment will be made.

(8) Redemption Rights:

- A. Redemption at maturity: The subsidiary will redeem the principal in one lump sum upon maturity of the bond issue.
- B. Early Redemption: From the day following three months after the issuance of this convertible corporate bond until forty days before the maturity of the issuance period, if the closing price of the subsidiary's common stocks exceeds 30% of the then-effective conversion price for thirty consecutive trading days, or from the day following three months after the issuance of this convertible corporate bond until forty days before the maturity of the issuance period, if the outstanding balance of this convertible corporate bond falls below 10% of the original total issued amount, the subsidiary may redeem all of the bonds at any time thereafter at their face value in cash.
- C. According to the conversion method, all subsidiary bonds redeemed, repaid or converted by the convertible bonds will be cancelled, and all rights and obligations attached to the convertible bonds will also be extinguished and no longer issued.

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

(19) Lease Liabilities

The Consolidated Company's carrying amount of lease liabilities:

	2024.3.31	2023.12.31	2023.3.31
Current	\$ 1,753,830	1,353,187	1,123,969
Non-Current	\$ 5,329,140	3,985,321	2,708,391

For maturity analysis, please refer to Note 6(27) Financial Instruments.

Recognized lease profit/loss is below:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Interest Expense on Lease Liabilities	\$ 48,940	25,261
Short-Term Lease Expenses	\$ 85,661	65,197
Lease Modification Benefit (Loss)	\$ 3	1,950

Recognized lease on the cash flow statement is below:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Total Cash Outflow for Lease	\$ 470,246	220,181

The Consolidated Company leases land, buildings and structures, machinery and equipment, office equipment, transportation equipment, and other equipment, with lease terms typically lasting three years. Some leases include an option to extend for a period equal to the original contract term upon expiration. Some contracts also stipulate that the Consolidated Company will advance the lessor's tax and insurance expenses related to the real estate, which are usually incurred once a year.

(20) Employee benefits

1. defined benefit plan

As there were no significant market fluctuations, major curtailments, settlements, or other significant one-time events after the end of the previous fiscal year, the Consolidated Company used the retirement benefit costs measured and disclosed as of December 31, 2023 and 2022 based on the actuarial valuations performed on those dates for the interim periods.

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

The details of the Consolidated Company's expenses (benefits) recognized are as follows, which were accounted for under "Operating costs" and "Operating expenses":

Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
\$ 9,256	9,597

2. Defined contribution plans

The Consolidated Company has determined the pension costs under the defined benefit pension plan as follows, which have been deposited with the Labor Insurance Bureau or the local competent authority and are recorded under "Operating Costs" and "Operating Expenses":

Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
\$ 62,897	61,622

(21) Income tax

1. Income Tax Expense

The details of the income tax expense of the Consolidated Company are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Income tax expenses for the period		
Recognized for the period	\$ 361,693	325,383
Adjustment of the income tax in the previous year	1,264	-
	362,957	325,383
Deferred income tax expenses		
The occurrence and (reversal) of temporary differences	(19,389)	61,042
Income Tax Expense (Excluding Income Tax Expense Attributable to Discontinued Operations)	343,568	386,425
Less: Income Tax Expense of Discontinued Operations	-	1,220
Income Tax Expense	\$ 343,568	385,205

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

The details of the income tax expense under other comprehensive income and loss of the Consolidated Company are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Items that May Be Reclassified Subsequently to Profit or Loss:		
Exchange Differences on Translation of Foreign Financial Statements	<u><u>\$ (8,417)</u></u>	<u><u>416</u></u>

2. Income tax assessments

The profit-seeking enterprise income tax settlement and filing cases of the Company, Ennoconn International, Goldtek, Caswell and Marketch up to the year 2021 have been assessed and approved by the tax authorities. The Company disagrees with the approved contents of 2018, and is currently applying for review. However, the Company has assessed the relevant income tax based on the principle of prudence.

3. The lowest tax burden globally

The Consolidated Company recognizes supplementary tax as current income tax when it actually occurs, and for the deferred income tax accounting treatment related to supplementary tax, a temporary mandatory exemption is applied. Please refer to Note 4(21) of the consolidated financial statement for the year ended December 31, 2023 for the accounting policy.

(22) Capital and other equity

Except as described below, the Consolidated Company had no significant changes in capital and other equity accounts during the periods for the three months ended March 31, 2024 and 2023. For related information, please refer to Note 6(20) of the consolidated financial statements for the year ended December 31, 2022.

1. Issuance of common stock

For the three months ended March 31, 2024, the Company issued 5,027 thousand new shares with a total amount of NT\$50,271 thousand at par value due to the exercise of conversion rights by the holders of convertible corporate bonds. The aforementioned new shares have completed the statutory registration procedures.

For the three months ended March 31, 2023, the Company issued 2,728 thousand new shares at par value totaling NT\$27,281 thousand due to the exercise of conversion rights by holders of convertible corporate bonds. The issuance of the aforementioned

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

new shares has completed the statutory registration procedures, and the paid-in capital has been changed to NT\$1,087,651 thousand after the issuance.

2. Capital surplus

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

	<u>2024.3.31</u>	<u>2023.12.31</u>	<u>2023.3.31</u>
Premium of Issued Shares	\$ 5,039,717	5,039,717	5,039,717
Issuance of New Shares for Other Company's Shares	1,372,670	1,372,670	1,372,670
Premium on Conversion of Convertible Corporate Bonds	8,284,503	7,260,995	2,373,335
Share Options for Convertible Corporate Bonds	207,788	263,238	366,760
Expired Stock Options	385,261	385,261	385,261
Changes in equity of subsidiaries and associates	531,699	618,871	324,681
	<u>\$ 15,821,638</u>	<u>14,940,752</u>	<u>9,862,424</u>

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

3. Retained earnings

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

The Company's industrial development is in a growth stage, and there are plans to

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

expand production lines and capital needs for the next few years. Therefore, the residual dividend policy is adopted; first, the retained earnings are used to meet the capital needs, and the remaining surplus is paid out in the form of cash dividends. However, the cash dividend shall not be less than ten percent of the total dividend distribution for the year.

(1) Legal reserve

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

(2) Special reserve

When the Company firstly adopted the IFRS recognized by FSC and selected applied exemption items under IFRS1 First-time Adoption of International Financial Reporting Standards, the unrealized revaluation appreciation, cumulative conversion adjustments (benefits) under the recorded shareholders' equity, and the recorded assets were classified as "investment real estate" on the conversion date, and the retained earnings are increased by taking the fair value on the conversion date as the recognized cost in accordance with the regulations. According to FSC document No. 1010012865 order issued on April 6, 2012, the special surplus reserves at the same amount is recognized. When using, disposing or reclassifying relevant assets, the Company may reverse the proportion of the initial special surplus reserve to distribute the surplus. As of March 31, 2024 and 2023, the balance of such special reserve was NT\$905,934 thousand and NT\$1,768,490 thousand.

In accordance with the above order, when distributing the distributable surplus, the Company shall make up the difference between the net deduction of other shareholders' equity in the account in the current year and the balance of the special surplus reserve referred to in the preceding paragraph, and make up the special surplus reserve from the current profit and loss and the undistributed surplus in the previous period. If there is a subsequent reversal in the amount of other decreases in shareholders' equity, the reversal may be distributed in the form of a surplus. 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 resolved the amount of cash dividends for the distribution of surplus for fiscal year 2023 at the Board of Directors' meeting on March 29, 2024,

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

and the amount of cash dividends for the distribution of surplus for fiscal year 2022 at the Annual General Meeting of Shareholders on May 30, 2023, with the following dividends distributed to owners:

	2023		2022	
	Share Allotment (NT\$)	Amount	Share Allotment (NT\$)	Amount
Distributed to Owners of Common Stocks:				
Cash	\$ 11.41	<u>1,559,072</u>	15.00	<u>1,604,720</u>

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

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Non-Controlling Interests	Total
Balances as of January 1, 2024	\$ (1,081,452)	41,523	27,777,256	26,737,327
Net profit for the period	-	-	716,051	716,051
Exchange differences on translating the net assets of foreign operations	663,219	-	214,757	877,976
Share of Associates Accounted for Using the Equity Method	3,458	518	101	4,077
Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	-	5,022	290	5,312
Confirm the Benefit Plan Remeasurement Amount	-	-	463	463
Subsidiary Shareholder Cash Dividends	-	-	(140,278)	(140,278)
Changes in Ownership Interests in Subsidiaries	-	-	87,641	87,641
Other Changes	-	-	1,764,851	1,764,851
Balances as of March 31, 2024	<u>(414,775)</u>	<u>47,063</u>	<u>30,421,132</u>	<u>30,053,420</u>

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Non-Controlling Interests	Total
Balances as of January 1, 2023	\$ (830,267)	(75,667)	27,177,156	26,271,222
Number of affects from regression and refactoring	-	-	2,944	2,944
Net profit for the period	-	-	682,623	682,623
Exchange differences on translating the net assets of foreign operations	(69,409)	-	71,314	1,905

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

Share of Associates Accounted for Using the Equity Method	290	-	(10)	280
Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	-	19,180	(31,964)	(12,784)
Confirm the Benefit Plan Remeasurement Amount	-	-	884	884
			(180,323)	(180,323)
Subsidiary Shareholder Cash Dividends	-	-		
Changes in Ownership Interests in Subsidiaries	-	-	(24,872)	(24,872)
			(61,517)	(61,517)
Other Changes	-	-		
Balances as of March 31, 2023	<u>\$ (899,386)</u>	<u>(56,487)</u>	<u>27,636,235</u>	<u>26,680,362</u>

(23) Earnings per Share

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

1. Basic earnings per share

(1) Net profit attributable to the holders of common stock equity of the Company

	Continuing Operations	Discontinuing operation	Total
Three Months Ended March 31, 2024	<u>\$ 630,225</u>	<u>1,116</u>	<u>631,341</u>
Three Months Ended March 31, 2023	<u>\$ 492,392</u>	<u>54</u>	<u>492,446</u>

(2) Weighted average outstanding common stocks

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Common Stocks Issued as of January 1	132,000	106,037
Effect of conversion bonds	3,169	135
3. Weighted Average Outstanding Common Stocks	<u>135,169</u>	<u>106,172</u>

(3) Earnings per share (basic)

	Continuing operations	Discontinuing operation	Total
Three Months Ended March 31, 2024	<u>\$ 4.66</u>	<u>0.01</u>	<u>4.67</u>
Three Months Ended March 31, 2023	<u>\$ 4.64</u>	<u>-</u>	<u>4.64</u>

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

2. Diluted earnings per share

(1) Net profit attributable to the holders of common stock equity of the Company

	<u>Continuing operations</u>	<u>Discontinuing operation</u>	<u>Total</u>
Three Months Ended March 31, 2024			
Net profit attributable to the holders of common stock equity of the Company (basic)	\$ 630,225	1,116	631,341
After tax interest expenses and financial evaluation gains and losses of convertible corporate bonds	9,332	-	9,332
	<u><u>\$ 639,557</u></u>	<u><u>1,116</u></u>	<u><u>640,673</u></u>
Three Months Ended March 31, 2023			
Net profit attributable to the holders of common stock equity of the Company (basic)	\$ 492,392	54	492,446
After tax interest expenses and financial evaluation gains and losses of convertible corporate bonds	10,491	-	10,491
	<u><u>\$ 502,883</u></u>	<u><u>54</u></u>	<u><u>502,937</u></u>

(2) Weighted average outstanding common stocks

	<u>Three Months Ended March 31, 2024</u>	<u>Three Months Ended March 31, 2023</u>
Weighted average number of outstanding common stocks (basic)	135,169	106,172
Effect of Conversion of Convertible Corporate Bonds	20,329	38,299
Effect of Employee Remuneration	288	379
As of March 31, Weighted Average Outstanding Common Stocks (Diluted)	<u><u>155,786</u></u>	<u><u>144,850</u></u>

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

(3) Diluted earnings per share

	Continuing operations	Discontinuing operation	Total
Three Months Ended March 31, 2024	\$ 4.11	-	4.11
Three Months Ended March 31, 2023	\$ 3.47	-	3.47

(24) Contract Revenue

1. Income Statement

The income details of the Consolidated Company are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenue from sales of goods	\$ 21,905,985	17,838,360
Service revenue	836,774	906,264
Engineering service revenue	9,974,255	9,822,989
	32,717,014	28,567,613
Less: Operating income from suspended business units	-	76,303
	\$ 32,717,014	28,491,310

2. Balance of contracts

	2024.3.31	2023.12.31	2023.3.31
Notes and Accounts Receivable	\$ 20,925,894	21,601,354	16,084,644
Less: Allowance for Loss	1,386,450	1,192,937	1,206,178
Total	\$ 19,539,444	\$ 20,408,417	14,878,466
Contract Asset - Construction Contracts	\$ 13,392,197	13,530,731	10,344,187
Contract Asset - Sales Contracts	569,495	305,841	974,373
Contract Asset - Service Contracts	1,298,358	1,018,260	605,594
Total	\$ 15,260,050	14,854,832	11,924,154

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

	2024.3.31	2023.12.31	2023.3.31
Contract Liabilities -			
Construction Contracts	\$ 7,096,656	7,807,091	5,782,833
Contract Liability - Sales			
Contracts	2,961,857	2,353,440	1,984,962
Contract Liabilities - Service			
Contracts	1,673,242	1,921,505	2,147,327
Extended warranty service	511,818	442,536	331,347
Total	\$ 12,243,573	12,524,572	10,246,469

For disclosures related to notes receivable and accounts receivable and their impairment, please refer to Note 6(4).

(25) Compensation of Employees, Directors and Supervisors:

In accordance with the Company's Articles of Incorporation, no less than 2% of the Company's annual profits shall be appropriated to the compensation of employees and no more than 2% to the compensation of directors and supervisors. However, where the Company has accumulated losses, the Company shall first reserve certain amount of the profit to recover the losses. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in the controlling and associates who met certain conditions.

For the three months ended March 31, 2024 and 2023, the Company estimated the employee compensation at NT\$16,182 thousand and NT\$10,302 thousand, respectively, and the directors' and supervisors' remuneration at NT\$1,167 thousand and NT\$765 thousand, respectively. These amounts were calculated based on the Company's profit before income tax, deducting employee compensation and directors' and supervisors' remuneration, multiplied by the percentages of employee compensation and directors' and supervisors' remuneration as prescribed by the Company's Articles of Incorporation. These estimated amounts were reported as operating costs or operating expenses for the period. If there is a difference between the actual amount distributed and the estimated amount in the following year, it will be treated as a change in accounting estimate, and the difference will be recognized as profit or loss for the following year.

For the fiscal years 2023 and 2022, the Company estimated the employees' compensation at NT\$ 85,000 and NT\$89,000, respectively, and the directors' and supervisors' compensations at NT\$2,600 and NT\$2,850, respectively. There was no difference between the actual distribution. Please refer to the Market Observation Post System (MOPS) for relevant information.

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

(26) Total Non-Operating Income and Expenses

1. Other income

The details of other income from the Consolidated Company are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Rent Revenue/Income	\$ 4,347	4,460
Dividend Revenue	261	1,769
	4,608	6,229
Less: Other Income from Suspended Department or Division	-	26
	\$ 4,608	6,203

2. Other gains and losses

The other benefits and losses of the Consolidated Company are detailed as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Losses on Disposals of Property, Plant and Equipment	\$ (3,278)	1,142
Gains on Disposals of Investments	-	120,797
Gain on Foreign Exchange	300,112	(65,135)
Net Benefits (Losses) on Financial Assets and Liabilities	311,686	105,474
Supplemental Income	275,954	170,767
Others	59,762	47,260
	944,236	380,305
Less: Other Income From Discontinued Operations	-	1,495
	\$ 944,236	378,810

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

3. Financial cost

The detailed financial costs of the Consolidated Company are as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Interest on Bank Loans	\$ 279,545	178,576
Interest on Lease Liabilities	48,940	25,261
Accrued Interest on Corporate Bonds Payable	10,495	21,600
	338,980	225,437
Less: Financial Costs of Discontinued Operations	-	1,594
	\$ 338,980	223,843

(27) Financial instruments

1. Credit risk

(1) Amount of maximum exposure to credit risk

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

(2) Credit risk Situation

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

For information on the credit risk exposure of notes and accounts receivable, please refer to Note 6(4).

Other Financial Assets at Amortized Cost, Including Other Account Receivables and Certificates of Deposit

Other financial assets measured at amortized cost include other receivables and time deposits, among others.

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

2. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest.

	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 Months</u>	<u>More than 1 year</u>
March 31, 2024					
Non-Derivative Financial Liabilities					
Non-Interest Bearing Liabilities	\$ 31,149,263	31,149,263	31,149,263	-	-
Lease Liabilities	7,082,970	7,677,784	1,649,855	55,813	5,972,116
Floating Rate Instruments	26,434,255	26,532,938	16,088,952	1,721,182	8,722,804
Instruments with Fixed Interest Rates	6,883,550	6,981,243	-	-	6,981,243
	<u>\$ 71,550,038</u>	<u>72,341,228</u>	<u>48,888,070</u>	<u>1,776,995</u>	<u>21,676,163</u>
December 31, 2023					
Non-Derivative Financial Liabilities					
Non-Interest Bearing Liabilities	\$ 26,263,359	26,263,359	26,263,359	-	-
Lease Liabilities	5,338,508	5,842,634	1,229,810	53,235	4,559,589
Floating Rate Instruments	19,909,823	20,025,530	14,947,263	2,294,225	2,784,042
Instruments with Fixed Interest Rates	7,876,303	7,984,492	-	800,248	7,184,244
	<u>\$ 59,387,993</u>	<u>60,116,015</u>	<u>42,440,432</u>	<u>3,147,708</u>	<u>14,527,875</u>
	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 Months</u>	<u>More than 1 year</u>
March 31, 2023					
Non-Derivative Financial Liabilities					
Non-Interest Bearing Liabilities	\$ 25,844,015	25,844,015	25,844,015	-	-
Lease Liabilities	3,832,360	3,909,858	906,396	60,906	2,942,556
Floating Rate Instruments	22,513,939	23,197,365	14,176,087	1,785,642	7,235,636
Instruments with Fixed Interest Rates	8,021,293	8,025,484	-	5,679,252	2,346,232
	<u>\$ 60,211,607</u>	<u>60,976,722</u>	<u>40,926,498</u>	<u>7,525,800</u>	<u>12,524,424</u>

The Consolidated Company does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significant different amounts.

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

3. Market risk

(1) Exchange Rate Risks

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

2024.3.31				
	Foreign Currency	Exchange Rate		NTD
<u>Financial Asset</u>				
<u>Monetary Items</u>				
USD	344,081	32.00	(USD : NTD)	11,010,592
USD	96,458	0.9286	(USD : EUR)	3,086,613
USD	10,956	7.2562	(USD : RMB)	350,590
<u>Financial Liability</u>				
<u>Monetary Items</u>				
USD	264,261	32.00	(USD : NTD)	8,456,352
USD	95,100	0.9286	(USD : EUR)	3,043,158
USD	11,238	7.2562	(USD : RMB)	359,614
2023.12.31				
	Foreign Currency	Exchange Rate		NTD
<u>Financial Asset</u>				
<u>Monetary Items</u>				
USD	362,007	30.71	(USD : NTD)	11,117,235
USD	135,497	0.9038	(USD : EUR)	4,161,265
USD	10,303	7.0924	(USD : RMB)	316,406
<u>Financial Liability</u>				
<u>Monetary Items</u>				
USD	240,479	30.71	(USD : NTD)	7,385,110
USD	94,757	0.9038	(USD : EUR)	2,910,094
USD	12,764	7.0924	(USD : RMB)	391,984

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

2023.3.31				
	Foreign Currency	Exchange Rate		NTD
Financial Asset				
Monetary Items				
USD	405,289	30.38	(USD : NTD)	12,312,680
USD	77,022	0.9386	(USD : EUR)	2,376,989
USD	16,042	6.8889	(USD : RMB)	487,357
Financial Liability				
Monetary Items				
USD	210,042	30.38	(USD : NTD)	6,381,076
USD	66,669	0.9386	(USD : EUR)	2,057,483
USD	27,444	6.8889	(USD : RMB)	833,750

Note: The exchange rates of the Euro and RMB against NTD are as follows:

	2024.3.31	2023.12.31	2023.3.31
EUR : NTD	34.46	33.98	32.88
RMB : NTD	4.41	4.33	4.41

The foreign exchange risk of the Consolidated Company's monetary items mainly arises from cash and cash equivalents, accounts receivable and other receivables, borrowings, accounts payable and other payables denominated in foreign currencies, which generate foreign exchange gains or losses upon translation. As of March 31, 2024 and 2023, if NTD had depreciated or appreciated by 1% relative to USD held by the Company and all other factors remained constant, net income before tax would have increased or decreased by NT\$25,887 thousand and NT\$59,047 thousand for the three months ended March 31, 2024 and 2023, respectively. The same basis is used for both periods of analysis.

Since the Consolidated Company's operations involve certain foreign currencies, the exchange gains and losses on monetary items are disclosed on a consolidated basis. The foreign exchange gains (including realized and unrealized) for the three months ended March 31, 2024 and 2023, were NT\$300,112 thousand and NT\$65,135 thousand, respectively, which were accounted for under other gains and losses.

(2) Interest Rate Risk

The details of the Consolidated Company's financial assets and financial liabilities exposed to interest rate risks are described in the liquidity risk management of this note.

The following sensitivity analysis is determined by the interest rate exposure of

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

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

If the interest rate increases or decreases by 1%, assuming all other variables remain constant, the Consolidated Company's pre-tax net profit for the three months ended March 31, 2024 and 2023 will increase or decrease by NT\$264,343 thousand and NT\$224,939 thousand, respectively, mainly due to the Consolidated Company's variable-rate borrowings.

(3) Other price risk

If the equity securities prices had changed on the reporting date (the analysis for the two periods is performed on the same basis, and assuming that all other variables remained constant), the impact on profit or loss would have been as follows:

	Three Months Ended March 31, 2024		Three Months Ended March 31, 2023	
	Other comprehensive income before tax	Profit before Tax	Other comprehensive income before tax	Profit before Tax
Securities Price as of the Reporting Date				
Increased by 1%	\$ 17,067	22,207	13,088	11,102
Decreased by 1%	\$ (17,067)	(22,207)	(13,088)	(11,102)

6. Fair value information

(1) Classification and fair value of financial instruments

Financial assets and liabilities measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income for the Consolidated Company are measured at fair value on a recurring basis. Regarding non-FVPL financial assets and liabilities, the Consolidated Company considers their carrying amounts to be equal to or approximating their fair values, or their fair values cannot be reliably measured. The carrying amounts and fair value hierarchy information of financial assets and liabilities at fair value through profit or loss are listed as follows:

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

2024.3.31					
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss					
Derivative Financial Assets					
Redemption Right for Domestic Convertible Corporate Bond	\$ 7,676	-	-	7,676	7,676
Others	3,707	-	-	3,707	3,707
Non-Derivative Financial Assets					
— Listed Stocks	251,873	251,873	-	-	251,873
- Unlisted and Emerging Stocks	1,572,724	-	-	1,572,724	1,572,724
- Private Equity Fund	405,221	-	-	405,221	405,221
- Convertible Corporate Bonds	4,450	-	-	4,450	4,450
Sum	2,245,651	251,873	-	1,993,778	2,245,651
Measured at Fair Value through Other Comprehensive Income					
Financial Asset					
Equity Investment Instrument					
— Listed Stocks	\$ 542,638	542,638	-	-	542,638
- Unlisted and Emerging Stocks	660,002	-	-	660,002	660,002
Limited Partnership	504,033	-	-	504,033	504,033
Subtotal	1,706,673	542,638	-	1,164,035	1,706,673
Total	3,952,324	794,511	-	3,157,813	3,952,324
Financial Liabilities at Fair Value Through Profit or Loss					
Derivative Financial Liabilities					
Others	\$ 24,990	-	-	24,990	24,990
Total	\$ 24,990	-	-	24,990	24,990

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

2023.12.31					
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss					
Derivative Financial Assets					
Redemption Right for Domestic Convertible Corporate Bond	\$ 2,709	-	-	2,709	2,709
Non-Derivative Financial Assets					
— Listed Stocks	217,331	217,331	-	-	217,331
- Unlisted and Emerging Stocks	1,259,862	-	-	1,259,862	1,259,862
- Private Equity Fund	403,372	-	-	403,372	403,372
- Convertible Corporate Bonds	4,450	-	-	4,450	4,450
Subtotal	1,887,724	217,331	-	1,670,393	1,887,724
Measured at Fair Value through Other Comprehensive Income					
Financial Asset					
Equity Investment Instrument					
— Listed Stocks	\$ 402,649	402,649	-	-	402,649
- Unlisted and Emerging Stocks	681,678	-	-	681,678	681,678
Limited Partnership	493,283	-	-	493,283	493,283
Subtotal	1,577,610	402,649	-	1,174,961	1,577,610
Total	\$3,465,334	619,980	-	2,845,354	3,465,334

2023.3.31					
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss					
Derivative Financial Assets					
Redemption Right for Domestic Convertible Corporate Bond	\$ 5,453	-	-	5,453	5,453
Non-Derivative Financial Assets					
— Listed Stocks	163,613	163,613	-	-	163,613
- Unlisted and Emerging Stocks	635,119	-	-	635,119	635,119
- Private Equity Fund	308,586	-	-	308,586	308,586
Subtotal	1,112,771	163,613	-	949,158	1,112,771
Measured at Fair Value through Other Comprehensive Income					
Financial Asset					
Equity Investment Instrument					
— Listed Stocks	388,314	388,314	-	-	388,314
- Unlisted and Emerging Stocks	417,096	-	-	417,096	417,096
Limited Partnership	503,416	-	-	503,416	503,416
Subtotal	1,308,826	388,314	-	920,512	1,308,826
Total	\$2,421,597	551,927	-	1,869,670	2,421,597

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

- (2) Fair value measurement techniques for financial instruments not measured at fair value

The methods and assumptions used by the Consolidated Company for instruments not measured at fair value are estimated as follows:

For financial assets and liabilities measured at amortized cost, if there are quoted prices in an active market, the most recent quoted prices and market quotes are used as the basis for evaluating fair value. When there are no market prices available for reference, an evaluation method is adopted to estimate the value. The valuation methodology used in estimating the fair value of discounted cash flows involves estimations and assumptions made on the discounted cash flows.

- (3) Fair value measurement techniques for financial instruments at fair value

A. Non-derivative financial instruments

When financial instruments have publicly quoted prices in an active market, their fair value is the publicly quoted price in the active market. The fair value of listed (OTC) equity instruments and debt instruments with active market quoted prices is based on the market prices announced by the main exchanges and the over-the-counter market, which are considered popular securities by the central government bond dealers.

If an entity is able to obtain quoted prices for the financial instrument from an exchange, broker, underwriter, industry association, pricing service, or regulatory agency on a timely and recurring basis, and those prices represent actual and regularly occurring market transactions on an arm's length basis, then the financial instrument is regarded as having an active market quoted price. If the above conditions are not met, then the market is considered to be inactive. In general, a significant bid-ask spread, a notable increase in the bid-ask spread, or very low trading volume are indicators of an illiquid market.

For the financial instruments held by the Consolidated Company that have an active market, their fair values by category and nature are listed as follows:

- Listed redeemable corporate bonds, listed (over-the-counter) company stocks, bills of exchange and corporate bonds, etc. are financial assets and financial liabilities with standard terms and conditions and traded in active markets, and their fair values are determined with reference to

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

market quotes, respectively.

For financial instruments other than those with active markets as described above, their fair values are obtained through valuation techniques or by reference to counterparty quotes. The fair value obtained through valuation techniques can refer to the current fair value of other financial instruments that are substantially similar in terms and characteristics, the present value technique of discounted cash flows, or other valuation techniques, including model calculations using market information available at the consolidated reporting date (e.g., OTC reference yield curves, Reuters commercial paper rate average quotes).

For financial instruments held by the Consolidated Company without an active market, please refer to the explanation in (5) for the determination of their fair value:

B. Derivative financial instruments

It is evaluated based on the evaluation model widely accepted by market players, such as discount method and option pricing model. Forward foreign exchange contracts are typically valued based on the current forward exchange rate. Structured interest rate derivative financial instruments are priced based on appropriate option pricing models (such as the Black-Scholes model) or other valuation methods, such as Monte Carlo simulation.

(4) Translation between the first and second grades

There were no such transfers for the three months ended March 31, 2024 and 2023.

(5) Quantitative Information on Fair Value Measurement of Significant Unobservable Inputs (Level 3)

The fair value measurements categorized within Level 3 of the Consolidated Company mainly include financial assets at fair value through profit or loss - equity securities investments, derivative financial instruments, private equity fund investments, convertible corporate bonds, and financial assets at fair value through other comprehensive income - equity securities investments.

For the Consolidated Company, most of the fair values are categorized as Level 3, since the fair values only have single significant unobservable input value. As for investments in equity instruments without an active market, the fair values could be classified as multiple significant unobservable input values. There is no

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

interrelationship for significant unobservable inputs of equity investments without an active market as they are independent of each other.

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

Item	Valuation Technique	Significant unobservable input	Significant unobservable inputs and their relationship to fair value
Investments in equity instruments without an active market	Comparable to Public and Over-the-Counter Company Law	- Lack of Marketability Discount (15-25% for both three months ended March 31, 2024 and 2023)	The higher the lack of marketability discount, the lower the fair value.
Financial Assets at Fair Value through Profit or Loss - Investment in Private Equity Funds	Net Asset Value Method	Net Asset Value	The higher the net asset value, the higher the fair value.
Financial Liabilities at Fair Value through Profit or Loss - Convertible Corporate Bonds	Discounted Cash Flow Method	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating net profit, lack of marketability discount.	The higher the weighted average cost of capital, the lower the fair value; the higher the long-term revenue growth rate and long-term pre-tax operating profit, the higher the fair value; the higher the lack of marketability discount, the lower the fair value.
Hybrid Instrument - Call and Put Options of Convertible Corporate Bonds	Binomial Tree Valuation Model	Volatility	The higher the stock price volatility, the higher the fair value.

(28) Financial risk management

There were no significant changes to the Consolidated Company's financial risk management objectives and policies from those disclosed in Note 6(27) to the Consolidated Financial Statements for the year ended December 31, 2023.

(29) Capital Management

The Consolidated Company's capital management objectives, policies and procedures are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2023. Additionally, there are no significant changes in the quantitative data of items considered for capital management compared to the disclosures in the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to Note 6(28) of the consolidated financial statements for the year ended December 31, 2023.

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

For the three months ended March 31, 2024 and 2023, respectively, the Consolidated Company adjusted the liabilities arising from financing activities is as follows:

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

	2024.1.1	Cash flows	Non-cash changes		2024.3.31
			Changes in Foreign Exchange Rates	Change in Rental Payments	
Lease Liabilities	\$ 5,338,508	(335,645)	117,949	1,962,158	\$ 7,082,970
Total liabilities from financing activities	<u>\$ 5,338,508</u>	<u>(335,645)</u>	<u>117,949</u>	<u>1,962,158</u>	<u>\$ 7,082,970</u>

	2023.1.1	Cash flows	Non-cash changes		2023.3.31
			Changes in Foreign Exchange Rates	Change in Rental Payments	
Lease Liabilities	\$ 3,665,353	(129,723)	(25,702)	322,432	\$ 3,832,360
Total liabilities from financing activities	<u>\$ 3,665,353</u>	<u>(129,723)</u>	<u>(25,702)</u>	<u>322,432</u>	<u>\$ 3,832,360</u>

7. Related party transaction

(1) Name and relationship of related party

The related parties that had transactions with the Consolidated Company during the coverage period of these consolidated financial statements are as follows:

Relationship	Relationship with the Consolidated Company
ARBOR SOLUTION, INC.	Associate
Cloud Network Technology Kft.	Associate
Competition Team Ireland Limited	Associate
CyberTAN Corp. (USA)	Associate
FOXCONN CZ s.r.o.	Associate
Foxconn Interconnect Technology Ltd.	Associate
Foxconn Singapore Pte. Ltd.	Associate
Radisen Co., Ltd.	Associate
SafeDX s.r.o.	Associate
Triple Win Technology (Shenzhen) Co., Ltd.	Associate
Chung Hsin Electric & Machinery Manufacturing Corp.	Associate
Taiyuan Fuchi Technology Co., Ltd.	Associate
Foxconn Industrial Internet Co., Ltd.	Associate
Jusda International Logistics (Taiwan) Co., Ltd.	Associate
Anpinda Precision Industry (Huizhou) Co., Ltd.	Associate
Everlasting Digital ESG Co., Ltd.	Associate
Macrotec Technology Corp.	Associate

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

Relationship	Relationship with the Consolidated Company
Premier Image Technology (China) Ltd.	Associate
E-Win Investment Corp.	Associate
Kunshan Fuchengke Precision Electronical Co.,Ltd.	Associate
Henan Fuchi Technology Co., Ltd.	Associate
Fortune International Corporation	Associate
Glory Technology Service Inc.	Associate
Sio International Holdings Limited Taiwan Branch (Cayman)	Associate
Hong Kong Ennopower Information Technology Co., Limited	Associate
Triple Win Technology (Jincheng) Co., Ltd.	Associate
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Associate
Shenzhen Fertile Plan International Logistics Co., Ltd.	Associate
Shenzhen Fu Rong Inclusive Finance Co., Ltd.	Associate
Shenzhen Hyper Power Information Technology Co., Ltd.	Associate
Shenzhen Asiatek Inc.	Associate (Note 1)
Shenzhen Futaihong Precision Industry Co., Ltd.	Associate
Shenzhen Fugui Precision Industrial Co., Ltd.	Associate
Fugion Material Technology (Shenzhen) Co., Ltd.	Associate
Foxconn Technology Group Ltd.	Associate
Foxconn Precision Electronics (Taiyuan) 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) Ltd.	Associate
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Associate
Fuding Electronic Technology (Jiashan) Co., Ltd.	Associate
Fulien Technology (Shanxi) Co., Ltd.	Associate
Fulien Technology (Zhoukou) Co., Ltd.	Associate
Fulien Technology (Wuhan) Co., Ltd.	Associate
Fulien Technology (Jiyuan) Co., Ltd.	Associate
Fulien Technology (Lankao) Co., Ltd.	Associate
Fulien Technology (Hebi) Co., Ltd.	Associate
Shenzhen Yuzhan Precision Technology Co.,Ltd.	Associate
Hengyang Yuzhan Precision Technology Co., Ltd.	Associate
Fulien Precision Electronics (Tianjin) Co., Ltd.	Associate
Fulien Precision Electronics (Zhengzhou) Co., Ltd.	Associate
Foxconn Global Network	Associate

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

Relationship	Relationship with the Consolidated Company
Altus Technology Inc.	Associate
Chiun Mai Communication Systems, Inc.	Associate
Refront Information Technology Corp.	Associate
Coiler Corporation	Associate
Arbor Technology Corporation	Associate
ARBOR Technology (Shenzheng) Co., Ltd.	Associate
Forward Science Corp.	Associate
Ennowell Co., Ltd.	Associate
Ur Materials (Shenzhen) Co., Ltd.	Associate
Probeleader Co., Ltd.	Associate
Scienbizip Consulting (Shen Zhen) Co., Ltd.	Associate
Hon Hai Precision Industry Co., Ltd.	Associate
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Associate
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Associate
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Associate
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Associate
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Associate
Hongtu Company Ltd.	Associate
HON LIN Technology Co., Ltd.	Associate
Ingrasys Technology Inc.	Associate
Lankao Yufu Precision Technology Co., Ltd.	Associate

Note 1: From March 2023 on, the related party relationship with Shenzhen Asiatek Inc. has been dissolved.

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

(2) Significant transactions with related parties

1. Operating revenue

The Consolidated Company has the following major sales with related parties:

<u>Accounts Item</u>	<u>Category of related party/Name</u>	<u>Three Months Ended March 31, 2024</u>	<u>Three Months Ended March 31, 2023</u>
Sales revenue	Associate:		
	Hon Hai Precision Industry Co., Ltd.	\$ 3,629	6,198
	Others	22,591	5,692
	Subtotal	26,220	11,890
Engineering service revenue	Associate:		
	Altus Technology Inc.	\$ 150,606	2,277
	Hon Hai Precision Industry Co., Ltd.	6,097	18,240
	Others	4,789	372
	Subtotal	161,492	20,889
	Total	<u>\$ 187,712</u>	<u>32,779</u>

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

2. Purchase and processing fees

The purchase amounts from related parties for the Consolidated Company are as follows:

<u>Category of related party/Name</u>	<u>Three Months Ended March 31, 2024</u>	<u>Three Months Ended March 31, 2023</u>
Associate:		
Foxconn Technology Group Ltd.	\$ 28,682	21,401
Foxconn Interconnect Technology Ltd.	6,782	4,187
ARBOR SOLUTION, INC.	19,768	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	4,255	5,309
Arbor Technology Corporation	16,943	449
Ingrasys Technology Inc.	31,402	2,977
Others	38,320	8,103
	<u>\$ 146,152</u>	<u>42,426</u>

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

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

monthly settlement.

3. Overdue receivables from related parties

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

Accounts Item	Category of related party/Name	2024.3.31	2023.12.31	2023.3.31
Accounts Receivable – Related Parties	Associates:			
	Hong Kong Ennopower Information Technology Co., Limited	\$ 14,150	13,578	45,348
	Shenzhen Asiatek Inc.	-	-	30,320
	Altus Technology Inc.	70,638	-	3,150
	Hon Hai Precision Industry Co., Ltd.	23,465	21,150	14,135
	Hongtu Company Ltd.	398	8,027	8,708
	Others	17,541	24,488	4,884
		<u>\$ 126,192</u>	<u>67,243</u>	<u>106,545</u>

Note: Including receivables from sub-contractors.

The outstanding receivables from related parties have not been secured. The allowance for doubtful accounts from related parties as of March 31, 2024, December 31, 2023 and March 31, 2023 was NT\$7,235 thousand, NT\$6,255 thousand and NT\$6,277 thousand, respectively.

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

4. Payables to related parties

Details of the amounts payable to related parties from the Consolidated Company are as follows:

<u>Accounts Item</u>	<u>Category of related party/Name</u>	<u>2024.3.31</u>	<u>2023.12.31</u>	<u>2023.3.31</u>
Accounts payable - related parties	Associates:			
	Macrotec Technology Corp.	\$ 5,840	12,073	7,180
	Foxconn Interconnect Technology Ltd.	4,074	15,010	1,051
	Shenzhen Asiatek Inc.	-	-	4,078
	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	-	-	4,449
	Arbor Technology Corporation	5,623	15,440	-
	Foxconn Technology Group Ltd.	9,773	12,062	4,730
	Ingrasys Technology Inc.	19,228	18,492	1,729
	Others	13,410	10,678	14,025
		<u>\$ 57,948</u>	<u>83,755</u>	<u>37,242</u>
notes payable – related parties	Associates:			
	Macrotec Technology Corp.	\$ 1,271	7,327	1,688
	Chung Hsin Electric & Machinery Manufacturing Corp.	3,454	4,008	4,196
	Others	-	-	1,991
		<u>\$ 4,725</u>	<u>11,335</u>	<u>7,875</u>

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

5. Endorsements/guarantees

<u>Category of related party/Name</u>	<u>Three Months Ended March 31, 2024</u>	<u>Three Months Ended March 31, 2023</u>
Dexatek Technology Ltd.	\$ -	160,000
Highaim Technology Inc.	-	548,100
HighAim Technology Inc.	-	45,675
Kontron AG and its Subsidiaries	5,253,005	7,716,948
Subsidiaries of Marketch	5,003,216	6,732,641
Ennoconn Huangary kft	1,120,000	1,522,500
	<u>\$ 11,376,221</u>	<u>16,725,864</u>

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

(3) Transactions with key management personnel

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Remuneration for major managers include:		
Short-term employee benefits	\$ 120,168	113,248
Post-employment benefits	451	294
	<u>\$ 120,619</u>	<u>113,542</u>

8. Assets pledged as security

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

Name of asset	Subject of pledge guarantee	2024.3.31	2023.12.31	2023.3.31
Pledged time deposits (financial assets measured at amortized cost)	Bank loans, customs guarantees, performance bonds and warranty bonds	\$ 17,434	21,669	18,698
Pledged demand deposits (listed under other financial assets)	Bank loans and performance guarantees	38,295	40,044	39,295
Accounts Receivable	Bank loans and performance guarantees	165,957	41,930	195,894
Inventories	Performance Guarantee	-	-	15,337
Land	Bank loan	466,341	465,438	465,608
Buildings - Net	Bank loan	962,390	719,713	615,969
Investment Property	Bank loan	50,369	49,650	50,864
Margin Deposit	Bid bond, performance bond and warranty bond	312,856	178,843	296,829
		<u>2,013,642</u>	<u>1,517,287</u>	<u>1,698,494</u>

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

9. Material contingent liabilities and unrecognized contractual commitments:

The unrecognized contractual commitments of the Consolidated Company are as follows:

	2024.3.31	2023.12.31	2023.3.31
Obtain Financial Assets Measured at Fair Value through Profit or Loss	\$ 29,672	32,200	107,838
Notes and letters of guarantee issued for engineering contract performance and customs duties guarantees	\$ 3,369,203	3,463,142	3,988,368
Contracted but not yet incurred capital expenditure	\$ 321,950	281,814	-

10. Losses due to major disasters: None.

11. Subsequent events:

Kontron Acquisition GmbH, a subsidiary of the Consolidated Company, launched a compulsory offer to the remaining shareholders of KATEK SE on April 15, 2024, in connection with the acquisition of KATEK SE. The offer price is either €15 in cash per KATEK SE share, or an exchange of 3 Kontron AG shares for every 4 KATEK SE shares, with a maximum of 2,800,000 KATEK SE shares to be exchanged. The offer period runs from today until May 13, 2024.

12. Others

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

By nature	By function	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
		Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits expenses							
Wages and salaries		2,280,464	1,636,747	3,917,211	1,722,453	1,256,495	2,978,948
Labor Insurance and National Health Insurance expenses		413,283	245,887	659,170	313,233	176,593	489,826
Pension costs		39,327	32,826	72,153	37,699	33,520	71,219
Other Employee Benefit Expenses		90,597	53,844	144,441	70,468	43,756	114,224
Depreciation Expense		418,094	192,408	610,502	282,136	128,563	410,699
Amortization expenses		114,341	169,341	283,682	83,353	143,209	226,562
Less: Operating costs and operating expenses of discontinued operations		-	-	-	(10,033)	(2,667)	(12,700)

- (2) Discontinuing operation

As stated in Note 6(6), Kontron AG resolved to dispose of part of its IT service business through a Board of Directors' resolution during 2022. Therefore, the consolidated statements of comprehensive income for previous periods have been restated to separately

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

present the discontinued operations and continuing operations.

Please refer to Note 6(23) for the amounts of income from continuing operations and discontinued operations attributable to owners of the parent.

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

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net Operating Revenue	\$ -	76,303
Operating Costs	-	(59,253)
Gross Profit	-	17,050
Operating Expenses	-	(15,731)
Total Non-Operating Income and Expenses	3,916	96
Pre-tax profit	3,916	1,415
Income Tax Expense	-	(1,220)
Annual profit	3,916	195
Disposition of profits for suspended businesses	-	-
Disposal of income tax benefits	-	-
Net profit of discontinued operations for the period	\$ 3,916	195

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
The interests of a terminated entity belong to:		
Owners of the Company	\$ 1,116	54
Non-Controlling Interests	2,800	141
	\$ 3,916	195

The cash flow information of the discontinued operation is as follows:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Cash Flows from Operating Activities	\$ -	27,850
Cash Flows from Investing Activities	(13,380)	2,427,375
Cash Flows from Financing Activities	-	(88)
Net Cash flows	\$ (13,380)	2,455,137

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

For the impact of the disposal of the IT service business on the financial condition of the Consolidated Company, please refer to Note 6(6).

13. Other disclosures

(1) information on significant transactions

According to the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Consolidated Company should disclose the following information related to material transactions for the three months ended March 31, 2024:

1. Loans to others: Please refer to Appendix 1.
 2. Endorsements and guarantees for others: Please refer to the attached Table 2.
 3. Circumstances of holding marketable securities at the end of the period (excluding investments in subsidiaries, affiliated companies, and equity of joint ventures): Please refer to Appendix 3.
 4. Acquisition or sale of the same security with the accumulated cost reaching NT\$300 million or 20% of paid-in capital or more: Please refer to Table 4.
 5. Acquisition of property reaching NT\$300 million or 20% of paid-in capital or more: None.
 6. Disposal of property reaching NT\$300 million or 20% of paid-in capital or more: None.
 7. For purchases or sales with related parties involving an amount of NT\$100 million or more, or 20% of the paid-in capital, please refer to Appendix 5.
 8. Receivables from related parties reaching NT\$100 million or 20% of the paid-in capital: Please refer to Appendix 6.
 9. Engagement in derivative transactions: None.
 10. The relationship between the parent and subsidiary companies and the details of important transactions: Please refer to Appendix 7.
- (2) Information regarding reinvested businesses (excluding investees in Mainland China): Please refer to Table 8.
- (3) Information on investments in mainland China: None.
1. Name, major businesses, and related information about investees in mainland China:

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

Please refer to Appendix 9-1.

2. Investment limit in mainland China: Please refer to Appendix 9-2.

3. Major transactions with investees in mainland China: None.

(4) Information on major shareholders:

Name of Major Shareholders	Shares	Number of shares held Increase (Decrease)	Shareholding ratio
Baoxin International Investments Ltd.		33,178,779	24.21%

14. Department information

The information provided to the chief operating decision maker for allocating resources and assessing segment performance is focused on the types of products delivered by the Consolidated Company. For the three months ended March 31, 2024 and 2023, the Consolidated Company was primarily engaged in manufacturing and selling data storage, processing equipment, industrial motherboards, network communications, and factory mechanical and electrical system services.

(1) Departmental Revenue and Operating Results

The income and operating results of the departments of the Consolidated Company should be reported as follows:

Three Months Ended March 31, 2024								
	Industrial Computer Software and Hardware Sales Department	Information System Department	Production and marketing of network communication Department	Plant and Mechatronics System Services Business Department	Other Departments	Adjustment and elimination	Discontinued Departments	Total
Revenue:								
Revenue from external customers	\$ 6,301,338	12,164,743	839,358	14,615,323	1,457,722	(2,661,470)	-	32,717,014
Total Income	<u>\$ 6,301,338</u>	<u>12,164,743</u>	<u>839,358</u>	<u>14,615,323</u>	<u>1,457,722</u>	<u>(2,661,470)</u>	<u>-</u>	<u>32,717,014</u>
Reportable departmental profits and losses	<u>\$ 808,756</u>	<u>645,816</u>	<u>81,567</u>	<u>607,775</u>	<u>631,122</u>	<u>(1,084,076)</u>	<u>(3,916)</u>	<u>1,687,044</u>
Three Months Ended March 31, 2023								
	Industrial Computer Software and Hardware Sales Department	Information System Department	Production and marketing of network communication Department	Plant and Mechatronics System Services Business Department	Other Departments	Adjustment and elimination	Discontinued Departments	Total
Revenue:								
Revenue from external customers	\$ 6,621,060	9,133,937	1,076,550	13,885,761	1,037,896	(3,187,591)	(76,303)	28,491,310
Total Income	<u>\$ 6,621,060</u>	<u>9,133,937</u>	<u>1,076,550</u>	<u>13,885,761</u>	<u>1,037,896</u>	<u>(3,187,591)</u>	<u>(76,303)</u>	<u>28,491,310</u>
Reportable departmental profits and losses	<u>\$ 576,994</u>	<u>660,590</u>	<u>127,135</u>	<u>618,474</u>	<u>241,640</u>	<u>(663,339)</u>	<u>(1,415)</u>	<u>1,560,079</u>

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

(2) Departmental assets and liabilities

The measurement amounts of assets/liabilities of the reportable departments of the Consolidated Company are not provided for operational decision making, hence the measurement amounts of assets/liabilities are not disclosed.

LOANS TO OTHERS:

March 31, 2024

Table 1

Unit: NT\$ thousand

No.	Company providing loan	Borrower	Account item	Whether or not they are related parties	Highest balance for this period	Ending Balance	Actual amount drawn down	Interest Rate Range	Nature for loan	Amount of business transactions	Reasons for the need for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limit	Maximum amount loanable
													Name	Value		
1	Caswell Inc.	Apligo GmbH	Other receivables due from related parties	Yes	25,600	25,600	25,600	2.45%	2	-	Operating turnover	-	None	-	326,777	653,553
2	KonTron AG	Kontron Romania S.R.L., Romania	Other receivables due from related parties	Yes	499,670	499,670	499,670	3.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Hungary Kft.	Other receivables due from related parties	Yes	241,220	241,220	51,690	3.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron electronics AG	Other receivables due from related parties	Yes	121,299	117,164	105,448	3.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron AIS GmbH	Other receivables due from related parties	Yes	92,353	92,352	57,893	2.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron electronics GmbH (DE)	Other receivables due from related parties	Yes	419,809	419,809	380,848	3.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Acquisition GmbH	Other receivables due from related parties	Yes	34,460	34,460	34,460	2.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Transportation GmbH	Other receivables due from related parties	Yes	733,998	733,998	733,233	1.50%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Europe GmbH	Other receivables due from related parties	Yes	344,600	344,600	344,600	1.50%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	S&T Medtech S.R.L.	Other receivables due from related parties	Yes	46,018	46,018	34,460	3.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron d.o.o. (former Iskratel d.o.o.)	Other receivables due from related parties	Yes	127,502	127,502	127,502	1.75%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Beteiligungs GmbH	Other receivables due from related parties	Yes	809,810	809,810	809,810	2.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Transportation Schweiz AG (formerly Comlab AG)	Other receivables due from related parties	Yes	68,920	68,920	68,920	1.50%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Bsquare Corporation	Other receivables due from related parties	Yes	270,445	269,094	269,094	2.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Modular Computers S.A.S.	Other receivables due from related parties	Yes	155,070	155,070	155,070	1.50%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Electronics Kft.	Other receivables due from related parties	Yes	3,101	3,101	1,551	3.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Kontron Austria GmbH	Other receivables due from related parties	Yes	167,993	137,840	133,533	1.50%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
2	KonTron AG	Iskra Technologies (former AO IskraUralTel (former to RTSoft, AO, Russia))	Other receivables due from related parties	Yes	100,771	97,996	97,996	0.00%	2	-	Operating turnover	-	None	-	2,130,941	8,523,764
3	Kontron Europe GmbH	Kontron Asia Pacific Design sdn. Bhd.	Other receivables due from related parties	Yes	139,176	139,176	139,176	1.20%	2	-	Operating turnover	-	None	-	554,885	2,219,540
4	Ennoconn Investment Co., Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Other receivables due from related parties	Yes	370,272	370,272	370,272	3.00%	2	-	Operating turnover	-	None	-	626,072	626,072

LOANS TO OTHERS:

March 31, 2024

Table 1

Unit: NT\$ thousand

No.	Company providing loan	Borrower	Account item	Whether or not they are related parties	Highest balance for this period	Ending Balance	Actual amount drawn down	Interest Rate Range	Nature for loan	Amount of business transactions	Reasons for the need for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limit	Maximum amount loanable
													Name	Value		
5	Nanjing Asiatek Inc.	Ennoconn (Foshan) Investment Holdings Co., Ltd.	Other receivables due from related parties	Yes	176,320	176,320	133,562	3.00%	2	-	Operating turnover	-	None	-	209,806	209,806
6	Marketch International Corp.	Marketch International Sdn. Bhd.	Other Receivables	Yes	24,564	-	-	0.00%	2	-	Operating turnover	-	None	-	4,685,312	4,685,312
6	Marketch International Corp.	Marketch International Corporation USA	Other Receivables	Yes	2,400,000	2,400,000	1,920,000	5.26%	2	-	Operating turnover	-	None	-	4,685,312	4,685,312
7	Mic-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Other Receivables	Yes	52,223	26,447	26,447	4.35%	2	-	Operating turnover	-	None	-	395,511	791,022
8	Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Other receivables due from related parties	Yes	75,000	75,000	75,000	2.20%	2	-	Operating turnover	-	None	-	1,047,570	4,190,281
9	MIC-Tech Viet Nam Co., Ltd.	Marketch Co., Ltd	Other Receivables	Yes	6,350	3,810	3,810	4.50%	2	-	Operating turnover	-	None	-	186,530	186,530
10	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Other receivables due from related parties	Yes	160,000	160,000	144,000	1.83%	1	531125	For working capital needs	-	None	-	166,210	166,210
11	Ennoconn Investment Holdings co., Ltd.	Ennoconn Hungary KFT	Other receivables due from related parties	Yes	416,000	416,000	-	0.00%	2	-	Operating turnover	-	None	-	1,392,477	5,569,907

Note 1: (1) The issuer fills in 0.

(2) The investee companies are numbered sequentially with Arabic numerals starting from 1 according to each company.

Note 2: Methods for filling in the nature of financing are as follows:

(1) Business transactions are filled in as 1.

(2) Short-term financing is filled in as 2.

Note 3: The limits for lending of funds approved by the Board of Directors.

Note 4: Does not include the acquisition price paid by Kontron Acquisition GmbH, which is 100% owned by Kontron AG, for the acquisition of the listed German electronics company KATEK SE.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
TO PROVIDE GUARANTEES AND ENDORSEMENTS FOR OTHERS

March 31, 2024

Table 2

Unit: NT\$ thousand

No.	Endorser/Guarantor	Endorsed/guarantee subject		Maximum endorsement / guarantee amount for an enterprise	Highest balance of endorsement /guarantee during the period	Ending balance of endorsement / guarantee	Actual amount drawn down	Amount of property pledged for endorsement /guarantee	Ratio of accumulated endorsement /guarantee amount to net worth on the latest financial statements	Maximum amount of endorsement /guarantee	Endorsement/guarantee provided by parent company to subsidiary	Endorsement /guarantee provided by subsidiary to parent company	Endorsement/ guarantee provided to China
		Company Name	Relationship										
0	Ennoconn Corporation	Ennoconn Huangary kft	2	33,864,795	1,120,000	1,120,000	632,221	-	4.96%	45,153,060	Y	N	N
1	KonTron AG	Kontron Bulgaria e.o.o.d.	2	10,159,439	32,565	32,565	-	-	0.15%	20,318,877	Y	N	N
1	KonTron AG	Kontron Services Romania SRL	2	10,159,439	458,703	312,597	212,282	-	1.47%	20,318,877	Y	N	N
1	KonTron AG	Kontron Hungary Kft.	2	10,159,439	632,296	440,361	41,041	-	2.07%	20,318,877	Y	N	N
1	KonTron AG	Kontron Europe GmbH	2	10,159,439	172,300	51,690	-	-	0.24%	20,318,877	Y	N	N
1	KonTron AG	diverse / Factoring DACH	2	10,159,439	654,740	258,450	-	-	1.21%	20,318,877	Y	N	N
1	KonTron AG	Kontron America Inc (Factoring)	2	10,159,439	650,557	637,499	-	-	2.99%	20,318,877	Y	N	N
1	KonTron AG	Kontron electronics GmbH	2	10,159,439	10,338	10,338	-	-	0.05%	20,318,877	Y	N	N
1	KonTron AG	Kontron Public Transportation	2	10,159,439	95,651	47,826	-	-	0.22%	20,318,877	Y	N	N
1	KonTron AG	Kontron Transportation GmbH	2	10,159,439	2,021,895	1,725,812	34,460	-	8.10%	20,318,877	Y	N	N
1	KonTron AG	Kontron AIS GmbH	2	10,159,439	27,568	1,723	-	-	0.01%	20,318,877	Y	N	N
1	KonTron AG	Kontron AG/ Kontron Transportation GmbH/Kontron Transportation s.r.o.	2	10,159,439	457,421	296,359	-	-	1.39%	20,318,877	Y	N	N
1	KonTron AG	Kontron Transportation France	2	10,159,439	8,615	8,615	-	-	0.04%	20,318,877	Y	N	N
1	KonTron AG	Kontron Austria GmbH	2	10,159,439	26,534	26,534	-	-	0.12%	20,318,877	Y	N	N
1	KonTron AG	RTSoft, AO	2	10,159,439	68,211	-	-	-	0.00%	20,318,877	Y	N	N
1	KonTron AG	Factoring Kontron Europe / Kontron Modular Computer S.A.S.	2	10,159,439	1,378,400	1,378,400	110,367	-	6.47%	20,318,877	Y	N	N
1	KonTron AG	Iskra Technologies JSC	2	10,159,439	24,922	24,236	-	-	0.11%	20,318,877	Y	N	N
		KonTron AG subtotal				5,253,005							
2	Marketch International Corp.	Mic-Tech Electronics Engineering Corp.	2	5,856,641	2,718,783	2,414,152	1,487,501	-	20.61%	11,713,281	Y	N	Y

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
TO PROVIDE GUARANTEES AND ENDORSEMENTS FOR OTHERS

March 31, 2024

Table 2

Unit: NT\$ thousand

No.	Endorser/Guarantor	Endorsed/guarantee subject		Maximum endorsement / guarantee amount for an enterprise	Highest balance of endorsement /guarantee during the period	Ending balance of endorsement / guarantee	Actual amount drawn down	Amount of property pledged for endorsement /guarantee	Ratio of accumulated endorsement /guarantee amount to net worth on the latest financial statements	Maximum amount of endorsement /guarantee	Endorsement/guarantee provided by parent company to subsidiary	Endorsement /guarantee provided by subsidiary to parent company	Endorsement/ guarantee provided to China
		Company Name	Relationship										
2	Marketch International Corp.	Marketch Integrated Pte. Ltd.	2	5,856,641	80,734	80,421	48,282	-	0.69%	11,713,281	Y	N	N
2	Marketch International Corp.	Mic-Tech (Shanghai) Corp.	2	5,856,641	576,474	424,158	110,451	-	3.62%	11,713,281	Y	N	Y
2	Marketch International Corp.	Mic-Tech (Wuxi) Co., Ltd.	2	5,856,641	316,439	316,439	201,204	-	2.70%	11,713,281	Y	N	Y
2	Marketch International Corp.	Marketch International Corporation USA	2	5,856,641	1,648,983	864,000	839,989	-	7.38%	11,713,281	Y	N	N
2	Marketch International Corp.	MIC-Tech Viet Nam Co., Ltd.	2	5,856,641	144,000	144,000	971	-	1.23%	11,713,281	Y	N	N
2	Marketch International Corp.	Marketch International Sdn. Bhd.	2	5,856,641	122,820	64,000	18,170	-	0.55%	11,713,281	Y	N	N
2	Marketch International Corp.	Ezoom Information, Inc.	2	5,856,641	70,000	70,000	8,706	-	0.60%	11,713,281	Y	N	N
2	Marketch International Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	2	5,856,641	32,580	31,725	31,725	-	0.27%	11,713,281	Y	N	Y
2	Marketch International Corp.	Te Chang Construction Co., Ltd.	5	5,856,641	47,671	25,817	25,817	-	0.22%	11,713,281	N	N	N
		Marketch International Corp.				4,434,712							
3	Mic-Tech Electronics Engineering Corp.	Marketch International Corp.	3	2,966,334	159,905	159,905	159,905	-	16.17%	4,943,890	N	Y	N
3	Mic-Tech Electronics Engineering Corp.	China Electronic Systems Engineering Second Construction Co., Ltd.	5	2,966,334	1,122	1,122	1,122	-	0.11%	4,943,890	N	N	Y
3	Mic-Tech Electronics Engineering Corp.	Mic-Tech (Shanghai) Corp.	4	2,966,334	101,640	101,640	101,640	-	10.28%	4,943,890	N	N	Y
						262,667							
4	Mic-Tech (Shanghai) Corp.	Mic-Tech Electronics Engineering Corp.	4	3,014,067	305,837	305,837	305,837	-	30.44%	5,023,445	N	N	Y

Note 1: The description of the number column is as follows:

(1) The issuer fills in 0.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
TO PROVIDE GUARANTEES AND ENDORSEMENTS FOR OTHERS

March 31, 2024

Table 2

Unit: NT\$ thousand

- (2) The invested companies are numbered sequentially with Arabic numerals starting from 1 according to each company. The same company should have the same number.

Note 2: The relationship between the endorser/guarantor and the endorsed/guaranteed entity is as follows:

- (1) Companies with business dealings.
- (2) Companies in which the company directly and indirectly holds more than 50% of the voting shares.
- (3) Companies in which the company directly and indirectly holds more than 50% of the voting shares.
- (4) Companies in which the company directly and indirectly holds 90% of the voting shares.
- (5) Companies that mutually endorse/guarantee each other's liabilities based on the needs of contracted projects or joint builders in accordance with contractual requirements.
- (6) Companies endorsed/guaranteed by all contributing shareholders in proportion to their shareholding due to a joint investment relationship.
- (7) Peer companies providing joint and several liability guarantees for pre-sale housing sales contracts in accordance with the Consumer Protection Act.

Note 3: The total amount of the company's accumulated external endorsements/guarantees shall not exceed 150% of the net value of the company's most recent financial statements.

Note 4: The limit of the company's endorsement/guarantee for a single enterprise shall not exceed 200% of the net value of the company's most recent financial statements.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
**HOLDING OF MARKETABLE SECURITIES AT THE END OF THE PERIOD (EXCLUDING EQUITY OF
SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES)**

March 31, 2024

Table 3

Unit: thousand shares / NT\$ thousand

Companies held	Type of marketable securities	Name of marketable securities	Relations with securities practitioners	Account Item	End of period				Remarks
					Number of shares/units	Carrying Amount	Shareholding %	Fair Value	
Ennoconn International Investment Co., Ltd.	Common stock	Q.P.T.I Corporation	None	Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-Current	726	-	17.08%	-	
"	Common stock	Augentix Technology Co., Ltd.	None	"	667	18,345	3.38%	18,345	
"	Common stock	Gold Rain Enterprises Co., Ltd.	None	"	5,000	315,000	8.29%	315,000	
Innovative Systems Integration Limited	Common stock	AIXlink Technology (Chengdu) Ltd.	None	"	3,798	-	8.79%	-	
Ais Cayman Technology	Common stock	Gemini Data Inc.	None	"	65,634	195,200	10.13%	195,200	
Vecow Co., Ltd.	Common stock	Array Networks Co., Ltd.	None	"	6,000	164,795	10.32%	164,795	
Goldtek Technology Co., Ltd.	Common stock	Augentix Technology Co., Ltd.	None	"	333	9,159	1.69%	9,159	
"	Common stock	IPEVO Technology Co., Ltd.	None	"	150	3,914	0.55%	3,914	
Techno Precision Co., Ltd.	Common stock	LINKA GROUP LTD.	None	"	143	-	7.98%	-	
Techno Precision (Shenzhen) Co., Ltd.	Common stock	T-lamma Tech Co.,Ltd.	Other related party	"	12,000	8,587	16.00%	8,587	
Keenest Electronic Corp.	Common stock	AIXlink Technology (Chengdu) Ltd.	None	"	-	257	6.00%	257	
Goldtek Technology (Shenzhen) Co., Ltd.	Common stock	Liuzhou Xinli Semiconductor Technology Co., Ltd.	None	"	-	8,819	5.00%	8,819	
Caswell Inc.	Common stock	Advanio Technology Co., Ltd.	None	"	1,045	-	19.00%	-	
"	Common stock	Altus Technology Inc.	None	"	1,600	40,000	10.65%	40,000	
Apligo GmbH	Common stock	Shares in Volksbank Karlsruhe	None	"	-	10	-	10	
Ennoconn (Suzhou) Technology Co., Ltd.	Common stock	Guoqi Zhiduan (Chengdu) Technology Co., Ltd.	None	"	-	132,516	6.98%	132,516	
"	Common stock	MAVIEX (Suzhou) Technology Co., Ltd.	None	"	-	32,687	10.00%	32,687	
KATEK Group	Common stock	Shares (TYDE, ZAMM)	None	"	-	62,844	-%	62,844	
						992,133		992,133	
Diverse	Common stock	Shares	None	Non-current financial assets measured at fair value through profit or loss	-	24,141	-%	24,141	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	Common stock	Shares	None	"	-	5,447	-%	5,447	
Hartmann Electronic GmbH	Common stock	Shares	None	Non-current financial assets measured at fair value through profit or loss	-	517	-%	517	
Marketch International Corp.	Common stock	Chung Hsin Electric & Machinery Manufacturing Corp.	None	"	290	52,055	0.06%	52,055	
"	Common stock	ProMOS Technologies Co., Ltd.	None	"	250	-	0.56%	-	

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
**HOLDING OF MARKETABLE SECURITIES AT THE END OF THE PERIOD (EXCLUDING EQUITY OF
SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES)**

March 31, 2024

Table 3

Unit: thousand shares / NT\$ thousand

Companies held	Type of marketable securities	Name of marketable securities	Relations with securities practitioners	Account Item	End of period				Remarks
					Number of shares/units	Carrying Amount	Shareholding %	Fair Value	
"	Common stock	TCIT Technology Co., Ltd.	None	"	1,700	-	12.15%	-	
"	Common stock	ADAT Technology Co., Ltd.	None	"	4,084	727,365	6.72%	727,365	
"	Common stock	Yubo Advanced Technology Co., Ltd.	None	"	189	-	12.61%	-	
"	Common stock	VEEV Interactive Pte. Ltd.	None	"	840	-	6.32%	-	
"	Common stock	Taifo Co., Ltd.	None	"	3,220	33,878	1.76%	33,878	
"	Common stock	Civil Tech Holdings Ltd	None	"	336	-	0.58%	-	
"	Common stock	Probeleader Co., Ltd.	Entities controlled by or under significant influence of key management personnel	"	966	22,500	3.25%	22,500	
"	Common stock	Hyield Venture Capital Co., Ltd.	None	"	772	8,704	1.79%	8,704	
"	Common stock	Innorich Venture Capital Co., Ltd.	None	"	1,000	4,665	1.87%	4,665	
"	Common stock	Mic Techno Co., Ltd.	None	"	380	3,420	2.24%	3,420	
"	Common stock	Long Time Technology Co., Ltd.	None	"	346	5,842	0.29%	5,842	
"	Common stock	Paradigm Venture Capital Co., Ltd.	None	"	77	1,008	3.50%	1,008	
"	Common stock	TCSC Co., Ltd.	None	"	1,859	95,945	1.35%	95,945	
"	Common stock	Atech Totalsolution Co., Ltd.	None	"	128	-	0.19%	-	
"	Common stock	East Wind Life Science Systems Co.,Ltd.	None	"	124	-	12.87%	-	
"	Common stock	ATS Environment Ecological Green Energy Co., Ltd.	None	"	311	-	13.51%	-	
"	Common stock	Foresight Energy Technologies Co., Ltd.	None	"	675	13,116	1.30%	13,116	
Marketch International Corp.	Common stock	Wings Global Technology Co., Ltd.	None	Non-current financial assets measured at fair value through profit or loss	750	7,396	18.75%	7,396	
"	Common stock	Kcashin Technology Co., Ltd.	None	"	643	564	16.56%	564	
"	Common stock	Sum Capital Healthcare Investment Corp.	Entities controlled by or under significant influence of key management personnel	"	943	9,380	7.44%	9,380	
"	Common stock	Forward Science Corp.	Entities controlled by or under significant influence of key management personnel	"	2,650	50,119	8.41%	50,119	
"	Common stock	Mycropore Co., Ltd.	None	"	1,471	10,379	8.44%	10,379	
"	Common stock	STEK Co., Ltd.	None	"	634	14,849	6.21%	14,849	
"	Common stock	Lucens Technology Co., Ltd.	Entities controlled by or under significant influence of key management personnel	"	1,333	13,832	6.66%	13,832	
"	Common stock	Everlasting Digital ESG Co., Ltd.	Entities controlled by or under significant influence of key management personnel	"	100	456	5.88%	456	

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
**HOLDING OF MARKETABLE SECURITIES AT THE END OF THE PERIOD (EXCLUDING EQUITY OF
SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES)**

March 31, 2024

Table 3

Unit: thousand shares / NT\$ thousand

Companies held	Type of marketable securities	Name of marketable securities	Relations with securities practitioners	Account Item	End of period				Remarks
					Number of shares/units	Carrying Amount	Shareholding %	Fair Value	
"	Common stock	Artfil, Inc.	None	"	-	22,600	9.33%	22,600	
"	Common stock	True-Win Technology Co., Ltd.	None	"	1,113	50,760	2.08%	50,760	
"	Common stock	Mega Union Technology Inc.	None	"	660	81,774	1.07%	81,774	
"	Common stock	Infinitesima Limited	None	"	3,667	62,524	5.24%	62,524	
"	Common stock	Brilliant Network & Automation Integrated System Co., Ltd.	None	"	150	20,325	0.43%	20,325	
"	Common stock	Wonder Energy Co., Ltd.	None	"	5,800	58,000	37.35%	58,000	
"	Common stock	NanoSeeX Inc.	None	"	30,000	30,000	18.11%	30,000	
"	Common stock	Asia Hydrogen Energy Corp.	None	"	375	15,000	2.56%	15,000	
Mic-Tech (Shanghai) Corp.	Common stock	Kore Semiconductor Co.,Ltd.	None	"	37,500	176,316	7.38%	176,316	
Marketech International Corp.	Common stock	Aerospace Industrial Development Corporation	None	Financial Assets Measured at Fair Value through Profit or Loss - Current	51	2,679	-%	2,679	
"	Common stock	Lasertec Corporation	None	"	20	176,814	-%	176,814	
						179,493		179,493	
Marketech International Corp.	Convertible bond	Nitride Solutions Inc.	None	Non-current financial assets measured at fair value through profit or loss	-	-	-%	-	
"	Convertible bond	Hallys Corporation	None	"	-	-	-%	-	
"	Convertible bond	Halio, Inc.(Originally named as Kinestral Technologies , Inc.)	None	"	-	-	-%	-	
					-	-		-	
Marketech International Corp.	Convertible notes	Adant Technologies Inc.	None	Non-current financial assets measured at fair value through profit or loss	-	4,450	-%	4,450	
						4,450		4,450	
Ennoconn International Investment Co., Ltd.	Preference share	Funp Co.Ltd	None	Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-Current	464	95,457	2.24%	95,457	
"	Preference share	Reed Semiconductor Corp.	None	"	250	31,957	0.42%	31,957	
Goldtek Technology Co., Ltd.	Preference share	Ember Technologies, Inc.	None	"	862	21,649	1.81%	21,649	
Hawkeye Tech Co., Ltd.	Preference share	Veea Inc	None	"	1,049	61,444	1.15%	61,444	
						210,507		210,507	
Marketech International Corp.	Preference share	Adant Technologies Inc.	None	Non-current financial assets measured at fair value through profit or loss	175	128	-%	128	

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
**HOLDING OF MARKETABLE SECURITIES AT THE END OF THE PERIOD (EXCLUDING EQUITY OF
SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES)**

March 31, 2024

Table 3

Unit: thousand shares / NT\$ thousand

Companies held	Type of marketable securities	Name of marketable securities	Relations with securities practitioners	Account Item	End of period				Remarks
					Number of shares/units	Carrying Amount	Shareholding %	Fair Value	
"	Preference share	Halio, Inc.(Originally named as Kinestral Technologies , Inc.)	None	"	502	-	-%	-	
"	Preference share	Biomedical Corporation	None	"	156	10,099	-%	10,099	
"	Preference share	Advanced Supply Chain & Logistics Management Ltd.	None	"	1,200	12,000	16.67%	12,000	
Ennoconn International Investment Co., Ltd.	Private equity fund	Cathay Private Equity Smart Technology Limited Partnership	None	Non-current financial assets measured at fair value through profit or loss	-	22,227		22,227	
						17,081	-%	17,081	
Caswell Inc.	Private equity fund	Phi 2 Capital Limited Partnership	None	"	-	51,941	-	51,941	
Marketech International Corp.	Private equity fund	Phi 2 Capital Limited Partnership	None	Non-current financial assets measured at fair value through profit or loss	-	25,565	-%	25,565	
"	Private equity fund	Vertex Growth(SG) LP	None	"	-	35,662	-%	35,662	
"	Private equity fund	Vertex Growth II(SG) LP	None	"	-	7,390	-%	7,390	
Goldtek Technology Co., Ltd.	Private equity fund	Phi 2 Capital Limited Partnership	None	"	-	244,297	-%	244,297	
"	Private equity fund	Fuyu Private Equity Limited Partnership	None	"	-	23,285	-%	23,285	
Ennoconn (Foshan) Investment Holdings Co., Ltd.	Private equity fund	Guangdong Hongtu Venture Capital Partnership Enterprise	None	Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-Current	-	405,221		405,221	
						220,860	11.11%	220,860	
"	Private equity fund	Foshan City Zhaoke Innovative Intelligent Industry Investment Fund Partnership Enterprise	None	"	-	283,173	18.57%	283,173	
						504,033		504,033	

Note 1: None of the above securities were provided as collateral, pledged, or restricted in use based on agreements as of March 31, 2024.

Note 2: Please refer to Table 8 and 9 for the relevant information of the investee subsidiaries.

Note 3: For those measured at fair value, the carrying amount is the book balance after fair value valuation adjustment and deduction of accumulated impairment; for those not measured at fair value, the carrying amount is the book balance of initial acquisition cost or post-sale cost after deduction of accumulated impairment.

Note 4: Refers to holding of preferred shares.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES REACHING NT\$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2024

Table 6

Unit: NT\$ thousand

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
ACQUISITION OR SALE OF THE SAME SECURITY WITH THE ACCUMULATED COST REACHING NT\$300 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

For the Three Months Ended March 31, 2024

Table 4

Unit: thousand shares / NT\$ thousand

Company Purchased or Sold	Type of marketable securities	Account Item	Counterparty	Relationship	Beginning of Period		Purchased		Sold				End of Period (Note)	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Selling price	Book Cost	Disposal gain or loss	Number of Shares	Amount
Kontron Acquisition GmbH	KATEK SE	Investments Accounted for Using Equity Method	KATEK SE	Subsidiary	-	-	14,446	4,438,692	-	-	-	-	14,446	4,438,692

Note: The Table is for investment-related transactions, which have all been fully eliminated when preparing the consolidated financial statements

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES REACHING NT\$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2024

Table 6

Unit: NT\$ thousand

Company with purchases (sales)	Counterparty	Relationship	Transaction details				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Remarks
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit period	Unit price	Credit period	Balances	Percentage of total notes/ accounts receivable (payable)	
American Industrial Systems Inc.	Ennoconn Corporation	Second-tier subsidiary to parent company	Purchases	267,560	0.60%	Net 90 days	-	No significant deviation	(273,622)	(1.20)%	
Highaim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	Sales:	(150,703)	(0.46)%	Month-end 150 days	-	No significant deviation	315,756	1.62%	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	Purchases	151,637	0.34%	Month-end 150 days	-	No significant deviation	(298,877)	(1.31)%	
Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent Company to second-tier subsidiary	Purchases	304,692	0.68%	Month-end 60 days	-	No significant deviation	(85,675)	(0.38)%	
Ennoconn Corporation	American Industrial Systems Inc.	Parent Company to second-tier subsidiary	Sales:	(267,560)	(0.82)%	Net 90 days by T/T	-	No significant deviation	273,622	1.40%	
Ennoconn Corporation	Ennoconn Hungary Kft.	Parent Company to second-tier subsidiary	Sales:	(44,101)	(0.13)%	Net 60 days by T/T	-	No significant deviation	29,921	0.15%	
Ennoconn Corporation	HighAim Technology Inc.	Parent Company to second-tier subsidiary	Purchases	17,678	0.04%	Invoice Date 90 days T/T	-	No significant deviation	(19,045)	(0.08)%	
Marketech International Corp.	Altus Technology Inc.	Second-Tier Subsidiary to associates	Sales:	(150,606)	(0.46)%	Payment by installment as agreed in the contract	-	No significant deviation	70,711	0.36%	
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Second-tier subsidiary to second-tier subsidiary	Sales:	(70,216)	(0.21)%	Invoice Date 45 days	-	No significant deviation	46,426	0.24%	
Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Purchases	112,188	0.25%	Month-end 60 days	-	No significant deviation	-	-%	

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES REACHING NT\$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2024

Table 6

Unit: NT\$ thousand

Company with purchases (sales)	Counterparty	Relationship	Transaction details				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Remarks
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit period	Unit price	Credit period	Balances	Percentage of total notes/ accounts receivable (payable)	
EnnoMech Precision Co., Ltd.	Victor Plus Holdings Ltd.	Second-tier subsidiary to second-tier subsidiary	Purchases	409,576	0.92%	Month-end 60 days	-	No significant deviation	(201,153)	(0.88)%	
EnnoMech Precision Co., Ltd.	Kontron Europe GmbH	Second-tier subsidiary to second-tier subsidiary	Sales:	(351,557)	(1.07)%	Month-end 120 days	-	No significant deviation	135,384	0.69%	
EnnoMech Precision Co., Ltd.	Kontron America Inc.	Second-tier subsidiary to second-tier subsidiary	Sales:	(43,402)	(0.13)%	Month-end 120 days	-	No significant deviation	27,766	0.14%	
EnnoMech Precision Co., Ltd.	Kontron Canada Inc.	Second-tier subsidiary to second-tier subsidiary	Sales:	(28,434)	(0.09)%	Month-end 120 days	-	No significant deviation	19,432	0.10%	
Ennoconn (Suzhou) Technology Co., Ltd.	Victor Plus Holdings Ltd.	Second-tier subsidiary to second-tier subsidiary	Sales:	(892,117)	(2.73)%	Month-end 30 days	-	No significant deviation	274,489	1.40%	
Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Second-tier subsidiary to second-tier subsidiary	Purchases	138,424	0.31%	Month-end 45 days	-	No significant deviation	(69,644)	(0.31)%	
Kontron Europe GmbH	Kontron America Inc.	Second-tier subsidiary to second-tier subsidiary	Sales:	254,791	0.78%	Month-end 30 days	-	No significant deviation	303,245	1.55%	
Kontron Austria GmbH	Kontron Europe GmbH	Second-tier subsidiary to second-tier subsidiary	Sales:	183,620	0.56%	Month-end 30 days	-	No significant deviation	52,924	0.27%	
Kontron Canada Inc.	Kontron America Inc.	Second-tier subsidiary to second-tier subsidiary	Sales:	142,829	0.44%	Month-end 30 days	-	No significant deviation	121,704	0.62%	

Note 1: The above transactions related to consolidated entities have been eliminated when preparing the consolidated financial statements.

Note 2: Payments are made in installments according to the contract.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES REACHING NT\$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2024

Table 6

Unit: NT\$ thousand

Company accounted for receivables	Name of counterparty	Relationship	Balance of accounts receivable from related parties	Turnover rate	Overdue receivables from related parties		Amount subsequently recovered from receivables from related parties	Provision Allowance for Impairment Loss
					Amount	Action taken		
Marketch International Corp.	Marketch International Corporation USA	Second-tier subsidiary to second-tier subsidiary	1,926,409		-	-	-	-
Ennoconn Corporation	American Industrial Systems Inc.	Parent Company to second-tier subsidiary	273,622		-	-	-	-
Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	115,672		-	-	-	-
Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	195,452	38.80%	-	-	-	-
Techno Precision (Shenzhen) Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	139,722	0.87%	-	-	-	-
Victor Plus Holdings Ltd.	EnnoMech Precision Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	201,153		-	-	-	-
Victor Plus Holdings Ltd.	Ennoconn Corporation	Second-tier subsidiary to parent company	145,123		-	-	-	-
Highaim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	315,756	83.40%	-	-	-	-
EnnoMech Precision Co., Ltd.	Kontron Europe GmbH	Second-tier subsidiary to second-tier subsidiary	135,384		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation Sp .z.o.o.	Second-tier subsidiary to second-tier subsidiary	123,480		-	-	-	-
Kontron Europe GmbH	Kontron America Inc.	Second-tier subsidiary to second-tier subsidiary	303,245		-	-	-	-
Kontron AG	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L.)	Second-tier subsidiary to second-tier subsidiary	523,991		-	-	-	-
Kontron AG	Kontron Europe GmbH	Second-tier subsidiary to second-tier subsidiary	2,129,317		-	-	-	-
Kontron AG	Kontron Austria GmbH	Second-tier subsidiary to second-tier subsidiary	142,815		-	-	-	-
Kontron AG	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	782,418		-	-	-	-

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES REACHING NT\$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2024

Table 6

Unit: NT\$ thousand

Company accounted for receivables	Name of counterparty	Relationship	Balance of accounts receivable from related parties	Turnover rate	Overdue receivables from related parties		Amount subsequently recovered from receivables from related parties	Provision Allowance for Impairment Loss
					Amount	Action taken		
Kontron Europe GmbH	Kontron Electronics GmbH	Second-tier subsidiary to second-tier subsidiary	570,333		-	-	-	-
Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	434,718		-	-	-	-
Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	Second-tier subsidiary to second-tier subsidiary	240,718		-	-	-	-
Kontron Europe GmbH	Kontron Asia Pacific Design Sdn. Bhd.	Second-tier subsidiary to second-tier subsidiary	172,042		-	-	-	-
Kontron AG	Kontron Modular Computers S.A.S.	Second-tier subsidiary to second-tier subsidiary	159,022		-	-	-	-
Kontron AG	Kontron Electronics GmbH	Second-tier subsidiary to second-tier subsidiary	387,927		-	-	-	-
Kontron AG	Kontron Beteiligungs GmbH	Second-tier subsidiary to second-tier subsidiary	3,765,042		-	-	-	-
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Second-tier subsidiary to second-tier subsidiary	821,144		-	-	-	-
Kontron Canada Inc.	Kontron America Inc.	Second-tier subsidiary to second-tier subsidiary	121,704		-	-	-	-
Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Second-tier subsidiary to second-tier subsidiary	356,016		-	-	-	-
Kontron AG	Kontron d.o.o. (formerly: Iskratel d.o.o.)	Second-tier subsidiary to second-tier subsidiary	161,027		-	-	-	-
Kontron Transportation s.r.o.	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	297,743		-	-	-	-
Kontron Transportation GmbH	Comlab AG	Second-tier subsidiary to second-tier subsidiary	442,643		-	-	-	-

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES REACHING NT\$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

March 31, 2024

Table 6

Unit: NT\$ thousand

Company accounted for receivables	Name of counterparty	Relationship	Balance of accounts receivable from related parties	Turnover rate	Overdue receivables from related parties		Amount subsequently recovered from receivables from related parties	Provision Allowance for Impairment Loss
					Amount	Action taken		
Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	230,927		-	-	-	-
Kontron AG	Kontron Electronics AG	Second-tier subsidiary to second-tier subsidiary	107,105		-	-	-	-
Kontron AG	Bsquare Corporation	Second-tier subsidiary to second-tier subsidiary	273,111		-	-	-	-
Kontron Asia Inc. KATEK Group (KATEK Mauerstetten)		Second-tier subsidiary to second-tier subsidiary	147,112		-	-	-	-
Kontron AG	KATEK Group (KATEK SE)	Second-tier subsidiary to second-tier subsidiary	2,930,963		-	-	-	-
Kontron AG	KATEK Group (KATEK Akquisition GmbH)	Second-tier subsidiary to second-tier subsidiary	3,107,928		-	-	-	-
Kontron d.o.o. (formerly: Iskratel d.o.o.)	IskraCom	Second-tier subsidiary to second-tier subsidiary	148,678		-	-	-	-

Note 1: The above transactions related to consolidated entities have been eliminated when preparing the consolidated financial statements.

Note 2: Not applicable as they are other receivables arising from loans to related parties.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
0	Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent Company to second-tier subsidiary	purchase cost	304,692	Common Transaction Terms	0.93%
0	Ennoconn Corporation	Victor Plus Holdings Ltd.	Parent Company to second-tier subsidiary	Accounts payable - related parties	85,675	Common Transaction Terms	0.06%
0	Ennoconn Corporation	American Industrial Systems Inc.	Parent Company to second-tier subsidiary	Sales revenue	267,560	Common Transaction Terms	0.19%
0	Ennoconn Corporation	American Industrial Systems Inc.	Parent Company to second-tier subsidiary	Accounts Receivable – Related Parties	273,622	Common Transaction Terms	0.19%
0	Ennoconn Corporation	Ennoconn Hungary Kft.	Parent Company to second-tier subsidiary	Sales revenue	44,101	Common Transaction Terms	0.03%
0	Ennoconn Corporation	Ennoconn Hungary Kft.	Parent Company to second-tier subsidiary	Accounts Receivable – Related Parties	29,921	Common Transaction Terms	0.02%
0	Ennoconn Corporation	HighAim Technology Inc.	Parent Company to second-tier subsidiary	purchase cost	17,678	Common Transaction Terms	0.05%
0	Ennoconn Corporation	HighAim Technology Inc.	Parent Company to second-tier subsidiary	Accounts payable - related parties	19,045	Common Transaction Terms	0.01%
1	Marketch International Corp.	Mic-Tech Electronics Engineering Corp.	Second-tier subsidiary to second-tier subsidiary	Other Receivables	9,601	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.01%
1	Marketch International Corp.	Mic-Tech Electronics Engineering Corp.	Second-tier subsidiary to second-tier subsidiary	Non-Operating Revenue	9,601	Depending on the transaction contract	0.03%
1	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	11,218	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.01%
1	Marketch International Corp.	Marketch Integrated Pte. Ltd.	Second-tier subsidiary to second-tier subsidiary	Sales Contract Revenue	9,314	The transaction prices and payment terms for the sale of goods are not materially different from those with non- related parties	0.03%
1	Marketch International Corp.	Ezoom Information, Inc.	Second-tier subsidiary to second-tier subsidiary	Prepayments to suppliers	18,000	Depending on the transaction contract	0.01%
1	Marketch International Corp.	Marketch International Corporation USA	Second-tier subsidiary to second-tier subsidiary	Other Receivables	1,926,409	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	1.34%
1	Marketch International Corp.	Marketch International Corporation USA	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	42,075	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.03%

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
1	Marketch International Corp.	Marketch International Corporation USA	Second-tier subsidiary to second-tier subsidiary	Construction Contract Revenue	40,379	The Group handles engineering fees for related parties and non-related parties in accordance with general engineering contract or individual agreement terms. Additionally, the Group's payment terms for related parties are not significantly different from those for general customers, depending on the engineering contract or individual agreement, which is typically 2 to 3 months after project acceptance.	0.12%
1	Marketch International Corp.	Marketch International Corporation USA	Second-tier subsidiary to second-tier subsidiary	Non-Operating Revenue	8,273	Depending on the transaction contract	0.03%
1	Marketch International Corp.	Marketch Netherlands B.V.	Second-tier subsidiary to second-tier subsidiary	Prepayments to suppliers	9,535	Depending on the transaction contract	0.01%
1	Marketch International Corp.	Spiro Technology Systems Inc.	Second-tier subsidiary to second-tier subsidiary	Prepayments to suppliers	21,320	Depending on the transaction contract	0.01%
2	Ezoom Information, Inc.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	14,757	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.01%
2	Ezoom Information, Inc.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Notes Receivable	18,951	Depending on the transaction contract	0.01%
2	Ezoom Information, Inc.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Service Contract Revenue	12,749	Service and sales refers to agreed profits from sales between related parties.	0.04%
2	Ezoom Information, Inc.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Construction Contract Revenue	69,684	The Group handles engineering fees for related parties and non-related parties in accordance with general engineering contract or individual agreement terms. Additionally, the Group's payment terms for related parties are not significantly different from those for general customers, depending on the engineering contract or individual agreement, which is typically 2 to 3 months after project acceptance.	0.21%
3	MIC-Tech Global Corp.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Sales Contract Revenue	39,798	The transaction prices and payment terms for the sale of goods are not materially different from those with non-related parties	0.12%

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
3	MIC-Tech Global Corp.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	12,947	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.01%
4	Spiro Technology Systems Inc.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	9,534	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.01%
4	Spiro Technology Systems Inc.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Sales Contract Revenue	8,263	The transaction prices and payment terms for the sale of goods are not materially different from those with non- related parties	0.03%
5	Marketch Netherlands B.V.	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Sales Contract Revenue	5,019	The transaction prices and payment terms for the sale of goods are not materially different from those with non- related parties	0.02%
6	Vertex Corporation	Marketch International Corp.	Second-tier subsidiary to second-tier subsidiary	Construction Contract Revenue	8,951	The Group handles engineering fees for related parties and non-related parties in accordance with general engineering contract or individual agreement terms. Additionally, the Group's payment terms for related parties are not significantly different from those for general customers, depending on the engineering contract or individual agreement, which is typically 2 to 3 months after project acceptance.	0.03%
7	Mic-Tech Electronics Engineering Corp.	Shanghai Maohua Electronics Engineering Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Other Receivables	26,447	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.02%
8	Shanghai Maohua Electronics Engineering Co., Ltd.	Mic-Tech Electronics Engineering Corp.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	24,381	Depending on the contract or individual agreement terms, payment is typically received within 2-3 months after the transaction is confirmed.	0.02%
8	Shanghai Maohua Electronics Engineering Co., Ltd.	Mic-Tech Electronics Engineering Corp.	Second-tier subsidiary to second-tier subsidiary	Construction Contract Revenue	25,824	The Group handles engineering fees for related parties and non-related parties in accordance with general engineering contract or individual agreement terms. Additionally, the Group's payment terms	0.08%

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
9	Mic-Tech (Wuxi) Co., Ltd.	MIC Industrial Viet Nam Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Sales Contract Revenue	5,201	for related parties are not significantly different from those for general customers, depending on the engineering contract or individual agreement, which is typically 2 to 3 months after project acceptance. The transaction prices and payment terms for the sale of goods are not materially different from those with non-related parties	0.02%
10	Caswell Inc.	CASO, inc.	Subsidiaries Company to second-tier subsidiary	Sales revenue	57,155	In accordance with general conditions	0.04%
10	Caswell Inc.	CASO, inc.	Subsidiaries Company to second-tier subsidiary	Accounts Receivable	26,344	In accordance with general conditions	0.02%
10	Caswell Inc.	Caswell Americas Inc.	Subsidiaries Company to second-tier subsidiary	Sales revenue	12,304	In accordance with general conditions	0.01%
10	Caswell Inc.	Caswell Americas Inc.	Subsidiaries Company to second-tier subsidiary	Accounts Receivable	16,948	In accordance with general conditions	0.01%
11	Goldtek Technology Co., Ltd.	Techno Precision Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	purchase cost	3,256	Common Transaction Terms	0.01%
11	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	115,672	Common Transaction Terms	0.08%
11	Goldtek Technology Co., Ltd.	Goldtek Technology (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	purchase cost	23,932	Common Transaction Terms	0.07%
11	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	46,426	Common Transaction Terms	0.03%
11	Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Second-tier subsidiary to second-tier subsidiary	Sales revenue	70,216	Common Transaction Terms	0.21%
12	Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable	195,452	Common Transaction Terms	0.14%
12	Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Sales revenue	19,116	Common Transaction Terms	0.06%
12	Techno Precision Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	purchase cost	112,188	Common Transaction Terms	0.34%
12	Techno Precision Co., Ltd.	Tairoun Products Co., Ltd. (Thailand)	Second-tier subsidiary to second-tier subsidiary	Accounts Payable	7,710	Common Transaction Terms	0.01%
12	Techno Precision Co., Ltd.	Tairoun Products Co., Ltd. (Thailand)	Second-tier subsidiary to second-tier subsidiary	purchase cost	6,713	Common Transaction Terms	0.02%
13	T-Paragon Die Casting Co., Ltd.	Techno Precision (Shenzhen) Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts Payable	139,722	Common Transaction Terms	0.10%

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
14	HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	298,877	Common Transaction Terms	0.21%
14	HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	purchase cost	151,637	Common Transaction Terms	0.46%
14	HighAim Technology Inc.	Funology Investment Inc.	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	36,417	Common Transaction Terms	0.03%
14	HighAim Technology Inc.	Funology Investment Inc.	Second-tier subsidiary to second-tier subsidiary	purchase cost	23,233	Common Transaction Terms	0.07%
15	Highaim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable – Related Parties	315,756	Common Transaction Terms	0.22%
15	Highaim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Second-tier subsidiary to second-tier subsidiary	Sales revenue	150,703	Common Transaction Terms	0.46%
16	Highaim Technology Inc.	Funology Investment Inc.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable – Related Parties	32,136	Common Transaction Terms	0.02%
16	Highaim Technology Inc.	Funology Investment Inc.	Second-tier subsidiary to second-tier subsidiary	Sales revenue	23,041	Common Transaction Terms	0.07%
17	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable – Related Parties	66,263	Common Transaction Terms	0.05%
17	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	274,489	Common Transaction Terms	0.19%
17	Victor Plus Holdings Ltd.	Ennoconn (Suzhou) Technology Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	purchase cost	892,117	Common Transaction Terms	2.73%
17	Victor Plus Holdings Ltd.	EnnoMech Precision Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable – Related Parties	202,063	Common Transaction Terms	0.14%
17	Victor Plus Holdings Ltd.	EnnoMech Precision Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Sales revenue	417,425	Common Transaction Terms	1.28%
18	Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Subsidiaries Company to second-tier subsidiary	other receivables – related parties	75,054	Common Transaction Terms	0.05%
19	Ennoconn (Suzhou) Technology Co., Ltd.	HighAim Technology Inc.	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	35,722	Common Transaction Terms	0.02%
19	Ennoconn (Suzhou) Technology Co., Ltd.	HighAim Technology Inc.	Second-tier subsidiary to second-tier subsidiary	purchase cost	35,477	Common Transaction Terms	0.11%
19	Ennoconn (Suzhou) Technology Co., Ltd.	Highaim Technology Inc.	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	8,373	Common Transaction Terms	0.01%
19	Ennoconn (Suzhou) Technology Co., Ltd.	Highaim Technology Inc.	Second-tier subsidiary to second-tier subsidiary	purchase cost	14,294	Common Transaction Terms	0.04%
19	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	69,644	Common Transaction Terms	0.05%
19	Ennoconn (Suzhou) Technology Co., Ltd.	Kontron Asia Technology Inc.	Second-tier subsidiary to second-tier subsidiary	purchase cost	138,424	Common Transaction Terms	0.42%

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
20	Kontron AG	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L.)	Second-tier subsidiary to	other receivables –	518,159	Common Transaction Terms	0.36%
20	Kontron AG	Kontron Europe GmbH	second-tier subsidiary to	related parties			
20	Kontron AG	Kontron Austria GmbH	Second-tier subsidiary to	other receivables –	1,511,945	Common Transaction Terms	1.05%
20	Kontron AG	Kontron Transportation GmbH	second-tier subsidiary to	related parties			
20	Kontron AG	Kontron Modular Computers S.A.S.	Second-tier subsidiary to	other receivables –	142,806	Common Transaction Terms	0.10%
20	Kontron AG	Kontron Electronics GmbH	second-tier subsidiary to	related parties			
20	Kontron AG	Kontron Beteiligungs GmbH	Second-tier subsidiary to	other receivables –	782,246	Common Transaction Terms	0.54%
20	Kontron AG	Kontron d.o.o. (formerly: Iskratel d.o.o.)	second-tier subsidiary to	related parties			
20	Kontron AG	Kontron Electronics AG	Second-tier subsidiary to	other receivables –	159,022	Common Transaction Terms	0.11%
20	Kontron AG	Bsquare Corporation	second-tier subsidiary to	related parties			
20	Kontron AG	KATEK Group (KATEK SE)	Second-tier subsidiary to	other receivables –	387,927	Common Transaction Terms	0.27%
20	Kontron AG	KATEK Group (KATEK Akquisition GmbH)	second-tier subsidiary to	related parties			
21	Kontron Asia Technology Inc.	Ennoconn (Suzhou) Technology Co., Ltd.	Second-tier subsidiary to	other receivables –	3,765,042	Common Transaction Terms	2.62%
21	Kontron Asia Technology Inc.	KATEK Group (KATEK Mauerstetten)	second-tier subsidiary to	related parties			
22	Kontron Austria GmbH	Kontron Europe GmbH	Second-tier subsidiary to	other receivables –	160,242	Common Transaction Terms	0.11%
23	Kontron Beteiligungs GmbH	Kontron Europe GmbH	second-tier subsidiary to	related parties			
24	Kontron Canada Inc.	Kontron America Inc.	Second-tier subsidiary to	other receivables –	107,105	Common Transaction Terms	0.07%
25	Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	second-tier subsidiary to	related parties			
25	Kontron d.o.o. (formerly: Iskratel d.o.o.)	IskraCom	Second-tier subsidiary to	other receivables –	273,111	Common Transaction Terms	0.19%
26	Kontron Europe GmbH	Kontron America Inc.	second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	2,930,963	Common Transaction Terms	2.04%
			Second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	3,107,928	Common Transaction Terms	2.16%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	138,472	Common Transaction Terms	0.42%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	147,112	Common Transaction Terms	0.10%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	183,620	Common Transaction Terms	0.56%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	821,144	Common Transaction Terms	0.57%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	142,829	Common Transaction Terms	0.44%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	240,704	Common Transaction Terms	0.17%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	148,678	Common Transaction Terms	0.10%
			second-tier subsidiary to	related parties			
			Second-tier subsidiary to	other receivables –	254,791	Common Transaction Terms	0.78%
			second-tier subsidiary to	related parties			

ENNOCONN CORPORATION AND ITS SUBSIDIARIES

SIGNIFICANT INTERCOMPANY TRANSACTIONS THAT HAVE BEEN ELIMINATED

For the Three Months Ended March 31, 2024

Table 7

Unit: NT\$ thousand

No. (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty (Note 2)	Transaction details			
				Item	Amount	Transaction terms	Percentage of consolidated total operating revenue or total assets (Note 3)
26	Kontron Europe GmbH	Kontron America Inc.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable – Related Parties	287,589	Common Transaction Terms	0.20%
26	Kontron Europe GmbH	Kontron Asia Pacific Design Sdn. Bhd.	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	171,979	Common Transaction Terms	0.12%
26	Kontron Europe GmbH	Kontron Electronics GmbH	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	568,019	Common Transaction Terms	0.39%
26	Kontron Europe GmbH	EnnoMech Precision Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	Accounts payable - related parties	393,095	Common Transaction Terms	0.27%
26	Kontron Europe GmbH	EnnoMech Precision Co., Ltd.	Second-tier subsidiary to second-tier subsidiary	purchase cost	358,051	Common Transaction Terms	1.09%
27	Kontron Transportation Deutschland GmbH	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	420,152	Common Transaction Terms	0.29%
28	Kontron Transportation GmbH	Kontron Transportation Sp .z.o.o.	Second-tier subsidiary to second-tier subsidiary	Accounts Receivable – Related Parties	123,479	Common Transaction Terms	0.09%
28	Kontron Transportation GmbH	Kontron Transportation Espana, S.L.U.	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	353,055	Common Transaction Terms	0.25%
28	Kontron Transportation GmbH	Comlab AG	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	442,643	Common Transaction Terms	0.31%
29	Kontron Transportation s.r.o.	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	191,802	Common Transaction Terms	0.13%
30	Kontron Transportation UK Ltd.	Kontron Transportation GmbH	Second-tier subsidiary to second-tier subsidiary	other receivables – related parties	166,587	Common Transaction Terms	0.12%

Note 1: Business transactions between the parent company and its subsidiaries should be noted separately in the number column. The numbering method is as follows:

(1) The parent company fills 0.

(2) Subsidiaries are numbered sequentially starting from Arabic numeral 1 according to the company.

Note 2: The calculation of the ratio of transaction amount to consolidated total revenue or total assets: If it is an asset or liability item, the ratio is calculated by dividing the ending balance by the consolidated total assets. If it is a profit or loss item, the ratio is calculated by dividing the cumulative amount during the period by the consolidated total revenue.

Note 3: Important transactions in this table refer to those that reach 0.01% of the consolidated total revenue or total assets.

RE-INVESTMENT INFORMATION (EXCLUDING INVESTEEES IN MAINLAND CHINA):

March 31, 2024

Table 8

Unit: NT\$ thousand

Name of Investor	Name of Investor	Location	Main business activities	Original investment amount		Amount held at the end of the period			Highest shareholding ratio during the period	Net income (loss) of the investee company for the period	Investment income (loss) recognized for the period	Remarks
				Ending balance of the period	Last year end	Number of Shares	Ratio (%)	Carrying Amount				
Ennoconn Corporation	Innovative Systems Integration Limited	Hong Kong	Professional investment	1,952,933	1,952,933	518,216,530	100.00%	2,122,676	518,216,530	13,329	13,329	
Ennoconn Corporation	Ennoconn International Investment Co., Ltd.	Taiwan	Professional investment	8,010,000	8,010,000	820,635,000	100.00%	10,468,673	820,635,000	245,123	245,123	
Ennoconn Corporation	Caswell Inc.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	1,031,800	1,031,800	20,000,000	27.27%	1,096,457	20,000,000	66,335	13,340	
Ennoconn Corporation	Ennoconn Investment Holdings Co., Ltd.	Samoa	Professional investment	9,588,707	9,588,707	309,510,000	100.00%	13,728,202	309,510,000	202,051	202,051	
Ennoconn Corporation	AIS Cayman Technology	Cayman Islands	Professional investment	230,586	230,586	4,028,217	37.64%	561,647	4,028,217	72,619	27,334	
Innovative Systems Integration Limited	ENGA Technology Co., Ltd.	Hong Kong	Wholesale, manufacturing, service, import and export of software and hardware related to industrial computers and industrial control systems	-	-	3,500,000	100.00%	7	3,500,000	-	-	
Innovative Systems Integration Limited	Victor Plus Holdings Ltd.	Seychelles	Import and export trading	-	-	500,000	100.00%	1,058	500,000	(2,617)	(2,617)	
Ennoconn Investment Holdings Co., Ltd.	AIS Cayman Technology Group	Cayman Islands	Professional investment	305,072	305,072	6,672,469	62.36%	974,523	6,672,469	72,619	45,285	
Ennoconn Investment Holdings Co., Ltd.	Kontron AG	Austria	Information system software and hardware integration service	5,680,690	5,680,690	16,835,008	26.67%	9,683,793	16,835,008	556,699	130,658	
Ennoconn Investment Holdings Co., Ltd.	Ennoconn Hungary KFT	Hungary	Manufacturing and marketing of industrial computers	2,560,000	2,560,000	300,000	100.00%	2,690,927	300,000	20,907	20,907	
AIS Cayman Technology Group	American Industrial Systems Inc.	USA	Human-machine interface, industry 4.0, and other related products	48,000	48,000	1,500,000	100.00%	596,981	1,500,000	34,792	34,792	

RE-INVESTMENT INFORMATION (EXCLUDING INVESTEEES IN MAINLAND CHINA):

March 31, 2024

Table 8

Unit: NT\$ thousand

Name of Investor	Name of Investor	Location	Main business activities	Original investment amount		Amount held at the end of the period			Highest shareholding ratio during the period	Net income (loss) of the investee company for the period	Investment income (loss) recognized for the period	Remarks
				Ending balance of the period	Last year end	Number of Shares	Ratio (%)	Carrying Amount				
AIS Cayman Technology Group	Vecow Co., Ltd.	Taiwan	Communication machinery and equipment, electronic equipment, and electronic devices	52,180	52,180	5,000,000	100.00%	670,118	5,000,000	38,039	38,039	
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%	967,407	17,022,831	32,063	18,194	
Ennoconn International Investment Co., Ltd.	Caswell Inc.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	149,500	149,500	3,250,000	4.43%	147,077	3,250,000	66,335	2,167	
Ennoconn International Investment Co., Ltd.	EnnoMech Precision (Cayman) Co., Ltd.	Cayman Islands	Professional investment	423,798	423,798	13,800,000	100.00%	771,039	13,800,000	18,664	18,664	
Ennoconn International Investment Co., Ltd.	ENNOWYSE CORPORATION	Taiwan	Research, design and sales of mobile payment, electronic signature, and information security products	95,029	95,029	10,400,000	100.00%	(61,904)	10,400,000	(5,540)	(5,842)	
Ennoconn International Investment Co., Ltd.	Thecus Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	102,000	102,000	10,200,000	60.00%	(29,017)	10,200,000	(9,033)	(5,665)	
Ennoconn International Investment Co., Ltd.	Dexatek Technology Ltd.	Taiwan	Multimedia product R&D and design and manufacturing business	236,862	236,862	12,600,000	56.00%	402,393	12,600,000	44,464	23,099	

RE-INVESTMENT INFORMATION (EXCLUDING INVESTEEES IN MAINLAND CHINA):

March 31, 2024

Table 8

Unit: NT\$ thousand

Name of Investor	Name of Investor	Location	Main business activities	Original investment amount		Amount held at the end of the period			Highest shareholding ratio during the period	Net income (loss) of the investee company for the period	Investment income (loss) recognized for the period	Remarks
				Ending balance of the period	Last year end	Number of Shares	Ratio (%)	Carrying Amount				
Ennoconn International Investment Co., Ltd.	Kontron AG (former S&T AG)	Austria	Information system software and hardware integration service	255,615	255,615	750,000	1.19%	505,253	750,000	556,699	5,830	
	Marketch International Corp.	Taiwan	Planning integration services for hightech industrial plants and process systems.	4,924,648	4,924,648	83,468,613	41.50%	7,077,747	83,468,613	487,576	197,354	
	POSLAB TECHNOLOGY CORPORATION	Taiwan	Manufacturing, wholesale and sales of electronic and peripheral equipment	132,317	132,317	9,100,000	70.00%	106,895	9,100,000	1,392	974	
	Rigo Global Co., Ltd.	Taiwan	Manufacturing, wholesale and sales of electronic and peripheral equipment	32,000	32,000	1,066,667	26.23%	27,762	1,066,667	(3,098)	(813)	
	Renown Information Technology Corp.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	29,600	29,600	2,960,000	36.95%	21,321	2,960,000	(2,060)	(761)	
	Arbor Technology Corporation	Taiwan	Development, assembly, integration, processing, and manufacturing of industrial computer control board interface cards	296,000	296,000	16,000,000	16.76%	328,281	16,000,000	17,802	2,984	
	Ennowell Co., Ltd.	Taiwan	Intelligent building system integration, energy management services, cloud services	9,000	9,000	1,350,000	30.00%	22,779	1,350,000	(13,051)	(3,915)	
	EnnoRise Corporation	Taiwan	Other power generation, transmission and distribution machinery manufacturing	60,000	60,000	6,000,000	60.00%	49,043	6,000,000	(9,238)	(5,543)	

RE-INVESTMENT INFORMATION (EXCLUDING INVESTEEES IN MAINLAND CHINA):

March 31, 2024

Table 8

Unit: NT\$ thousand

Name of Investor	Name of Investor	Location	Main business activities	Original investment amount		Amount held at the end of the period			Highest shareholding ratio during the period	Net income (loss) of the investee company for the period	Investment income (loss) recognized for the period	Remarks
				Ending balance of the period	Last year end	Number of Shares	Ratio (%)	Carrying Amount				
Ennoconn International Investment Co., Ltd.	ENNOCONN VIETNAM COMPANY LIMITED	Vietnam	General Trade Company	2,495	-	-	100.00%	2,130	-	(272)	(272)	
EnnoMech Precision (Cayman) Co., Ltd.	HighAim Technology Inc.	Samoa	Professional investment	346,984	346,984	3,382,618	67.65%	472,844	3,382,618	13,996	9,468	
EnnoMech Precision (Cayman) Co., Ltd.	EnnoMech Precision Co., Ltd.	Taiwan	Electronic components, computer and peripheral equipment manufacturing, electronic material wholesale, and information software services	12,677	12,677	1,000,000	100.00%	91,685	1,000,000	7,115	7,115	
HighAim Technology Inc.	Funology Investment Inc.	Samoa	Cloud mechanical components	32	32	1,000	100.00%	17,928	1,000	330	330	
HighAim Technology Inc.	ANDRIX INTERNATIONAL LIMITED	Angola	Cloud mechanical components	29	29	900	100.00%	26,973	900	1,173	1,173	
Caswell Inc.	CASO, Inc.	Japan	Import and sales of network equipment and computer peripheral products.	27,062	27,062	1,881	99.00%	122,191	1,881	6,648	6,582	
Caswell Inc.	Caswell International investment Co., Ltd.	Samoa	Overseas Investment	101,135	101,135	3,205,760	100.00%	160,275	3,205,760	(8,890)	(8,890)	
Caswell Inc.	Caswell Americas, Inc	USA	Sales of Netcom Products	92,460	92,460	3,000,000	100.00%	76,920	3,000,000	(2,409)	(2,409)	
Caswell Inc.	Hawkeye Tech Co., Ltd.	Taiwan	Design and manufacturing of computers, networks and computing devices	602,041	602,041	9,096,667	60.64%	518,851	9,096,667	6,802	3,259	
Caswell Inc.	APLIGO GmbH	Germany	Hub and SI Service	60,275	60,275	24,000	66.67%	38,571	24,000	(7,745)	(5,225)	
Goldtek Technology Co., Ltd.	Keenest Electronic Corp.	Samoa	Professional investment	768,000	768,000	24,000,000	100.00%	179,636	24,000,000	(20,022)	(20,022)	
Keenest Electronic Corp.	Techno Precision Co., Ltd.	Hong Kong	Metal Stamping and Casting Industry	326,797	326,797	7,500,000	40.30%	193,386	7,500,000	13,385	5,345	

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Techno Precision Co., Ltd.	T-Paragon Die Casting Co., Ltd.	Hong Kong	Finance/Logistics	30,672	30,672	7,500,000	50.00%	139,240	7,500,000	34,005	17,002	
T-Paragon Die Casting Co., Ltd.	Tairoun Products (Thailand) Co., Ltd.	Thailand	Metal Stamping and Casting Industry	195,364	195,364	221,000,000	100.00%	277,666	186,000,000	13,632	13,632	
Goldtek Technology Co., Ltd.	Nationgate Integration (M) Sdn.	Malaysia	Electronic Manufacturing Services	4,072	4,072	600,000	60.00%	4,191	600,000	8	5	
Goldtek Technology Co., Ltd.	Ennovision Inc.	Taiwan	Security surveillance video monitoring	90,000	-	6,000,000	60.00%	137,036	6,000,000	(4,893)	(2,936)	
ENNOWYSE CORPORATION	HCT capital Management Consulting Co., Ltd.	Taiwan	General investment and investment consultancy	400	400	40,000	40.00%	75	40,000	(68)	(27)	
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Semiconductor Industry Automation Supply	331,733	331,733	14,636,958	100.00%	56,172	14,636,958	858	858	
Marketech International Corp.	Market Go Profits Ltd.	British Virgin Islands	Investment Holding and Reinvestment	1,299,429	1,299,429	40,119,104	100.00%	2,653,624	40,119,104	78,391	78,391	
Marketech International Corp.	MIC-Tech Global Corp.	South Korea	General International Trade Industry	19,147	19,147	131,560	100.00%	20,496	131,560	1,636	1,636	
Marketech International Corp.	Headquarter International Ltd.	British Virgin Islands	Investment Holding and Reinvestment	42,475	42,475	1,289,367	100.00%	38,607	1,289,367	509	509	
Marketech International Corp.	Tiger United Finance Ltd.	British Virgin Islands	Investment Holding and Reinvestment	46,475	46,475	1,410,367	100.00%	36,500	1,410,367	562	562	
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Singapore	Contracting of Engineering Services	29,545	29,545	1,270,133	100.00%	2,049	1,270,133	(874)	(874)	
Marketech International Corp.	Marketech Integrated Manufacturing Company Limited	Myanmar	Services of Automatic Production, Machinery and Components	478,985	478,985	1,535,600	100.00%	127,443	1,535,600	(4,320)	(4,320)	
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trading, Installation, and Maintenance Business of various Factory Machinery Equipment and Peripheral Consumables	271,476	271,476	-	100.00%	233,162	-	11,606	11,606	

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Marketech International Corp.	Marketech Co., Ltd.	Vietnam	Professional contracting and related maintenance services for engineering; purchase, sale and maintenance of machine tools; purchase and sale of cosmetics and daily necessities; production, development and implementation of software and programming services; installation services for industrial machinery and equipment	88,234	72,596	-	100.00%	11,678	-	(2,182)	(2,182)	
Marketech International Corp.	Ezoom Information, Inc.	Taiwan	Development, sale, consultancy and other services related to information system software and hardware applications; sale of medical equipment	280,737	280,737	11,100,000	100.00%	13,816	11,100,000	(6,911)	(6,911)	
Marketech International Corp.	Marketech International Sdn.Bhd.	Malaysia	Professional contracting and related maintenance services for engineering; sales of medical equipment	109,596	108,162	16,871,250	100.00%	27,153	16,871,250	(6,975)	(6,975)	
Marketech International Corp.	Marketech International Corporation USA	USA	Professional Contracting for Projects and Related Maintenance Services	556,886	556,886	18,450,000	100.00%	502,900	18,450,000	(317,472)	(317,472)	
Marketech International Corp.	Spiro Technology Systems Inc.	USA	General International Trade Industry	54,074	54,074	1,000,000	100.00%	87,198	1,000,000	(236)	(236)	
Marketech International Corp.	ADAT Technology Co., Ltd.	Taiwan	R&D , Application and Service of Information Software	97,951	84,119	5,467,022	25.38%	23,178	5,467,022	(13,413)	(3,413)	

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Marketech International Corp.	PT Marketech International Indonesia	Indonesia	Trading of Machinery Equipments and Spare Parts	38,043	38,043	1,199,000	99.92%	35,929	1,199,000	564	564	
Marketech International Corp.	Marketech Netherlands B.V.	Netherlands	Services for Machinery, Equipment, and Components	54,085	40,510	1,200,000	100.00%	8,684	1,200,000	(2,247)	(2,247)	
Marketech International Corp.	Glory Technology Service Inc.	Taiwan	Trading and installation services for computer and communication equipment	42,714	42,714	6,208,320	29.24%	68,653	6,208,320	393	115	
Marketech International Corp.	Mic Techno Co., Ltd.	Taiwan	Engaged in the sale of panel equipment and materials	2,000	2,000	200,000	20.00%	1,805	200,000	(18)	(4)	
Marketech International Corp.	Taiwan Radisen HealthCare Co., Ltd.	Taiwan	Smart Medical Consulting Services and Investment	500	500	50,000	100.00%	324	50,000	(10)	(10)	
Marketech International Corp.	Vertex Corporation	Taiwan	Purchase and sale of 5G wireless communication private network equipment (micro base stations and core networks) and IoT intelligent control gateways; operation and maintenance of DMP cloud object management platform and provision of software management platform, vertical IT and CT communication system integration services	50,000	50,000	5,000,000	61.35%	21,480	5,000,000	(2,801)	(1,719)	
Marketech International Corp.	Bolite Co.,Ltd.	Taiwan	R&D, manufacturing and sales of precision laser-related modules and equipment, and	27,200	27,200	2,240,000	37.33%	40,784	2,240,000	(6,625)	(2,473)	

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Marketech International Corp.	MIC Healthcare Korea Co., Ltd.	South Korea	provision of laser application solutions	60,486	41,537	5,200,000	100.00%	18,201	5,200,000	(5,402)	(5,402)	
Marketech International Corp.	Marketech International Corp. Japan	Japan	R&D, sales and professional technical services of medical devices and components; general international trade and import/export business	65,254	65,254	30,000	100.00%	52,368	30,000	(1,401)	(1,401)	
Marketech International Corp.	Advanced Technology Matrix United	USA	General International Trade Industry	60,960	60,960	2,000,000	68.97%	63,929	2,000,000	-	-	
Marketech International Corp.	Radisen Co., Ltd.(Common Stock)	South Korea	Warehouse logistics services; sales agency business for semiconductor equipment, parts, consumables, and semiconductor materials.	12,454	12,454	87,803	18.49%	3,849	87,803	(21,012)	(3,886)	
Marketech International Corp.	Radisen Co., Ltd. (Preferred share)	South Korea	AI medical solutions and remote radiology medical platform	73,208	73,208	188,961	44.85%	87,252	188,961	(21,012)	-	
Marketech International Corp.	Marketech International Corporation Germany GmbH	Germany	AI medical solutions and remote radiology medical platform	6,617	6,617	200,000	100.00%	4,573	200,000	(1,139)	(1,139)	
Marketech International Corp.	MIC Industrial Viet Nam Co., Ltd.	Vietnam	Equipment and component sales business; technical service business, etc.	39,567	39,567	-	100.00%	37,382	-	(1,471)	(1,471)	
Marketech International Corp.	Marketop Smart Solutions Co., Ltd.	Taiwan	Assembly and Testing of Refrigeration Equipment on an OEM Basis.	30,600	-	3,060,000	51.00%	30,282	3,060,000	(623)	(318)	
			Sales and services of Smart medical components; general international trade and import/export business									

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Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman Islands	Investment Holding and Reinvestment	1,293,932	1,293,932	40,016,604	100.00%	2,652,370	40,016,604	78,400	-	
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Contracting of Engineering Services	27,083	27,083	88,500	98.33%	1,655	88,500	(851)	-	
MIC-Tech Ventures Asia Pacific Inc.	Rusky H.K. Limited	Hong Kong	Investment Holding and Reinvestment	34,551	34,551	833,000	100.00%	13,411	833,000	3,807	-	
MIC-Tech Ventures Asia Pacific Inc.	Mict International Limited	Hong Kong	Investment Holding and Reinvestment	132,282	132,282	5,400,000	60.00%	26,665	5,400,000	(1,474)	-	
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Investment Holding and Reinvestment	8,990	8,990	303,000	31.43%	(5,571)	303,000	(1,546)	-	
MIC-Tech Ventures Asia Pacific Inc.	Fortune Blessing Co., Limited	Hong Kong	Investment Holding and Reinvestment	45,985	45,985	500,000	27.78%	6,714	500,000	(235)	-	
Rusky H.K. Limited	PT Marketech International Indonesia	Indonesia	Trading of Machinery Equipments and Spare Parts	32	32	1,000	0.08%	32	1,000	564	-	
Ennoconn (Suzhou) Technology Co., Ltd.	Ennoconn Malaysia SDN. BHD.	Malaysia	Industrial control equipment sales	-	-	1	100.00%	-	1	-	-	
Kontron AG, Austria (purchased from S&T CEE Holding s.r.o., Slovakia)	Kontron Bulgaria EOOD (formerly: S&T Bulgaria e.o.o.d., Bulgaria)	Sofia, BG	IoT Solutions Europe	136,117	136,117	13,126	100.00%	199,162	13,126	20,106	20,106	
Kontron AG, Austria	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L., Romania)	Bucharest, RO	IoT Solutions Europe	111,206	111,206	2,461	31.07%	1,251	2,461	(139,757)	(43,422)	
Kontron AG, Austria	Kontron Hungary Kft. (formerly: S&T Consulting Hungary Kft., Hungary)	Budapest, HU	IT Services	597,766	597,766	100,000	100.00%	203,350	100,000	13,809	13,809	
Kontron S&T AG, Germany	Kontron Asia Inc., Taiwan	Taipei, TW	IT Services	96,388	96,388	13,000	100.00%	239,724	13,000	15,563	15,563	
Kontron AG, Austria	CBCX Technologies GmbH (formerly: computer betting company gmbh, Austria)	Linz, AT	IT Services	1,301,649	1,301,649	36,336	100.00%	430,165	36,336	13,341	13,341	

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computer betting company gmbh, Austria	Kontron Services Romania S.R.L. (formerly: S&T Romania S.R.L., Romania)	Bucharest, RO	IoT Solutions Europe	58,229	58,229	5,460	68.93%	2,775	5,460	(139,757)	(96,334)	
Kontron Europe GmbH, Germany	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IT Services	2,433	2,433	3,634	10.00%	83,416	3,634	6,835	684	
Kontron Austria GmbH, Austria	Kontron Electronics AG, Switzerland	Rotkreuz, CH	IT Services	-	-	1,000	100.00%	(132,316)	1,000	(9,448)	(9,448)	
Kontron AG, Austria	Kontron Austria GmbH, Austria	Engerwitzdorf, AT	IT Services	649,391	649,391	32,702	90.00%	750,744	32,702	6,835	6,152	
Kontron AG, Austria	Kontron Technologies GmbH (former S&T Technologies GmbH), Austria	Linz, AT	IoT Solutions Europe	461,022	461,022	35,000	100.00%	436,869	35,000	(2,102)	(2,102)	
Kontron AG, Austria	S&T MEDTECH SRL (former GADA GROUP ROMANIA SRL), Romania	Bucharest, RO	IoT Solutions Europe	402,316	402,316	105,000	100.00%	320,437	105,000	(1,413)	(1,413)	
Kontron Europe GmbH, Germany	Kontron electronics GmbH, Germany	Großbettingen, DE	IoT Solutions Europe	663,751	663,751	102,150	100.00%	659,468	102,150	1,838	1,838	
Kontron electronics GmbH, Germany	Kontron Electronics Kft.	Kapoly, HU	IT Services	4,997	4,997	3,000,000	100.00%	112,821	3,000,000	263	263	
Kontron Beteiligungs GmbH	Kontron Europe GmbH	Ismaning, DE	IoT Solutions Europe	8,155,103	8,155,103	23,600,000	100.00%	5,548,850	23,600,000	219,392	219,392	
Kontron Europe GmbH, Germany	Kontron America Inc.	San Diego / USA	IoT Solutions Europe	1,564,968	1,564,968	2,036,040	100.00%	1,035,929	2,036,040	127,371	127,371	
Kontron Europe GmbH, Germany	Kontron Canada Inc.	Boisbriand / Canada	IoT Solutions Europe	1,671,823	1,671,823	50,000,200	100.00%	1,002,217	50,000,200	(17,069)	(17,069)	
Kontron Europe GmbH, Germany	Kontron Asia Pacific Design Sdn. Bhd.	Penang / Malaysia	IoT Solutions Europe	174,757	174,757	44,581,102	100.00%	(140,806)	44,581,102	(5,633)	(5,633)	
Kontron Europe GmbH, Germany	Kontron Modular Computers S.A.S.	Toulon / France	IoT Solutions Europe	177,754	177,754	344,503	100.00%	228,275	344,503	19,108	19,108	
Kontron Europe GmbH, Germany	Kontron UK Ltd.	Chichester / UK	IoT Solutions Europe	58,984	58,984	172,550	100.00%	145,349	172,550	(9,395)	(9,395)	
Kontron AG, Austria	Kontron Transportation GmbH	Vienna, AT	IoT Solutions Europe	375,679	375,679	10,000,000	100.00%	1,190,917	10,000,000	64,069	64,069	

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Kontron Transportation GmbH	Kapsch CarrierCom Sp. z o.o.	Warsaw, PL	IoT Solutions Europe	344	344	100,000	100.00%	(34,148)	100,000	10,360	10,360	
Kontron Transportation GmbH	Kontron Transportation Espana SL (former Kapsch CarrierCom Espana, S.L.U.)	Madrid, Spain	IoT Solutions Europe	16,885	16,885	250,000	100.00%	140	250,000	(4,802)	(4,802)	
Kontron Transportation GmbH	Kontron Transportation Portugal Unipessoal LDA (former Kapsch CarrierCom - Unipessoal LDA Co., Ltd)	Lisboa, Portugal	IoT Solutions Europe	27,740	27,740	5,000	100.00%	51,546	5,000	6,186	6,186	
Kontron Transportation GmbH	Kontron Transportation s.r.o.	Prague, CZ	IoT Solutions Europe	168,854	168,854	30,400,000	100.00%	237,863	30,400,000	117,781	117,781	
Kontron Transportation GmbH	Kontron Transportation Deutschland GmbH (former Kapsch CarrierCom Deutschland GmbH)	Neu-Isenburg, GE	IoT Solutions Europe	34,288	34,288	25,000	100.00%	39,303	25,000	38,841	38,841	
Kontron Transportation GmbH	Kontron Transportation France S.A.S	Paris, FR	IoT Solutions Europe	513,454	513,454	8,600,000	100.00%	313,866	8,600,000	(75,383)	(75,383)	
Kontron Transportation GmbH	Kontron Transportation UK Ltd.	Harrow, UK	IoT Solutions Europe	17,107	17,107	415,950	100.00%	135,274	415,950	5,589	5,589	
Kontron Transportation GmbH	Kontron Public Transportation (former: Kontron Transportation NV)	Diegem, BE	IoT Solutions Europe	450,814	450,814	11,318,887	99.00%	(21,732)	11,318,887	(8,909)	(8,906)	
Kontron AG, Austria	Kontron AIS GmbH	Dresden, Germany	IoT Solutions Europe	557,394	557,394	51,000	100.00%	545,329	51,000	11,642	11,642	
Kontron AG, Austria	Kontron Beteiligungs GmbH	Augsburg, DE	IoT Solutions Europe	8,242,777	8,242,777	25,001	100.00%	8,314,318	25,001	(13,071)	(13,071)	
Kontron AG, Austria	Kontron d.o.o. (formerly: Iskratel d.o.o.)	Kranj, SI	IoT Solutions Europe	2,413,767	2,413,767	109,275	100.00%	1,883,937	109,275	(37,551)	(37,551)	

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Kontron d.o.o. (formerly: Iskratel d.o.o.)	ITS Softver d.o.o	Skopje, MK	IoT Solutions Europe	13,670	13,670	309,000	100.00%	19,607	309,000	1,563	1,563	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	IskraCom	Almaty, KZ	IoT Solutions Europe	-	-	15,365,000	100.00%	(1,324)	15,365,000	(9,716)	(9,716)	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	OOO Iskratel Tashkent	Tashkent, UZ	IoT Solutions Europe	65	65	8,798,207	76.00%	12,094	8,798,207	465	354	
Kontron d.o.o. (formerly: Iskratel d.o.o.)	JSC Iskra Technologies (formerly: AO IskraUralTel)	Yekaterinburg, RU	IoT Solutions Europe	38,973	38,973	760,000	48.00%	178,175	760,000	21,475	10,308	
Kontron Transportation Espana SL	Kontron Public Transport Arce S.A.U. (formerly: Arce Mobility Solutions S.A.U.)	Bilbao, ES	IoT Solutions Europe	261,896	261,896	60,000	100.00%	287,464	60,000	6,726	6,726	
Kontron Transportation GmbH	Kontron Transportation Schweiz AG	Ittigen, CH	IoT Solutions Europe	-	-	12,000,000	100.00%	(101,051)	12,000,000	(17,687)	(17,687)	
Kontron Transportation Schweiz AG	Comlab Deutschland GmbH	Hilden, DE	IoT Solutions Europe	5,827	5,827	100,000	100.00%	(94,024)	100,000	(1,226)	(1,226)	
Kontron AG	Hartmann Electronic GmbH	Stuttgart, DE	IoT Solutions Europe	572,492	572,492	222,000	100.00%	212,205	222,000	14,828	14,828	
Kontron AG	W-IE-NE-R Power Electronics GmbH	Köln, DE	IoT Solutions Europe	74,994	74,994	51,129	100.00%	149,522	51,129	4,198	4,198	
Kontron America Inc.	Bsquare Corporation	Washington, US	IoT Solutions Europe	3	3	153,621,779	100.00%	(107,863)	153,621,779	(7,065)	(7,065)	
Bsquare Corporation	Bsquare EMEA Ltd.	Trowbridge; UK	IoT Solutions Europe	137,189	137,189	246,243	100.00%	8,419	246,243	(7,220)	(7,220)	
Kontron Beteiligungs GmbH	Kontron Acquisition GmbH	Munich, DE	IoT Solutions Europe	3,102,262	-	25,000	100.00%	3,096,047	25,000	(6,160)	(6,160)	
Kontron Acquisition GmbH	KATEK SE	Munich, DE	IoT Solutions Europe	4,438,692	-	14,445,687	59.40%	3,938,186	14,445,687	(60,078)	(35,686)	
KATEK SE	KATEK Vorrats-GmbH 1	Munich, DE	IoT Solutions Europe	431	-	25,000	100.00%	428	25,000	-	-	
KATEK SE	Nextek Inc.	Alabama, US	IoT Solutions Europe	331,944	-	2,712	100.00%	644,525	2,712	7,297	7,297	

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KATEK SE	KATEK Mauerstetten GmbH	Mauerstetten, DE	IoT Solutions Europe	583,045	-	40,000	100.00%	274,354	40,000	53,870	53,870	
KATEK SE	Beflex Electronic GmbH	Frickenhhausen, DE	IoT Solutions Europe	580,169	-	25,000	100.00%	171,872	25,000	2,453	2,453	
Beflex Electronic GmbH	KATEK Malaysia SDN. BHD.	Kuala Lumpur, MY	IoT Solutions Europe	-	-	22	100.00%	74	22	-	-	
KATEK SE	KATEK electronics Malaysia SDN. BHD.	Kuala Lumpur, MY	IoT Solutions Europe	18,265	-	549,649	100.00%	(63,519)	549,649	(4,253)	(4,253)	
KATEK SE	Telealarm Europe GmbH	Leipzig, DE	IoT Solutions Europe	201,867	-	25,000	100.00%	82,813	25,000	(7)	(7)	
Telealarm Europe GmbH	TeleAlarm SA	La Chaux-de-Fonds, CH	IoT Solutions Europe	27,304	-	277,829	100.00%	196,286	277,829	21,136	21,136	
KATEK SE	Aisler B.V.	Lemiers, NL	IoT Solutions Europe	86,150	-	4,121	50.01%	2,705	4,121	(1,940)	(970)	
Aisler B.V.	Aisler Americas Inc.	Claymont, US	IoT Solutions Europe	34	-	820	100.00%	(270)	820	117	117	
Aisler B.V.	Aisler Germany GmbH	Aachen, DE	IoT Solutions Europe	862	-	25,000	100.00%	1,222	25,000	883	883	
KATEK SE	KATEK GmbH	Grassau, DE	IoT Solutions Europe	789,210	-	53,000	100.00%	1,401,964	53,000	(6,827)	(6,827)	
KATEK GmbH	Katek Hungary Kft.	Győr, HU	IoT Solutions Europe	165,408	-	1,506,000	100.00%	253,376	1,506,000	(6,390)	(6,390)	
KATEK GmbH	Katek Czech Republic s.r.o.	Horní, CZ	IoT Solutions Europe	25,010	-	1,339,919	100.00%	213,216	1,339,919	13,491	13,491	
KATEK SE	Katek Canada Inc.	Ontario, CA	IoT Solutions Europe	442,258	-	784,478	100.00%	347,649	784,478	2,290	2,290	
KATEK SE	KATEK Memmingen GmbH	Memmingen, DE	IoT Solutions Europe	516,900	-	4,167,000	100.00%	958,209	4,167,000	33,719	33,719	
Katek Memmingen GmbH	KATEK electronic Bulgaria EOOD	Saedinenie, BG	IoT Solutions Europe	8,810	-	255,646	100.00%	483,251	255,646	6,995	6,995	
KATEK SE	eSystems MTG GmbH	Stuttgart, DE	IoT Solutions Europe	577,146	-	100,000	100.00%	191,992	100,000	3,979	3,979	
KATEK SE	Katek Leipzig GmbH	Leipzig, DE	IoT Solutions Europe	862	-	25,000	100.00%	80,614	25,000	(10,588)	(10,588)	
Katek Leipzig GmbH	KATEK LT UAB	Panevezys, LT	IoT Solutions Europe	6,892	-	80,000	100.00%	(7,245)	80,000	(896)	(896)	

Note 1: Calculated based on the financial statements of the investee company for the same period audited by the CPA and the shareholding ratio of the investing company.

Note 2: The investment income (loss) recognized for the period includes the amortization of the difference between the investment cost and equity.

Note 3: Kontron AG, Austria originally held 100% direct ownership of Kontron S&T AG, Germany. Due to an organizational restructuring, it now indirectly holds Kontron S&T AG, Germany through the establishment of Kontron Beteiligungs GmbH.

Note 4: The original investment amount in the information about the investee company is translated at the spot exchange rate at the end of the period of the Bank of Taiwan.

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
INFORMATION ON INVESTMENT IN MAINLAND CHINA

For the Three Months Ended March 31, 2024

Table 9

Unit: NT\$ thousand

1. Name, major businesses, and related information about investees in mainland China:

Name of investee company in Mainland China	Main business activities	Paid-in capital	Method of investment	The cumulative outward investment amount from Taiwan at the beginning of this period	Investment amount exported or recovered this period		The cumulative outward investment amount from Taiwan at the ending of this period	Net income (loss) of investee company for the current period	Percentage of ownership directly or indirectly held by the Company	Highest shareholding or investment ratio during the period	Investment income (loss) recognized for the current period	Carrying amount of the investment at the end of the period	Investment income remitted back as of the end of the period
					Remittance	Recovery							
Nanjing Asiatek Inc.	Engage in R&D, Sales of Software and Hardware Products, and provide Installation, Commissioning and Technical Consulting	96,000	(2)	33,250	-	-	33,250	(1,492)	100.00%	100.00%	(1,492)	210,149	-
Ennoconn (Foshan) Investment Holdings Co., Ltd.	Share capital and funds investment	508,439	(3)	311,873	-	-	311,873	(748)	100.00%	100.00%	(748)	513,752	-
Ennoconn (Suzhou) Technology Co., Ltd.	R&D, production, and sales of industrial computers	1,936,000	(2)	960,000	-	-	960,000	18,843	100.00%	100.00%	18,843	1,700,036	-
Ennoconn (Kunshan) Technology Co., Ltd.	Intelligent technology development and hardware sales	16,915	(3)	-	-	-	-	335	70.00%	70.00%	234	14,624	-
Ennoconn Investment Co., Ltd.	Investment and Financing services	591,945	(3)	640,000	-	-	640,000	44	100.00%	100.00%	44	628,784	-
Suzhou Huake Visual Technology Co., Ltd.	R&D and Consulting	-	(3)	-	-	-	-	-	32.00%	32.00%	-	-	-
Suzhou HuaShiDa Intelligent Technology Co., Ltd.	Manufacture of intelligence vehicle equipment	3,200	(2)	-	-	-	-	6	100.00%	100.00%	6	3,134	-
Beijing Caswell Ltd.	Production and Sales of Network Communication Products	121,600	(2)	99,712	-	-	99,712	(10,843)	25.99%	25.99%	(2,818)	54,873	-
Highaim Technology Inc.	Design, R&D, and Production of various Molds, Servers and Communication Equipment	640,000	(2)	478,435	-	-	-	12,746	67.65%	67.65%	8,622	441,287	-
Kunshan Liding Intelligent Equipment Co., Ltd.	Rental, Sales and After-sales Service of Intelligent and Machinery Equipment and its Accessories.	4,410	(3)	-	-	-	-	1,320	67.65%	67.65%	893	(6,626)	-
Highaim Technology (Shenzhen) Inc.	Automation Jigs, Fixtures and Molds	-	(3)	-	-	-	-	-	67.65%	67.65%	-	-	-
Goldtek Technology (Shenzhen) Co., Ltd.	Research and development, wholesale, processing, and related supporting operations for electronic products, smart home security systems, and equipment.	416,000	(2)	416,000	-	-	416,000	(25,843)	56.74%	56.74%	(14,664)	(74,939)	-
Techno Precision (Shenzhen) Co., Ltd.	Stamping/Assembly	94,047	(2)	-	-	-	-	(3,820)	22.87%	22.87%	(874)	(30,481)	-

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
INFORMATION ON INVESTMENT IN MAINLAND CHINA

For the Three Months Ended March 31, 2024

Table 9

Unit: NT\$ thousand

Name of investee company in Mainland China	Main business activities	Paid-in capital	Method of investment	The cumulative outward investment amount from Taiwan at the beginning of this period	Investment amount exported or recovered this period		The cumulative outward investment amount from Taiwan at the ending of this period	Net income (loss) of investee company for the current period	Percentage of ownership directly or indirectly held by the Company	Highest shareholding or investment ratio during the period	Investment income (loss) recognized for the current period	Carrying amount of the investment at the end of the period	Investment income remitted back as of the end of the period
					Remittance	Recovery							
Techno Precision (Shenzhen) Co., Ltd.	Zinc/Aluminum Alloy Die Casting	20,445	(2)	-	-	-	-	(990)	11.43%	11.43%	(113)	19,895	-
Goldtek Technology (Shenzhen) Co., Ltd.	Sales of Electronic Products and Special Materials	4,408	(2)	-	-	-	-	(510)	56.74%	56.74%	(289)	905	-
Mic-Tech (Wuxi) Co., Ltd.	Production and Sales of Semiconductor Devices, Intelligent Warehousing Equipment, Lighting Fixtures, Masks and Labor Protection Products	816,000	(2)	629,453	-	-	629,453	(15,602)	41.50%	41.50%	(6,475)	35,474	-
Mic-Tech (Shanghai) Corp.	Sales, commission agency, import and export of semiconductor industry and other industries' equipment, consumables, chemicals, parts and components, and other related supporting businesses; equipment installation and maintenance services; bonded area trade agency and business consulting services.	263,712	(2)	15,353	-	-	15,353	22,232	41.50%	41.50%	9,226	416,946	217,487
Shanghai Maohua Electronics Engineering Co., Ltd.	Regeneration of exhaust drums, design, installation, commissioning and technical services for piping systems and related facilities used in the semiconductor manufacturing industry; equipment repair for semiconductor manufacturing industry.	19,200	(2)	18,515	-	-	18,515	4,376	36.11%	36.11%	1,580	4,517	-
Mic-Tech Electronics Engineering Corp.	Mechanical and Electrical Installation Construction , Professional Decorative Construction Contracting, Professional Intelligent Building Construction Contracting, Professional Electronic Construction Professional Contracting and related Technical Services and Technical Consulting.	563,808	(2)	261,607	-	-	261,607	32,985	41.50%	41.50%	13,689	410,343	112,742
Integrated Manufacturing & Services Co., Ltd.	Develop and Produce Special Equipment for Solar Cell Production, Manufacture Key Components of Large-screen Color Projection Displays, Manufacture new Electronic Components, and Provide Services such as Cleaning and Regeneration	224,000	(2)	119,750	-	-	119,750	(1,474)	24.90%	24.90%	(367)	10,734	-

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
INFORMATION ON INVESTMENT IN MAINLAND CHINA

For the Three Months Ended March 31, 2024

Table 9

Unit: NT\$ thousand

Name of investee company in Mainland China	Main business activities	Paid-in capital	Method of investment	The cumulative outward investment amount from Taiwan at the beginning of this period	Investment amount exported or recovered this period		The cumulative outward investment amount from Taiwan at the ending of this period	Net income (loss) of investee company for the current period	Percentage of ownership directly or indirectly held by the Company	Highest shareholding or investment ratio during the period	Investment income (loss) recognized for the current period	Carrying amount of the investment at the end of the period	Investment income remitted back as of the end of the period
					Remittance	Recovery							
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 equipment consumables, machinery equipment and accessories; bonded area trade agency and business consulting services	48,000	(2)	46,058	-	-	46,058	37,058	41.50%	41.50%	15,379	114,972	-
Macrotec Technology (Shanghai) Co. Ltd.	Wholesale, commission agency, import and export, and related supporting businesses of electronic products, instruments and meters, metal products, and electromechanical equipment; international trade, entrepôt trade, bonded area enterprise trade, and intra-area trade agency.	30,621	(2)	9,234	-	-	9,234	(1,546)	13.04%	13.04%	(202)	(2,314)	-
Fortune International Corporation	Research and development, design, manufacturing, sales, installation, maintenance and technical services related to equipment and materials for semiconductors; supply chain and property management services; accommodation services for park management; venue rental, conference, exhibition, warehousing services	57,600	(2)	15,353	-	-	15,353	(235)	11.53%	11.53%	(27)	2,774	-
Comlab Beijing Radio Frequency Technology Co., Ltd.	Software and Solutions	123,222	(2)	-	-	-	-	5,183	12.79%	12.79%	663	9,128	-

ENNOCONN CORPORATION AND ITS SUBSIDIARIES
INFORMATION ON INVESTMENT IN MAINLAND CHINA
For the Three Months Ended March 31, 2024

Table 9

Unit: NT\$ thousand

2. Investment limit in mainland China:

Company Name	Accumulated amount of remittance from Taiwan to Mainland China as of the end of the period	Approved investment amount by the Investment Commission of the Ministry of Economic Affairs	Ceiling on investments in Mainland China imposed by the Investment Commission of the Ministry of Economic Affairs
Ennoconn Corporation	1,945,123	4,060,543	13,454,549
Goldtek Technology Co., Ltd.	743,577	743,577	997,258
Caswell Inc.	99,712	99,712	1,960,660
Ennoconn International Investment Co., Ltd.	346,984	463,419	6,281,204
Marketech International Corp.	1,254,080	1,962,720	7,122,240

Note 1: Investment methods are classified into the following three categories, just indicate the category:

- (1) Directly invest in a company in Mainland China.
- (2) Invest in Mainland China through a company in a third region (please specify the name of the company in the third region).
- (3).Others

Note 2: In the 'Investment income (loss) recognized for the current period' column:

- (1) It should be indicated if the investee is still in the incorporation stage and has not yet generated any profit or loss.
- (2) Indicate the basis for investment income (loss) recognition in (2), which should be one of the following three categories:
 - A. The financial statements that are audited and attested by an international accounting firm which has a cooperative relationship with an accounting firm in R.O.C.
 - B. The financial statements that are audited and attested by the parent company's CPA in Taiwan.
 - C. Others

Note 3: The exchange rate is based on the spot average exchange rate of the Bank of Taiwan on March 31, 2024.

Note 4: They are non-material associates whose financial statements are unaudited, which does not result in material impact.