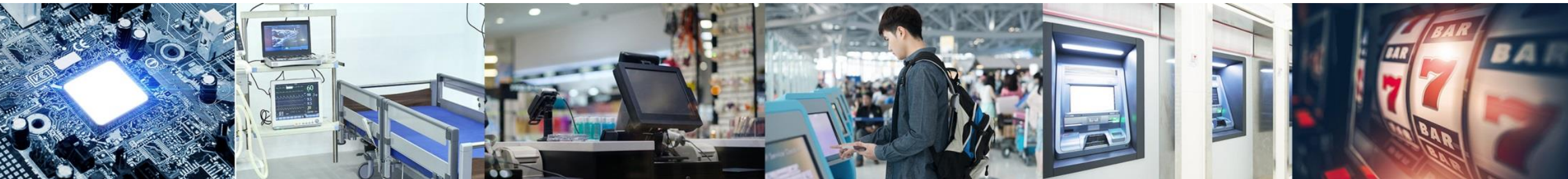


Ennoconn Corporation

Q3 2018 Earnings Conference Call

Steve Chu, Chairman & CEO
Yolanda Wu, CFO

November 13, 2018










Safe Harbor Statement

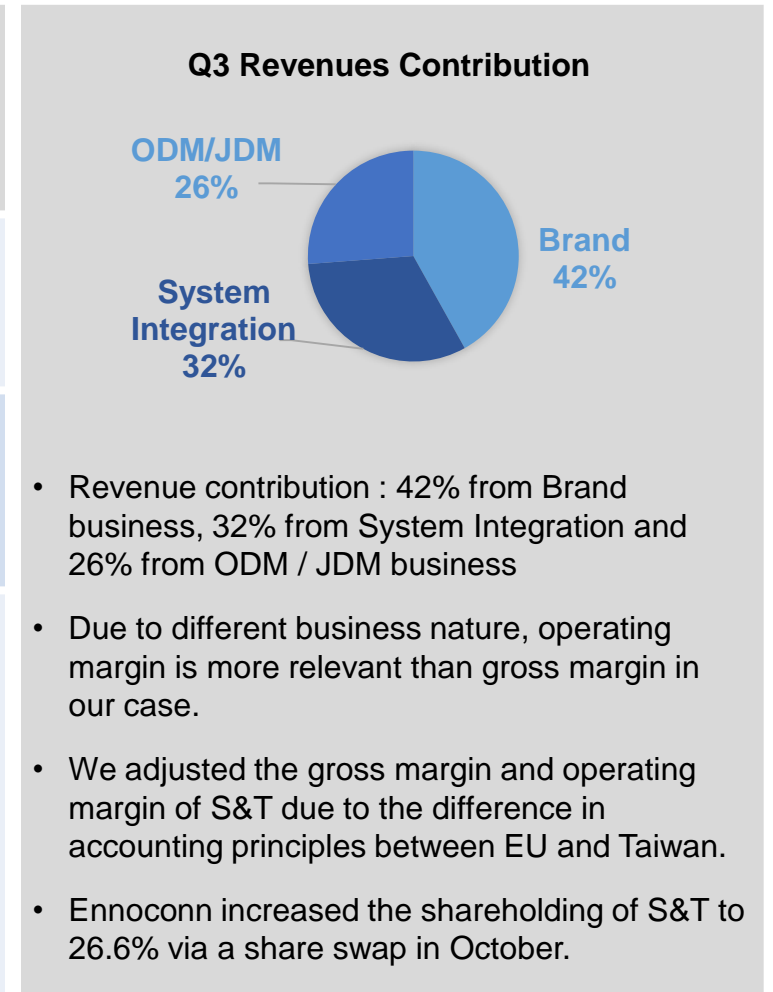
Our discussion may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. Undue reliance should not be placed on any forward-looking statements, which reflect our opinions only as of the date of this presentation. We undertake no obligation to update them.

Q3 2018 Financial Results

NT\$M	2017		2018		QoQ	YoY	Notes
	Q2	Q3	Q2	Q3			
Revenues	4,232	11,889	14,674	19,981	36.2%	68.1%	<ul style="list-style-type: none"> We recognized Marketech's full-quarter revenues in Q3, as compared to 1.5 months of sales consolidation in Q2. The gross margin of Marketech is normally between 11-13%, lower than that of our brand and ODM business segments.
<i>Gross Margin %</i>	16.9%	30.1%	23.2%	20.9%	-230 bps	-920 bps	
Operating Income	199	556	361	926	156.4%	66.5%	<ul style="list-style-type: none"> Operating margin was effectively improved to 4.6%, up from 2.5% last quarter. Thanks to economies of scale, we have reduced operating expense ratio by 4.4 percentage points.
<i>Operating Margin %</i>	4.7%	4.7%	2.5%	4.6%	210 bps	-10 bps	
Interest Income/Expense	-60	-96	-101	-86	-14.2%	-10.5%	<ul style="list-style-type: none"> FX loss was mainly from Marketech and S&T due to the depreciation of RMB and EUR. Other non-operating income mainly came from S&T R&D subsidy.
FX Income/Expense	39	-37	135	-26	-118.9%	-30.2%	
Other non-op Income/Expense	192	193	319	258	-18.9%	33.8%	
Net Income	358	471	548	850	55.1%	80.3%	
Net Income (deducted minority interest)	295	280	255	335	31.5%	19.5%	
EPS (NT\$)	3.91	3.70	3.31	4.35	31.4%	17.6%	<ul style="list-style-type: none"> 2018 Q1~Q3 EPS: 10.38 2017 Q1~Q3 EPS: 10.03

Q3 2018 Performance by Business Segment

Business Segments	Key Members (Ownership %)	2018Q3 Revenue Contribution (NT\$M)	Revenue QoQ	2018Q3 GM	2018Q3 OpM	2018Q3 EPS Contribution (NT\$)	Notes
Ennoconn Consolidation		19,981	36.2%	20.9%	4.6%	4.35	
Brand	 (24.1%)	8,374 (42%)	7.7%	29.2%*	2.9%*	0.77 (18%)	
System Integration	 (46.3%)	6,382 (32%)	-0.7%	13.0%	5.6%	1.39 (32%)	
ODM / JDM	 (100%)  (56.7%)  (34.2%) Others	5,225 (26%)	41.7%	17.5%	6.2%	2.19 (50%)	



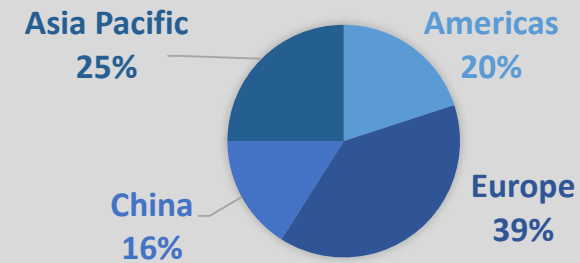
* S&T's announcement: 2018Q3 gross margin was 34.2%.

Q3 2018 Revenue by Region

	2018Q3 Revenue	2018Q1-Q3 Revenue
Ennoconn Total	19,981 QoQ 36.2%	45,479
Americas	4,069 (20%) QoQ 15.3%	10,908 (24%)
Europe	7,819 (39%) QoQ 10.1%	21,263 (47%)
China	3,146 (16%) QoQ 92.9%	5,343 (12%)
Asia Pacific	4,947 (25%) QoQ 104.9%	7,965 (17%)

Notes

Q3 Revenue



- Ennoconn's performance was strong in all regions.
- Americas: mainly from Goldtek and S&T, 49% and 36%, respectively. The revenue from S&T included the contribution from Kontron Canada.
- Europe: S&T had very strong business and accounted for 86% of our Europe sales.
- China: 61% of the revenue was from Marketech, and 35% came from ODM business.
- Asia Pacific: Marketech was the key contributor, generating 81% of the revenue. The rest was from ODM business.