

ACER INCORPORATED**Parent-Company-Only Financial Statements
With Independent Auditors' Report
For the Years Ended December 31, 2024 and 2023**

The independent auditors' report and the accompanying parent-company-only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent-company-only financial statements, the Chinese version shall prevail.

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Report	3
4. Parent-Company-Only Balance Sheets	4
5. Parent-Company-Only Statements of Comprehensive Income	5
6. Parent-Company-Only Statements of Changes in Equity	6
7. Parent-Company-Only Statements of Cash Flows	7
8. Notes to Parent-Company-Only Financial Statements	
(1) Organization and business	8
(2) Authorization of the parent-company-only financial statements	8
(3) Application of new and revised accounting standards and interpretations	8~10
(4) Summary of material accounting policies	10~29
(5) Critical accounting judgments and key sources of estimation and assumption uncertainty	29~30
(6) Significant account disclosures	30~63
(7) Related-party transactions	64~73
(8) Pledged assets	73
(9) Significant commitments and contingencies	73
(10) Significant loss from disaster	73
(11) Significant subsequent events	73
(12) Others	74
(13) Additional disclosures	
(a) Information on significant transactions	74~75, 77~94
(b) Information on investees	75, 95~97
(c) Information on investment in Mainland China	75, 98~99
(d) Major shareholders	75~76
(14) Segment information	76
9. List of major account titles	100~111



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Independent Auditors' Report

To the Board of Directors
Acer Incorporated:

Opinion

We have audited the parent-company-only financial statements of Acer Incorporated (“the Company”), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2024 and 2023, and its parent-company-only financial performance and its parent-company-only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of the parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent-company-only financial statements for the year ended December 31, 2024 are stated as follows:

1. Revenue recognition

Refer to Note 4(p) for the accounting policies on recognizing revenue, and Note 5(a) for uncertainty of accounting estimations and assumptions for sales allowances, respectively, to the parent-company-only financial statements.

Description of key audit matter:

The Company engaged primarily in the sale of brand-name IT products. Revenue is recognized depending on the various trade terms agreed with customers. This exposes the Company to the risk that the sales transactions made close to the balance sheet date are not recorded in the appropriate period. Furthermore, the accrual of sales allowances based on business practice is subject to management's judgment, which involves significant uncertainty. Consequently, whether revenue is recognized in the appropriate period and accrual of sales allowances have been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matters above, we have performed certain audit procedures including, among others, testing the design and operating effectiveness of the Company's internal controls over the timing of revenue recognition; performing a sample test of sales transactions taking place before and after the balance sheet date to ensure that revenue was recognized in the appropriate period; assessing the methodology used by management in estimating sales allowances, including the reasonableness of key assumptions; and inspecting the historical payments of sales allowances to evaluate the reasonableness of the sales allowances estimated by management.

2. Valuation of inventories

Refer to Note 4(g) for the accounting policies on inventory valuation, Note 5(b) for uncertainty of accounting estimations and assumptions for inventory valuation and Note 6(e) for the details of the write-down of inventories, respectively, to the parent-company-only financial statements.

Description of key audit matter:

Inventories are measured at the lower of cost and net realizable value. Due to the rapid innovation of the information technology products and fierce market competition, the Company's product price may fluctuate rapidly. Furthermore, the stocks for products and key components may exceed customers' demands thus becoming obsolete. These factors expose the Company to significant level of uncertainty particularly in the area of estimating net realizable value, which is subject to management's judgments. Therefore, the valuation of inventories has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain audit procedures including, among others, evaluating whether valuation of inventories was accounted for in accordance with the Company's accounting policies; obtaining the inventory aging report, analyzing the fluctuation of inventory aging and selecting samples to verify the accuracy of inventory aging classification; and testing the net realizable value of inventories to evaluate the reasonableness of inventory provisions.

3. Impairment of goodwill from investment in subsidiaries

Refer to Note 4(n) for the accounting policies on impairment of non-financial assets, Note 5(c) for uncertainty of accounting estimations and assumptions for goodwill impairment and Note 6(h) for the evaluation of goodwill impairment, respectively, to the parent-company-only financial statements.

Description of key audit matter:

Goodwill arising from acquisition of subsidiaries, which are included within the carrying amount of investments accounted for using the equity method, is subject to impairment test annually or at the time there are indications that goodwill may have been impaired. The assessment of the recoverable amount of the cash-generating unit to which goodwill is allocated involves management's judgment and estimation with respect to the future cash flows and key assumptions which are complex and involve significant uncertainty. Accordingly, the assessment of impairment of goodwill has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain audit procedures including, among others, assessing the basis used by management for identifying the cash-generating units and whether book value of assets belonging to respective cash-generating units have been completely covered; assessing the appropriateness of the valuation method and key assumptions (in particular projected sales growth rate and weighted-average cost of capital) used by the management in measuring the recoverable amount; assessing the historical reasonableness of management's estimates of financial forecasts, and performing a sensitivity analysis to assess the impact of variations in key assumptions. In addition to the above audit procedures, we have also involved a valuation specialist to evaluate the appropriateness of the weighted-average cost of capital used and its underlying assumptions; and inspecting the adequacy of the Company's disclosures of related information on impairment evaluation of goodwill.

Responsibilities of Management and Those Charged with Governance for the Parent-Company-Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent-company-only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent-company-only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent-company-only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent-company-only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent-company-only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, base on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent-company-only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investee companies accounted for using the equity method to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent-company-only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Kao, Ching-Wen and Shih, Wei-Ming.

KPMG

Taipei, Taiwan (Republic of China)

March 13, 2025

Notes to Readers

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

The independent auditors' report and the accompanying parent-company-only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent-company-only financial statements, the Chinese version shall prevail.

(English Translation of Parent-Company-Only Financial Statements and Report Originally Issued in Chinese)

ACER INCORPORATED**Parent-Company-Only Balance Sheets****December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

		<u>December 31, 2024</u>		<u>December 31, 2023</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Assets					
Current assets:					
1100	Cash and cash equivalents (note 6(a))	\$ 11,468,571	7	18,363,188	12
1110	Financial assets measured at fair value through profit or loss — current (note 6(b))	777,726	-	59,412	-
1136	Financial assets measured at amortized cost — current (note 6(g))	785,759	1	461,025	-
1170	Notes and accounts receivable, net (notes 6(c) & (v))	4,733,876	3	4,037,018	3
1180	Notes and accounts receivable from related parties (notes 6(c) & (v) and 7)	14,950,427	10	13,018,418	9
1200	Other receivables, net (note 6(d))	670,312	-	411,520	-
1210	Other receivables from related parties (notes 6(d) and 7)	1,222,997	1	1,217,952	1
1220	Current income tax assets	102,547	-	101,880	-
130X	Inventories (note 6(e))	12,143,167	8	13,780,973	9
1476	Other financial assets — current (note 6(a))	357,340	-	1,239,900	1
1479	Other current assets	<u>517,058</u>	<u>-</u>	<u>473,761</u>	<u>-</u>
	Total current assets	<u>47,729,780</u>	<u>30</u>	<u>53,165,047</u>	<u>35</u>
Non-current assets:					
1517	Financial assets measured at fair value through other comprehensive income — non-current (note 6(f))	7,886,772	5	10,112,654	7
1535	Financial assets measured at amortized cost — non-current (note 6(g))	7,254,028	5	4,211,756	3
1550	Investments accounted for using the equity method (note 6(h))	87,130,774	56	78,036,358	51
1600	Property, plant and equipment (note 6(i))	1,781,877	1	1,805,810	1
1755	Right-of-use assets (note 6(j))	129,289	-	80,633	-
1760	Investment property (note 6(k))	828,161	1	827,742	1
1780	Intangible assets (note 6(l))	180,130	-	179,704	-
1840	Deferred income tax assets (note 6(s))	3,644,016	2	3,081,892	2
1980	Other financial assets — non-current (note 8)	155,618	-	152,782	-
1990	Other non-current assets	<u>58,623</u>	<u>-</u>	<u>34,547</u>	<u>-</u>
	Total non-current assets	<u>109,049,288</u>	<u>70</u>	<u>98,523,878</u>	<u>65</u>
	Total assets	<u>\$ 156,779,068</u>	<u>100</u>	<u>151,688,925</u>	<u>100</u>

(Continued)

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements and Report Originally Issued in Chinese)

ACER INCORPORATED
Parent-Company-Only Balance Sheets (Continued)
December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2024</u>		<u>December 31, 2023</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Liabilities and Equity					
Current liabilities:					
2120	Financial liabilities measured at fair value through profit or loss – current (note 6(b))	\$ 12,321	-	490,931	-
2130	Contract liabilities – current (note 6(v))	17,236	-	10,855	-
2170	Accounts payable	22,860,683	15	30,956,168	20
2180	Accounts payable to related parties (note 7)	1,338,314	1	1,201,326	1
2200	Other payables (note 6(w))	24,191,292	15	21,264,177	14
2220	Other payables to related parties (note 7)	1,008,921	-	468,815	-
2230	Current tax liabilities (note 6(s))	3,148,586	2	1,666,225	1
2250	Provisions – current (note 6(p))	727,411	-	797,244	1
2280	Lease liabilities – current (note 6(o))	45,079	-	54,885	-
2321	Current portion of bonds payable (note 6(n))	2,500,000	2	-	-
2365	Refund liabilities – current	2,651,067	2	2,644,086	2
2399	Other current liabilities	123,228	-	27,030	-
	Total current liabilities	<u>58,624,138</u>	<u>37</u>	<u>59,581,742</u>	<u>39</u>
Non-current liabilities:					
2530	Bonds payable (note 6(n))	12,500,000	8	10,000,000	7
2540	Long-term debt (note 6(m))	3,000,000	2	1,500,000	1
2570	Deferred income tax liabilities (note 6(s))	5,531,453	4	5,227,538	4
2580	Lease liabilities – non-current (note 6(o))	85,373	-	27,436	-
2600	Other non-current liabilities (note 6(r))	196,338	-	612,332	-
2622	Long-term payable to related parties (note 7)	13,635	-	13,353	-
	Total non-current liabilities	<u>21,326,799</u>	<u>14</u>	<u>17,380,659</u>	<u>12</u>
	Total liabilities	<u>79,950,937</u>	<u>51</u>	<u>76,962,401</u>	<u>51</u>
Equity (note 6(f) & (t)):					
3110	Common stock	30,478,538	19	30,478,538	20
3200	Capital surplus	27,876,265	18	27,805,176	18
3300	Retained earnings	19,653,833	13	18,490,986	12
3400	Other equity	1,532,269	1	664,598	1
3500	Treasury stock	(2,712,774)	(2)	(2,712,774)	(2)
	Total equity	<u>76,828,131</u>	<u>49</u>	<u>74,726,524</u>	<u>49</u>
	Total liabilities and equity	<u>\$ 156,779,068</u>	<u>100</u>	<u>151,688,925</u>	<u>100</u>

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

ACER INCORPORATED**Parent-Company-Only Statements of Comprehensive Income****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		2024		2023	
		Amount	%	Amount	%
4000	Net revenue (notes 6(v) and 7)	\$ 159,448,009	100	150,992,910	100
5000	Cost of revenue (notes 6(e) & (p), 7 and 12)	(151,450,559)	(95)	(143,493,770)	(95)
	Gross profit	7,997,450	5	7,499,140	5
5920	Unrealized profit from intercompany sales	(36,402)	-	(37,423)	-
	Realized gross profit	7,961,048	5	7,461,717	5
	Operating expenses (notes 6(c), (d), (i), (j), (k), (l), (p), (q), (r) & (w), 7 and 12):				
6100	Selling expenses	(2,083,365)	(1)	(1,400,978)	(1)
6200	General and administrative expenses	(1,306,240)	(1)	(1,054,664)	(1)
6300	Research and development expenses	(1,698,771)	(1)	(1,612,880)	(1)
	Total operating expenses	(5,088,376)	(3)	(4,068,522)	(3)
6500	Other operating income and expenses, net (notes 6(o), (q) & (x) and 7)	121,355	-	130,515	-
	Operating income	2,994,027	2	3,523,710	2
	Non-operating income and loss:				
7100	Interest income (notes 6(y) and 7)	883,943	-	822,112	1
7010	Other income (note 6(y))	227,956	-	400,382	-
7020	Other gains and losses (notes 6(y) and 7)	1,579,640	1	1,574,350	1
7050	Finance costs (notes 6(o) & (y) and 7)	(183,329)	-	(92,086)	-
7060	Share of profits of subsidiaries, associates and joint ventures (note 6(h))	1,750,364	1	60,104	-
	Total non-operating income and loss	4,258,574	2	2,764,862	2
	Income before taxes	7,252,601	4	6,288,572	4
7950	Income tax expenses (note 6(s))	(1,713,272)	(1)	(1,356,628)	(1)
	Net Income	5,539,329	3	4,931,944	3
	Other comprehensive (loss) income (notes 6(f), (h), (r), (s) & (t)):				
	Items that will not be reclassified subsequently to profit or loss				
8310	Remeasurements of defined benefit plans	31,137	-	4,508	-
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(1,512,286)	(1)	7,165,914	5
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures	(127,786)	-	618,551	-
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	(6,227)	-	(902)	-
	Total items that will not be reclassified subsequently to profit or loss	(1,615,162)	(1)	7,788,071	5
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	2,980,318	2	421,565	-
8380	Share of other comprehensive losses of associates	(221)	-	-	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	2,980,097	2	421,565	-
	Other comprehensive income, net of taxes	1,364,935	1	8,209,636	5
	Total comprehensive income for the year	\$ 6,904,264	4	13,141,580	8
	Earnings per share (in New Taiwan dollars) (note 6(u)):				
9750	Basic earnings per share	\$ 1.84		1.64	
9850	Diluted earnings per share	\$ 1.84		1.64	

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

ACER INCORPORATED

Parent-Company-Only Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other equity						
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign currency translation differences	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Treasury stock	Total equity	
Balance at January 1, 2023	\$ 30,478,538	27,795,883	2,515,341	7,398,192	4,983,612	14,897,145	(4,219,903)	(409,726)	320,376	(4,309,253)	(2,914,856)	65,947,457
Net income for the year	-	-	-	-	4,931,944	4,931,944	-	-	-	-	-	4,931,944
Other comprehensive income (loss) for the year	-	-	-	-	-	-	421,565	7,813,884	(25,813)	8,209,636	-	8,209,636
Total comprehensive income (loss) for the year	-	-	-	-	4,931,944	4,931,944	421,565	7,813,884	(25,813)	8,209,636	-	13,141,580
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	495,986	-	(495,986)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(84,251)	84,251	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(4,571,781)	(4,571,781)	-	-	-	-	-	(4,571,781)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	70,119	-	-	-	-	-	-	-	-	-	70,119
Disposal of the Company's share by subsidiaries recognized as treasury share transactions	-	73,115	-	-	-	-	-	-	-	-	202,082	275,197
Share of changes in equity of associates	-	1,640	-	-	-	-	-	-	-	-	-	1,640
Changes in ownership interests in subsidiaries	-	(117,115)	-	-	-	-	(1,364)	(431)	(312)	(2,107)	-	(119,222)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(19,538)	-	-	-	-	-	-	-	-	-	(19,538)
Organizational restructuring under common control	-	252	-	-	-	-	-	-	-	-	-	252
Stock option compensation cost of subsidiaries	-	820	-	-	-	-	-	-	-	-	-	820
Disposal of financial assets measured at fair value through other comprehensive income by the Company	-	-	-	-	3,212,026	3,212,026	-	(3,212,026)	-	(3,212,026)	-	-
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	21,652	21,652	-	(21,652)	-	(21,652)	-	-
Balance at December 31, 2023	<u>30,478,538</u>	<u>27,805,176</u>	<u>3,011,327</u>	<u>7,313,941</u>	<u>8,165,718</u>	<u>18,490,986</u>	<u>(3,799,702)</u>	<u>4,170,049</u>	<u>294,251</u>	<u>664,598</u>	<u>(2,712,774)</u>	<u>74,726,524</u>
Net income for the year	-	-	-	-	5,539,329	5,539,329	-	-	-	-	-	5,539,329
Other comprehensive income (loss) for the year	-	-	-	-	-	-	2,980,318	(1,503,281)	(112,102)	1,364,935	-	1,364,935
Total comprehensive income (loss) for the year	-	-	-	-	5,539,329	5,539,329	2,980,318	(1,503,281)	(112,102)	1,364,935	-	6,904,264
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	816,562	-	(816,562)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(4,876,566)	(4,876,566)	-	-	-	-	-	(4,876,566)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	66,634	-	-	-	-	-	-	-	-	-	66,634
Share of changes in equity of associates	-	4,982	-	-	-	-	-	-	-	-	-	4,982
Changes in ownership interests in subsidiaries	-	108,685	-	-	-	-	(187)	512	2,435	2,760	-	111,445
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(128,685)	-	-	-	-	27	-	33	60	-	(128,625)
Organizational restructuring under common control	-	4	-	-	-	-	-	-	-	-	-	4
Stock option compensation cost of subsidiaries	-	19,469	-	-	-	-	-	-	-	-	-	19,469
Disposal of financial assets measured at fair value through other comprehensive income by the Company	-	-	-	-	499,017	499,017	-	(499,017)	-	(499,017)	-	-
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	1,067	1,067	-	(1,067)	-	(1,067)	-	-
Balance at December 31, 2024	<u>\$ 30,478,538</u>	<u>27,876,265</u>	<u>3,827,889</u>	<u>7,313,941</u>	<u>8,512,003</u>	<u>19,653,833</u>	<u>(819,544)</u>	<u>2,167,196</u>	<u>184,617</u>	<u>1,532,269</u>	<u>(2,712,774)</u>	<u>76,828,131</u>

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

ACER INCORPORATED**Parent-Company-Only Statements of Cash Flows****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Income before income tax	\$ 7,252,601	6,288,572
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation	157,957	150,584
Amortization	32,246	44,723
Net loss on financial assets measured at fair value through profit or loss	88	1,844
Effects of exchange rate changes on financial assets measured at amortized cost	(252,617)	(2,449)
Interest expense	183,329	92,086
Interest income	(883,943)	(822,112)
Dividend income	(227,956)	(400,382)
Share of profits of subsidiaries, associates and joint ventures	(1,750,364)	(60,104)
Gain on disposal of property, plant and equipment	(15,825)	(418)
Gain on disposal of investments	(15,007)	(3,967)
Gain on bargain purchase	-	(2,216)
Property, Plant and equipment reclassified to cost	-	323
Unrealized profit from intercompany sales	36,402	37,423
Total adjustments for profit or loss	<u>(2,735,690)</u>	<u>(964,665)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Derivative financial instruments measured at fair value through profit or loss	(1,197,741)	(159,164)
Notes and accounts receivable	(696,858)	(467,043)
Notes and accounts from related parties	(1,932,009)	(274,958)
Inventories	1,635,864	(1,269,222)
Other receivables and other current assets	(227,657)	(447,761)
Other non-current assets	(24,208)	10,596
Changes in operating assets	<u>(2,442,609)</u>	<u>(2,607,552)</u>
Changes in operating liabilities:		
Accounts payable	(8,095,485)	9,856,766
Payables to related parties	421,552	(2,146,537)
Refund liabilities	6,981	(137,522)
Other payables and other current liabilities	2,966,156	(3,662,347)
Provisions	(69,833)	(214,022)
Contract liabilities	6,381	2,046
Other non-current liabilities and long-term payables to related parties	(384,575)	(7,020)
Changes in operating liabilities	<u>(5,148,823)</u>	<u>3,691,364</u>
Cash (used in) provided by operations	(3,074,521)	6,407,719
Interest received	799,389	752,829
Income taxes paid	(496,014)	(929,570)
Net cash (used in) provided by operating activities	<u>(2,771,146)</u>	<u>6,230,978</u>

(Continued)

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

ACER INCORPORATED**Parent-Company-Only Statements of Cash Flows (Continued)****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	<u>2024</u>	<u>2023</u>
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	(553,294)	(766,817)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	595,723	4,285,821
Acquisition of financial assets measured at amortized cost	(3,564,872)	(3,859,633)
Proceeds from repayment of principal of financial assets measured at amortized cost	470,000	-
Proceeds from disposal of financial assets measured at fair value through profit or loss	729	-
Acquisition of investments accounted for using the equity method	(4,951,103)	(826,182)
Proceeds from disposal of investments accounted for using the equity method	274,617	100,946
Proceeds from capital reduction or liquidation of investments accounted for using the equity method	-	397,320
Acquisition of property, plant and equipment and investment property	(83,519)	(120,096)
Proceeds from disposal of property, plant and equipment	33,502	627
Increase in receivables from related parties	(15,201)	(157,327)
Acquisition of intangible assets	(26,690)	(28,544)
Decrease (increase) in other financial assets	879,724	(1,233,716)
Increase in assets recognized from costs to fulfill contracts with customers	(5,089)	(14,891)
Dividends received	1,136,381	1,011,609
Net cash flows used in investing activities	<u>(5,809,092)</u>	<u>(1,210,883)</u>
Cash flows from financing activities:		
Proceeds from issuing bonds	5,000,000	-
Increase in long-term debt	1,500,000	1,500,000
Payment of lease liabilities	(67,184)	(80,780)
Increase in loans from related parties	255,000	160,000
Cash dividends	(4,876,566)	(4,571,781)
Interest paid	(125,629)	(89,259)
Net cash flows provided by (used in) financing activities	<u>1,685,621</u>	<u>(3,081,820)</u>
Net (decrease) increase in cash and cash equivalents	<u>(6,894,617)</u>	<u>1,938,275</u>
Cash and cash equivalents at beginning of period	<u>18,363,188</u>	<u>16,424,913</u>
Cash and cash equivalents at end of period	<u><u>\$ 11,468,571</u></u>	<u><u>18,363,188</u></u>

See accompanying notes to parent-company-only financial statements.

(English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese)

ACER INCORPORATED

Notes to Parent-Company-Only Financial Statements

For the years ended December 31, 2024 and 2023

**(Expressed in Thousands of New Taiwan Dollars, Except for Per Share Information
And Otherwise Specified)**

1. Organization and business

Acer Incorporated (the “Company”) was incorporated on August 1, 1976, as a company limited by shares under the laws of the Republic of China (“R.O.C.”) and registered under the Ministry of Economic Affairs, R.O.C.

The Company is primarily engaged in marketing and sale of brand-name IT products. The Company also builds innovative ecosystems in consumer and commercial markets to provide more products and integrated applications along with software, hardware and related services. In addition, the Company aims at building multiple business engines to foster innovation of products and application services for market expansion.

2. Authorization of the parent-company-only financial statements

These parent-company-only financial statements were authorized for issuance by the Board of Directors on March 13, 2025.

3. Application of new and revised accounting standards and interpretations:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its parent-company-only financial statements, from January 1, 2024:

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

- (b) The impact of IFRS issued by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its parent-company-only financial statements:

- Amendments to IAS21 “Lack of Exchangeability”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Company, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	January 1, 2027

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

The Company is evaluating the impact on its financial position and financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Company completes its evaluation.

The Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its parent-company-only 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” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

4. Summary of material accounting policies

The material accounting policies presented in the parent-company-only financial statements are summarized as follows. The following accounting policies have been applied consistently to all periods presented in these financial statements.

(a) Statement of compliance

The accompanying parent-company-only financial statements have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” (the “Regulations”).

(b) Basis of preparation

(i) Basis of measurement

The accompanying parent-company-only financial statements have been prepared on a historical cost basis except for the following items:

- 1) Financial instruments measured at fair value through profit or loss (including derivative financial instruments);
- 2) Financial assets measured at fair value through other comprehensive income; and
- 3) Net defined benefit liability measured at present value of defined benefit obligation less the fair value of plan assets and limited as explained in note 4(r).

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ii) Functional and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the Company operates. The Company's parent-company-only financial statements are presented in New Taiwan dollars, which is the Company's functional currency. Except when otherwise indicated, all financial information presented in New Taiwan dollars has been rounded to the nearest thousand.

(c) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period ("the reporting date"), monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for an investment in equity securities designated as at fair value through other comprehensive income, which are recognized in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from acquisition, are translated into the presentation currency of the Company's parent-company-only financial statements at the exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated into the presentation currency of the Company's parent-company-only financial statements at the average exchange rates for the period. All resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, joint control, or significant influence is lost, the accumulated exchange differences related to that foreign operation is reclassified to profit or loss. In the case of a partial disposal that does not result in the Company losing control over a subsidiary, the proportionate share of the accumulated exchange differences is reclassified to non-controlling interests. For a partial disposal of the Company's ownership interest in an associate or joint venture, the proportionate share of the accumulated exchange differences in equity is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, the monetary item is, in substance, a part of net investment in that foreign operation, and the related foreign exchange gains and losses thereon are recognized as other comprehensive income.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(d) Classification of current and non-current assets and liabilities

The Company classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(e) Cash and cash equivalents

Cash consists of cash on hand, checking deposits, and demand deposits. Cash equivalents consist of short-term and highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be classified as cash equivalents.

(f) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income ("FVOCI")

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment loss are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, other comprehensive income accumulated in equity are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income. On derecognition, other comprehensive income accumulated in equity is reclassified to retained earnings and is never reclassified to profit or loss.

Dividend income derived from equity investments is recognized on the date that the Company's right to receive the dividends is established (usually the ex-dividend date).

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

3) Fair value through profit or loss ("FVTPL")

All financial assets not classified as measured at amortized cost or at FVOCI described as above (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on a fair value basis) are measured at FVTPL, including derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any dividend and interest income, are recognized in profit or loss.

4) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses ("ECL") on financial assets measured at amortized cost (including cash and cash equivalents, notes and accounts receivable, other receivables and other financial assets) and contract assets.

The Company measures loss allowances for accounts receivable, contract assets and other financial assets at an amount equal to lifetime ECL, except for the following financial assets which are measured using 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. The information includes both quantitative and qualitative information and analysis based on the Company's historical experience and credit assessment, as well as forward-looking information.

ECLs are probability-weighted estimate of credit losses over the expected life of financial assets. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

5) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets; in these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual agreements and the definitions of a financial liability and an equity instrument.

2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recognized at the amount of consideration received, less the direct issuing cost.

3) Treasury stock

When shares recognized as equity are repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury stock. When treasury stock is sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital surplus is not sufficient to be written down).

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

4) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

5) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligation has been fulfilled or cancelled, or has expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of a financial liability derecognized and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

6) Offsetting of financial assets and liabilities

Financial assets and liabilities are presented on a net basis only when the Company has the legally enforceable right to offset and intends to settle such financial assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

(iii) Derivative financial instruments

The Company uses derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted-average method, and includes expenditure incurred in bringing them to their existing location and condition. Net realizable value represents the estimated selling price in the ordinary course of business, less all estimated costs of completion and necessary selling expenses.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(h) Investments accounted for using the equity method

Investments accounted for using the equity method include investments in associates and interests in joint venture.

An associate is an entity in which the Company has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses. When necessary, the entire carrying amount of the investment (including goodwill) will be tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Company recognizes its share of the profit or loss and other comprehensive income of those associates, after adjustments to align its accounting policies with those of the Company, from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in percentage of ownership.

Gains and losses resulting from transactions between the Company and an associate are recognized only to the extent of unrelated investors' interests in the associate.

When the Company's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

The Company discontinues the use of the equity method and measures the retained interest at fair value from the date when its investment ceases to be an associate. The difference between the fair value of retained interest and proceeds from disposing of a part interest in the associate, and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss. The Company accounts for all the amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would have been required if the associates had directly disposed of the related assets or liabilities. If a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss (or retained earnings) on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (or retained earnings) when the equity method is discontinued. If the Company's ownership interest in an associate is reduced while it continues to apply the equity method, the Company reclassifies the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to the reduction in ownership interest to profit or loss (or retained earnings).

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

When the Company subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Company's proportionate interest in the net assets of the associate. The Company records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus. If the adjustments are charged to capital surplus and the capital surplus resulting from investments accounted for using the equity method is not sufficient, the remaining difference is debited to retained earnings. If the Company's ownership interest is reduced due to the additional subscription to the shares of the associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

A joint venture is a joint arrangement whereby the Company has joint control of the arrangement (i.e. joint ventures) in which the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The Company recognizes its interest in a joint venture as an investment and accounts for that investment using the equity method in accordance with IAS 28 "Investments in Associates and Joint Ventures", unless the Company qualifies for exemption from that Standard.

When assessing the classification of a joint arrangement, the Company considers the structure and legal form of the arrangement, the terms in the contractual arrangement, and other facts and circumstances. When the facts and circumstances change, the Company reevaluates whether the classification of the joint arrangement has changed.

(i) Investments in subsidiaries

When preparing the parent-company-only financial statements, investment in subsidiaries which are controlled by the Company is accounted for using the equity method. Carrying amount of investments in subsidiaries includes goodwill arising from initial recognition less any accumulated impairment losses, which is recognized as a reduction of carry amount. Under the equity method, profit or loss and other comprehensive income recognized in parent-company-only financial statement is in line with total comprehensive income attributable to owners of the Parent in the consolidated financial statements. In addition, changes in equity recognized in parent-company-only financial statement is in line with the changes in equity attributable to owners of parent in the consolidated financial statements. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity.

The Company uses acquisition method for acquisitions of subsidiaries. The goodwill arising from an acquisition is measured as the excess of the acquisition-date fair value of consideration transferred, including the amount of non-controlling interest in the acquiree, over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed (generally at fair value). If the amount calculated above is a deficit balance, the Company recognizes that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed. For each business combination, non-controlling interest in the acquiree is measured either at fair value or at the non-controlling interest's proportionate share of the fair value of acquiree's identifiable net assets.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

In an acquisition of new subsidiary achieved in stages, the Company shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss in profit or loss. The amount previously recognized in other comprehensive income in relation to the changes in the value of the Company's equity interest should be reclassified to profit or loss on the same basis as would be required if the Company had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, provisional amounts for the items for which the accounting is incomplete are reported in the financial statements. During the measurement period, the provisional amounts recognized at the acquisition date are retrospectively adjusted, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The measurement period shall not exceed one year from the acquisition date.

Acquisition-related costs are expensed as incurred except for the costs related to issuance of debt or equity instruments.

(j) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the purpose of the property changes from owner-occupied to investment.

(iii) Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iv) Depreciation

Depreciation is calculated on the cost of assets less their residual values and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated. The estimated useful lives of property, plant and equipment are as follows: buildings – main structure - 30 to 50 years; air-conditioning system - 10 years; other equipment pertaining to buildings - 20 years; computer and communication equipment - 3 to 5 years; other equipment - 3 to 10 years.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Depreciation methods, useful lives, and residual values are reviewed at each financial year-end, with the effect of any changes in estimate accounted for on a prospective basis.

(k) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. The methods for depreciating and determining the useful life and residual value of investment property are the same as those adopted for property, plant and equipment.

Rental income from investment property is recognized as other operating income and expenses on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

An investment property is reclassified to property, plant and equipment at its carrying amount when the purpose of the investment property has been changed from investment to owner-occupied.

(l) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically evaluated and reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

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ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- amounts expected to be payable under a residual value guarantee; and
- payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a change of the Company's assessment on whether it will exercise an option to purchase the underlying asset, or;
- there is a change in the lease term resulting from a change of the Company's assessment on whether it will exercise an extension or termination option; or
- there is any lease modifications in lease subject, scope of the lease or other terms.

At inception or on reassessment of whether a contract contains a lease, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings, the Company has elected not to separate non-lease components and account for each lease component and any associated non-lease components as a single lease component.

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize the difference in profit or loss for any gain or loss relating to the partial or full termination of the lease.

The Company presents right-of-use assets that do not meet the definition of investment properties and lease liabilities as a separate line item respectively in the parent-company-only balance sheets.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ii) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

For operating lease, the Company recognizes rental income on a straight-line basis over the lease term.

(m) Intangible assets

(i) Goodwill

Goodwill arising from acquisitions of subsidiaries is accounted for as intangible assets. Refer to note 4(i) for the description of the measurement of goodwill at initial recognition. Goodwill arising from acquisitions of subsidiaries and associates are included in the carrying amount of investments in associates. Goodwill is not amortized but is measured at cost less accumulated impairment losses.

(ii) Trademarks

Trademarks are measured at cost. Subsequent to the initial recognition, trademarks with definite useful lives are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis. Trademarks with indefinite useful lives are carried at cost less any accumulated impairment losses and are tested for impairment annually. The useful life of an intangible asset not subject to amortization is reviewed annually at each financial year-end to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Any change in the useful life assessment from indefinite to definite is accounted for as a change in accounting estimate.

(iii) Other intangible assets

Other separately acquired intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized in profit or loss on a straight-line basis over the following estimated useful lives: patents - 4 to 15 years; acquired software - 1 to 3 years.

The residual value, amortization period, and amortization method are reviewed at least at each financial year-end, with the effect of any changes in estimate accounted for on a prospective basis.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(n) Impairment of non-financial assets

The Company assesses at the end of each reporting date whether there is any indication that the carrying amounts of non-financial assets (other than inventories and deferred tax assets) may be impaired. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually or when there are indications of impairment.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets. Goodwill arising from a business combination is allocated to cash-generating units ("CGUs") or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other non-financial assets, an impairment loss is reversed only to the extent that the asset's carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the assets in prior years.

(o) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(i) Warranties

A provision for warranties is recognized when the underlying products or services are sold. This provision reflects the historical warranty claim rate and the weighting of all possible outcomes against their associated probabilities.

(ii) Others

Provisions for litigation claims and environmental restoration are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(p) Revenue recognition

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below.

1) Sale of goods

The Company recognizes revenue when control of the products has been transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company recognizes revenue based on the price specified in the contract, net of the estimated volume discounts and rebates. Accumulated experience is used to estimate the discounts and rebates using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognized for expected sales discounts and rebate payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term ranged from 30 to 90 days, which is consistent with the market practice.

The Company's obligation to provide a refund for faulty goods under the standard warranty terms is recognized as a provision for warranty. Please refer to note 6(p) for more explanation.

A receivable is recognized when the goods are delivered as this is the point in time that the Company has a right to an amount of consideration that is unconditional.

2) Revenue from service rendered

The Company provides system implementation or integration services to enterprise customers. Revenue from providing services is recognized in the accounting periods in which the services are rendered. For performance obligations that are satisfied over time, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of services provided is determined based on the portion of the work performed, the time passed by, or the milestone reached.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Estimates of revenues, costs, or extent of progress toward completion, are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by the management.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the accumulated revenue recognized by the Company exceed the payments, a contract asset is recognized. If the payments exceed the accumulated revenue recognized, a contract liability is recognized.

3) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and the payment made by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) Contract costs

1) Incremental costs of obtaining a contract

The Company recognizes the incremental costs of obtaining a contract with a customer as an asset if the Company expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred, regardless of whether the contract was obtained, shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Company applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the Company otherwise would have recognized is one year or less.

2) Assets recognized from costs to fulfill contracts with customers

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (e.g., IAS 2 *Inventories*, IAS 16 *Property, Plant and Equipment* or IAS 38 *Intangible Assets*), the Company recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify;
- the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Company cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations (or partially satisfied performance obligations) are recognized as expenses when incurred.

(q) Government grant

A government grant is recognized in profit or loss only when there is reasonable assurance that the Company will comply with the conditions associated with the grant and that the grant will be received.

A government grant is recognized in profit or loss in the period in which it becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company without future related costs.

Government grant is recorded in other operating income and expenses, net.

(r) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are expensed during the year in which employees render services.

(ii) Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The discount rate for calculating the present value of the defined benefit obligation refers to the interest rate of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. The defined benefit obligation is calculated annually by qualified actuaries using the projected unit credit method.

When the benefits of a plan are improved, the expenses related to the increased obligations resulting from the services rendered by employees in the past years are recognized in profit or loss immediately.

The remeasurements of the net defined benefit liability (asset) comprise (i) actuarial gains and losses; (ii) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset). The remeasurements of the net defined benefit liability (asset) are recognized in other comprehensive income and reflected in other equity.

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ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

The Company recognizes gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on curtailment or settlement comprises any resulting change in the fair value of plan assets and any change in the present value of the defined benefit obligation.

(iii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period in which employees render services. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to make such payments as a result of past service provided by the employees, and the obligation can be estimated reliably.

(s) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, and the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The grant date of options for employees to subscribe new shares for a cash injection is the date when the Board of Directors approves the exercise price and the shares to which employees can subscribe.

(t) Income taxes

Income taxes comprise current taxes and deferred taxes. Current and deferred taxes are recognized in profit or loss unless they relate to business combinations or items recognized directly in equity or other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

The Company has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities at the reporting date and their respective tax bases. Deferred taxes are recognized except for the following:

- (i) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction (1) affects neither accounting nor taxable profits (losses) and (2) does not give rise to equal taxable and deductible temporary differences;
- (ii) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(u) Earnings per share (“EPS”)

The basic and diluted EPS attributable to stockholders of the Company are disclosed in the financial statements. Basic EPS is calculated by dividing net income attributable to stockholders of the Company by the weighted-average number of common shares outstanding during the year. In calculating diluted EPS, the net income attributable to stockholders of the Company and weighted-average number of common shares outstanding during the year are adjusted for the effects of dilutive potential common shares. The Company’s dilutive potential common shares include profit sharing for employees to be settled in the form of common stock.

(v) Operating segments

The Company discloses the operating segment information in the consolidated financial statements. Therefore, the Company does not disclose the operating segment information in the parent-company-only financial statements.

5. Critical accounting judgments and key sources of estimation and assumption uncertainty

In preparing the parent-company-only financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company’s risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively in the period of the change and future periods.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included as follows:

(a) Revenue recognition (accrual of sales allowance)

The Company records a refund liability for estimated future allowances in the same period the related revenue is recognized. Refund liability for estimated sales allowances is generally made and adjusted based on historical experience, channel inventory, market and economic conditions, and any other factors that would significantly affect the allowance. The adequacy of estimations is reviewed periodically. The fierce market competition and rapid evolution of technology could result in significant adjustments to the accruals made.

(b) Valuation of inventory

Inventories are measured at the lower of cost or net realizable value. The Company uses judgment and estimates to determine the net realizable value of inventory at each reporting date.

The Company estimates the net realizable value of inventory, taking obsolescence and unmarketable items into account at the reporting date, and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a time horizon, which could result in significant adjustments. Refer to note 6(e) for further description of inventory write-downs.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(c) Impairment of goodwill from investments in subsidiaries

The assessment of impairment of goodwill requires the Company to make subjective judgments to identify cash-generating units, allocate the goodwill to relevant cash-generating units, and estimate the recoverable amount of relevant cash-generating units. Any changes in these estimates based on changed economic conditions or business strategies could result in significant adjustments in future years. Refer to note 6(h) for further description of the impairment of goodwill.

6. Significant account disclosures

(a) Cash and cash equivalents

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Cash on hand	\$ 599	614
Bank deposits	5,552,641	6,782,871
Time deposits with original maturities less than three months	<u>5,915,331</u>	<u>11,579,703</u>
	<u>\$ 11,468,571</u>	<u>18,363,188</u>

As of December 31, 2024 and 2023, the time deposits with original maturities between three months and one year amounted to \$357,340 and \$1,239,900, respectively, which were classified as other financial assets – current.

(b) Financial instruments measured at fair value through profit or loss – current

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Financial assets mandatorily measured at fair value through profit or loss:		
Derivative instruments not used for hedging		
Foreign currency forward contracts	\$ 777,726	58,595
Non-derivative financial assets		
Stocks listed on foreign markets	-	817
	<u>\$ 777,726</u>	<u>59,412</u>
Financial liabilities held for trading – current:		
Derivatives – Foreign currency forward contracts	<u>\$ (12,321)</u>	<u>(490,931)</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Please refer to note 6(y) for the amounts recognized in profit or loss arising from remeasurement at fair value.

The Company entered into derivative contracts to manage foreign currency exchange risk arising from operating activities. At each reporting date, the outstanding foreign currency forward contracts that did not conform to the criteria for hedge accounting consisted of the following (the contract amount was presented in USD):

(i) Foreign currency forward contracts

December 31, 2024		
Contract amount (in thousands)	Currency	Maturity period
USD 408,000	USD / NTD	2025/01
USD 303,573	EUR / USD	2025/01~2025/05
USD 2,413	NZD / USD	2025/01~2025/03
USD 45,432	AUD / USD	2025/01~2025/05
USD 35,658	USD / JPY	2025/01~2025/09
USD 160,696	USD / INR	2025/01~2025/09
December 31, 2023		
Contract amount (in thousands)	Currency	Maturity period
USD 538,000	USD / NTD	2024/01
USD 233,410	EUR / USD	2024/01~2024/05
USD 1,428	NZD / USD	2024/01~2024/02
USD 59,708	AUD / USD	2024/01~2024/05
USD 56,499	USD / JPY	2024/01~2024/12
USD 152,018	USD / INR	2024/01~2024/10

(c) Notes and accounts receivable, net (measured at amortized cost)

	December 31, 2024	December 31, 2023
Notes receivable	\$ 10,267	14,925
Accounts receivable	4,725,069	4,023,554
Less: loss allowance	(1,460)	(1,461)
	4,733,876	4,037,018
Notes and accounts receivable from related parties (note 7(b))	14,950,427	13,018,418
	\$ 19,684,303	17,055,436

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. Forward looking information is taken into consideration as well. Analysis of expected credit losses on notes and accounts receivable was as follows:

	December 31, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 3,618,281	0.04%	(1,460)
Past due 1-30 days	785,284	0.00%	-
Past due 31-60 days	36,732	0.00%	-
Past due 61-90 days	89,641	0.00%	-
Past due 91-180 days	205,398	0.00%	-
	\$ 4,735,336		(1,460)
	December 31, 2023		
	Gross carrying amount	Weighted- average loss rate	Loss allowance
Current	\$ 3,198,023	0.05%	(1,461)
Past due 1-30 days	653,782	0.00%	-
Past due 31-60 days	182,985	0.00%	-
Past due 61-90 days	1,094	0.00%	-
Past due 91-180 days	2,096	0.00%	-
Past due 181 days or over	499	0.00%	-
	\$ 4,038,479		(1,461)

As of December 31, 2024 and 2023, except for the loss allowance of \$19,895 provided for notes and accounts receivable from related parties in 2024, which was also written off in the same year, no expected credit losses were provided for other notes and accounts receivable from related parties after management's assessment. The analysis was as follows:

	December 31, 2024	December 31, 2023
Current	\$ 10,926,253	9,940,433
Past due 1-30 days	2,912,531	2,236,952
Past due 31-60 days	262,091	313,628
Past due 61-90 days	32,922	84,674
Past due 91-180 days	369,858	287,492
Past due 181 days or over	446,772	155,239
	\$ 14,950,427	13,018,418

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Movements of the allowance for notes and accounts receivable (including receivables from related parties) were as follows:

	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 1,461	1,755
Impairment loss recognized (reversed)	19,894	(294)
Write-off	<u>(19,895)</u>	<u>-</u>
Balance at December 31	<u><u>\$ 1,460</u></u>	<u><u>1,461</u></u>

(d) Other receivables, net

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Other receivables from related parties (note 7(b))	\$ 1,222,997	1,217,952
Reimbursement of advertising expense	328,322	135,075
Receivables of purchase discount	209,161	115,100
Interest receivable	128,656	53,462
Others	<u>6,919</u>	<u>107,883</u>
	1,896,055	1,629,472
Less: loss allowance	<u>(2,746)</u>	<u>-</u>
	<u><u>\$ 1,893,309</u></u>	<u><u>1,629,472</u></u>

As of December 31, 2024 and 2023, except for the loss provision of \$5,881 provided for other receivables from related parties in 2024, of which \$3,135 was also written off in the same year, no other loss allowance was provided for other receivables after management's assessment.

(e) Inventories

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Raw materials	\$ 10,742,532	12,698,362
Finished goods and merchandise	1,032,735	740,248
Spare parts	61,454	50,213
Inventories in transit	<u>306,446</u>	<u>292,150</u>
	<u><u>\$ 12,143,167</u></u>	<u><u>13,780,973</u></u>

For the years ended December 31, 2024 and 2023, the amounts of inventories recognized as cost of revenues were \$138,342,016 and \$132,395,422, respectively, of which \$265,112 and \$(1,299,501), respectively, were the write-down of inventories (reversal of write-downs). The write-downs arose from the write-down of inventories to net realizable value. The reversal of write-downs arose from the increase in the net realizable value or the sale of inventories, and the circumstance of net realizable value of inventories being lower than the cost of inventories no longer existed.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- (f) Financial assets measured at fair value through other comprehensive income— non-current:

	December 31, 2024	December 31, 2023
Equity investments measured at fair value through other comprehensive income:		
Domestic listed stock	\$ 7,114,981	9,568,286
Domestic unlisted stock	<u>771,791</u>	<u>544,368</u>
	<u>\$ 7,886,772</u>	<u>10,112,654</u>

The Company designated the investments shown above financial assets measured as at fair value through other comprehensive income as these equity instruments are held for long-term strategic purposes and not for trading. Certain financial assets measured at FVOCI were disposed of in 2024 and 2023, the related gain accumulated in other comprehensive income of \$499,017 and \$3,212,026, respectively, has been reclassified from other equity to retained earnings, accordingly.

- (g) Financial assets measured at amortized cost

	December 31, 2024	December 31, 2023
Fixed Rate Corporate Bonds	<u>\$ 8,039,787</u>	<u>4,672,781</u>
Current	\$ 785,759	461,025
Non-current	<u>7,254,028</u>	<u>4,211,756</u>
	<u>\$ 8,039,787</u>	<u>4,672,781</u>

The Company assessed that it holds these financial assets until maturity to collect the contractual cash flows and the cash flows of these assets are solely payments for principal and interest on principal amount outstanding. Therefore, such financial assets were classified as financial assets measured at amortized cost.

- (h) Investments accounted for using the equity method

A summary of the Company's investments accounted for using the equity method is as follows:

	December 31, 2024	December 31, 2023
Subsidiaries	\$ 81,853,284	77,680,491
Associates	1,874,357	55,786
Joint ventures	<u>3,403,133</u>	<u>300,081</u>
	<u>\$ 87,130,774</u>	<u>78,036,358</u>

- (i) For the information of subsidiaries, please refer to the consolidated financial statements for the year ended December 31, 2024.
- (ii) The Company has performed an impairment test for goodwill from investment in subsidiaries, and there was no impairment as a result of the test. Please refer to the consolidated financial statements for the year ended December 31, 2024 for the description of the impairment of goodwill.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(iii) Associates and joint venture

Name of Associates and Joint Venture	December 31, 2024		December 31, 2023	
	Percentage of ownership	Carrying amount	Percentage of ownership	Carrying amount
Associate:				
Apacer Technology Inc. (“AMT”, note (ii))	9.27	\$ 637,435	-	-
Chaoming Electric Co., Ltd. (“Chaoming Electric”)	25.00	335,784	-	-
Chao-Chi Property Management Consulting Co., Ltd. (“CCP”)	20.03	338,184	-	-
Haosheng No. 3 Electric Co., Ltd. (“Haosheng No. 3”)	25.00	295,252	-	-
Solming Green Energy Corp. (“SGE”)	22.84	208,562	-	-
Others	-	59,140	-	55,786
Joint Venture:				
Haoru Electric Co., Ltd. (“HRC”, note (i))	60.00	1,678,367	60.00	300,081
Enrich Investment Incorporated (“ERI”, note (i))	74.35	1,421,483	-	-
Haosheng Co., Ltd. (“Haosheng”, note (i))	35.00	303,283	-	-
		<u>\$ 5,277,490</u>		<u>355,867</u>

Note (i): Based on the joint venture agreement with a third party, the Company and the other party have joint control over the investee. Accordingly, the investment was accounted for using the equity method.

Note (ii): The Company holds 9.27% of the voting shares in AMT, which were initially classified as FVOCI. After acquiring a board seat, it is determined that the Company has significant influence over AMT. Consequently, the investments in AMT have been reclassified as investments accounted for using the equity method.

	2024	2023
The Company’s share of net income (loss) of the associates:		
Net loss	\$ (107)	(4,147)
Other comprehensive income	1,028	-
Total comprehensive income (loss)	<u>\$ 921</u>	<u>(4,147)</u>
The Company’s share of net income (loss) of the joint venture:		
Net income (loss)	\$ 240,900	(8,730)
Other comprehensive income	1,818	-
Total comprehensive income (loss)	<u>\$ 242,718</u>	<u>(8,730)</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(i) Property, plant and equipment

The movements of cost, and accumulated depreciation and impairment loss of the property, plant and equipment were as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Computer and communication equipment</u>	<u>Other equipment</u>	<u>Total</u>
Cost or deemed cost:					
Balance at January 1, 2024	\$ 1,427,739	2,539,590	565,640	252,723	4,785,692
Additions	-	12,169	54,303	5,066	71,538
Disposals	-	(21,373)	(54,190)	(7,728)	(83,291)
Reclassifications	-	12,243	1,942	-	14,185
Balance at December 31, 2024	<u>\$ 1,427,739</u>	<u>2,542,629</u>	<u>567,695</u>	<u>250,061</u>	<u>4,788,124</u>
Balance at January 1, 2023	\$ 1,427,739	2,555,537	541,439	268,222	4,792,937
Additions	-	27,919	77,836	2,613	108,368
Disposals	-	(40,922)	(57,374)	(18,112)	(116,408)
Reclassifications	-	(2,944)	3,739	-	795
Balance at December 31, 2023	<u>\$ 1,427,739</u>	<u>2,539,590</u>	<u>565,640</u>	<u>252,723</u>	<u>4,785,692</u>
Accumulated depreciation and impairment loss:					
Balance at January 1, 2024	\$ 278,877	2,007,059	459,104	234,842	2,979,882
Depreciation	-	28,203	46,089	6,733	81,025
Disposals	-	(3,696)	(54,190)	(7,728)	(65,614)
Reclassifications	-	10,954	-	-	10,954
Balance at December 31, 2024	<u>\$ 278,877</u>	<u>2,042,520</u>	<u>451,003</u>	<u>233,847</u>	<u>3,006,247</u>
Balance at January 1, 2023	\$ 278,877	2,022,305	490,880	246,366	3,038,428
Depreciation	-	26,932	25,731	6,463	59,126
Disposals	-	(40,838)	(57,374)	(17,987)	(116,199)
Reclassifications	-	(1,340)	(133)	-	(1,473)
Balance at December 31, 2023	<u>\$ 278,877</u>	<u>2,007,059</u>	<u>459,104</u>	<u>234,842</u>	<u>2,979,882</u>
Carrying amounts:					
Balance at December 31, 2024	<u>\$ 1,148,862</u>	<u>500,109</u>	<u>116,692</u>	<u>16,214</u>	<u>1,781,877</u>
Balance at December 31, 2023	<u>\$ 1,148,862</u>	<u>532,531</u>	<u>106,536</u>	<u>17,881</u>	<u>1,805,810</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(j) Right-of-use assets

	<u>Buildings</u>	<u>Other equipment</u>	<u>Total</u>
Cost:			
Balance at January 1, 2024	\$ 182,148	4,365	186,513
Additions	113,133	2,396	115,529
Disposals	<u>(72,794)</u>	<u>(852)</u>	<u>(73,646)</u>
Balance at December 31, 2024	<u>\$ 222,487</u>	<u>5,909</u>	<u>228,396</u>
Balance at January 1, 2023	\$ 207,464	6,117	213,581
Additions	37,604	4,365	41,969
Disposals	<u>(62,920)</u>	<u>(6,117)</u>	<u>(69,037)</u>
Balance at December 31, 2023	<u>\$ 182,148</u>	<u>4,365</u>	<u>186,513</u>
Accumulated depreciation:			
Balance at January 1, 2024	\$ 105,304	576	105,880
Depreciation	64,723	1,936	66,659
Disposals	<u>(72,794)</u>	<u>(638)</u>	<u>(73,432)</u>
Balance at December 31, 2024	<u>\$ 97,233</u>	<u>1,874</u>	<u>99,107</u>
Balance at January 1, 2023	\$ 88,709	4,658	93,367
Depreciation	79,515	2,035	81,550
Disposals	<u>(62,920)</u>	<u>(6,117)</u>	<u>(69,037)</u>
Balance at December 31, 2023	<u>\$ 105,304</u>	<u>576</u>	<u>105,880</u>
Carrying amount:			
Balance at December 31, 2024	<u>\$ 125,254</u>	<u>4,035</u>	<u>129,289</u>
Balance at December 31, 2023	<u>\$ 76,844</u>	<u>3,789</u>	<u>80,633</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(k) Investment property

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost or deemed cost:			
Balance at January 1, 2024	\$ 840,869	2,203,567	3,044,436
Additions	-	11,981	11,981
Reclassifications	-	(12,243)	(12,243)
Balance at December 31, 2024	<u>\$ 840,869</u>	<u>2,203,305</u>	<u>3,044,174</u>
Balance at January 1, 2023	\$ 840,869	2,188,895	3,029,764
Additions	-	11,728	11,728
Reclassifications	-	2,944	2,944
Balance at December 31, 2023	<u>\$ 840,869</u>	<u>2,203,567</u>	<u>3,044,436</u>
Accumulated depreciation and impairment loss:			
Balance at January 1, 2024	\$ 274,710	1,941,984	2,216,694
Depreciation	-	10,273	10,273
Reclassifications	-	(10,954)	(10,954)
Balance at December 31, 2024	<u>\$ 274,710</u>	<u>1,941,303</u>	<u>2,216,013</u>
Balance at January 1, 2023	\$ 274,710	1,930,736	2,205,446
Depreciation	-	9,908	9,908
Reclassifications	-	1,340	1,340
Balance at December 31, 2023	<u>\$ 274,710</u>	<u>1,941,984</u>	<u>2,216,694</u>
Carrying amounts:			
Balance at December 31, 2024	<u>\$ 566,159</u>	<u>262,002</u>	<u>828,161</u>
Balance at December 31, 2023	<u>\$ 566,159</u>	<u>261,583</u>	<u>827,742</u>
Fair value:			
Balance at December 31, 2024			<u>\$ 1,380,301</u>
Balance at December 31, 2023			<u>\$ 1,292,238</u>

The fair value of the investment property is determined by referring to the market price of similar real estate transaction or the value in use of the investment property. The value in use is the present value of the future cash flows from continuous lease activities. On December 31, 2024 and 2023, the estimated discount rate used for calculating the present value of the future cash flows was 6.86% and 6.57%, respectively.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(l) Intangible assets

The movements of costs, and accumulated amortization and impairment loss of intangible assets were as follows:

	<u>Goodwill</u>	<u>Trademarks and trade names</u>	<u>Patent</u>	<u>Software and others</u>	<u>Total</u>
Net balance at January 1, 2024:					
Cost	\$ 166,604	7,489,298	1,344,680	338,489	9,339,071
Accumulated amortization and impairment loss	-	(7,489,298)	(1,344,680)	(325,389)	(9,159,367)
Net balance at January 1, 2024	<u>166,604</u>	<u>-</u>	<u>-</u>	<u>13,100</u>	<u>179,704</u>
Additions	-	-	-	26,690	26,690
Reclassification	-	-	-	762	762
Amortization	-	-	-	(27,026)	(27,026)
Net balance at December 31, 2024	<u>\$ 166,604</u>	<u>-</u>	<u>-</u>	<u>13,526</u>	<u>180,130</u>
Net balance at December 31, 2024:					
Cost	\$ 166,604	7,489,298	1,344,680	329,852	9,330,434
Accumulated amortization and impairment loss	-	(7,489,298)	(1,344,680)	(316,326)	(9,150,304)
	<u>\$ 166,604</u>	<u>-</u>	<u>-</u>	<u>13,526</u>	<u>180,130</u>
Net balance at January 1, 2023:					
Cost	\$ 166,604	7,489,298	1,344,680	320,325	9,320,907
Accumulated amortization and impairment loss	-	(7,489,298)	(1,344,052)	(307,880)	(9,141,230)
Net balance at January 1, 2023	<u>166,604</u>	<u>-</u>	<u>628</u>	<u>12,445</u>	<u>179,677</u>
Additions	-	-	-	28,544	28,544
Amortization	-	-	(628)	(27,889)	(28,517)
Net balance at December 31, 2023	<u>\$ 166,604</u>	<u>-</u>	<u>-</u>	<u>13,100</u>	<u>179,704</u>
Net balance at December 31, 2023:					
Cost	\$ 166,604	7,489,298	1,344,680	338,489	9,339,071
Accumulated amortization and impairment loss	-	(7,489,298)	(1,344,680)	(325,389)	(9,159,367)
	<u>\$ 166,604</u>	<u>-</u>	<u>-</u>	<u>13,100</u>	<u>179,704</u>

The amortization of intangible assets were included in operating expenses of the parent-company-only statements of comprehensive income.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(m) Long-term debt

	December 31, 2024	December 31, 2023
Secured loans	\$ 3,000,000	1,500,000
Less: current portion of long-term debt	<u>-</u>	<u>-</u>
	<u>\$ 3,000,000</u>	<u>1,500,000</u>
Unused credit facilities	<u>\$ 8,778,100</u>	<u>4,773,500</u>
Interest rates	<u>1.70%</u>	<u>1.70%</u>

The Company pledged the time deposits held by its subsidiaries as collateral to the bank loans.

(n) Bonds payable

	December 31, 2024	December 31, 2023
Unsecured corporate bonds	\$ 15,000,000	10,000,000
Less: current portion of bonds payable	<u>(2,500,000)</u>	<u>-</u>
Unsecured bonds payable	<u>\$ 12,500,000</u>	<u>10,000,000</u>

On April 27, 2021, the Company issued \$5,000,000 of unsecured corporate bonds at par value with 5-year term repayable on maturity. The bonds bear annual coupon rate of 0.76% and interests are payable annually at coupon rate from the issuance date. On August 26, 2021, the Company issued \$5,000,000 of unsecured corporate bonds at par value with 5-year term repayable in two equal installments on August 26, 2025 and on maturity. The bonds bear annual coupon rate of 0.62% and interests are payable annually at coupon rate from the issuance date. Additionally, on June 12, 2024, the Company issued \$5,000,000 of unsecured corporate bonds at par value, consisting of Bond A and Bond B, with total amounts of \$2,900,000 and \$2,100,000, respectively. Bond A has 3-year term, while Bond B has 5-year term, both repayable on maturity. Bond A and Bond B bear annual coupon rates of 1.99% and 2.05%, respectively, with interest payable annually at coupon rate from the issuance date.

(o) Lease liabilities

(i) The carrying amounts of lease liabilities were as follows:

	December 31, 2024	December 31, 2023
Current	<u>\$ 45,079</u>	<u>54,885</u>
Non-current	<u>\$ 85,373</u>	<u>27,436</u>

Please refer to note 6(aa) for maturity analysis.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ii) The amounts recognized in profit or loss were as follows:

	<u>2024</u>	<u>2023</u>
Interest on lease liabilities	\$ <u>1,368</u>	<u>1,580</u>

(iii) The amounts recognized in the statement of cash flows for the Company were as follows:

	<u>2024</u>	<u>2023</u>
Total cash outflow for leases	\$ <u>68,552</u>	<u>82,360</u>

(iv) Major terms of leases

The Company leases buildings, vehicles, office equipment, and miscellaneous equipment with lease terms ranged from 1 to 5 years.

(p) Provisions – current

	<u>Warranties</u>	<u>Litigation</u>	<u>Environmental protection</u>	<u>Total</u>
Balance at January 1, 2024	\$ 732,544	-	64,700	797,244
Additions and reversals	233,314	-	60,461	293,775
Amount utilized	(310,453)	-	(61,380)	(371,833)
Effect of exchange rate changes	8,225	-	-	8,225
Balance at December 31, 2024	<u>\$ 663,630</u>	<u>-</u>	<u>63,781</u>	<u>727,411</u>
Balance at January 1, 2023	\$ 731,443	214,956	64,867	1,011,266
Additions and reversals	295,936	(225,953)	57,172	127,155
Amount utilized	(295,307)	-	(57,339)	(352,646)
Effect of exchange rate changes	472	10,997	-	11,469
Balance at December 31, 2023	<u>\$ 732,544</u>	<u>-</u>	<u>64,700</u>	<u>797,244</u>

(i) Warranties

The provision for warranties is made based on the number of units sold currently under warranty, historical rates of warranty claim on those units, and cost per claim to satisfy the warranty obligation. The Company reviews the estimation basis on an ongoing basis and revises it when appropriate.

(ii) Litigation

Litigation provisions are recorded for pending litigation when it is determined that an unfavorable outcome is probable and the amount of loss can be reasonably estimated.

(iii) Environmental protection

An environmental protection provision is made when products are sold and is estimated based on historical experience.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(q) Operating lease

The Company leases its investment property and a part of property, plant and equipment to others. The Company has classified these leases as operating leases as it does not transfer substantially all the risks and rewards incidental to ownership of the assets to lessees. Please refer to note 6(k) for the information of investment property and note 6(i) for the information of property, plant and equipment.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, is as follows:

	December 31, 2024	December 31, 2023
Less than 1 year	\$ 83,763	98,976
1 year to 2 years	62,573	81,325
2 years to 3 years	62,573	62,573
3 years to 4 years	62,573	62,573
4 years to 5 years	62,573	62,573
Over 5 years	140,778	203,351
Total undiscounted lease payments	\$ 474,833	571,371

In 2024 and 2023, the rental income from investment property amounted to \$65,143 and \$65,075, respectively, were recognized and included in other operating income and loss. Related repair and maintenance expenses recognized were as follows:

	2024	2023
Arising from investment property that generated rental income during the period	\$ 27,655	26,485
Arising from investment property that did not generate rental income during the period	6,684	6,011
	\$ 34,339	32,496

(r) Employee benefits

(i) Defined benefit plans

The reconciliation between the present value of defined benefit obligations and the net defined benefit liabilities for defined benefit plans was as follows:

	December 31, 2024	December 31, 2023
Present value of benefit obligations	\$ 685,694	776,435
Fair value of plan assets	(497,674)	(172,198)
Net defined benefit liabilities (reported under other non-current liabilities)	\$ 188,020	604,237

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

The Company makes defined benefit plan contributions to the pension fund account at Bank of Taiwan that provides pension benefits for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive a payment based on years of service and average salary for the six months prior to the employee's retirement.

1) Composition of plan assets

The pension fund (the "Fund") contributed by the Company is managed and administered by the Bureau of Labor Funds of the Ministry of Labor (the Bureau of Labor Funds). According to the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund", with regard to the utilization of the Fund, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks. The Company also established pension funds in accordance with the "Regulations Governing the Management, Investment, and Distribution of the Employees' Retirement Fund Established by a Profit-seeking Enterprise", which are funded by time deposits and bank deposits deposited in the designated financial institutions. The administration of pension funds is separate from the Company, and the principal and interest from such funds shall not be used in any form except for the payment of pension and severance to employees.

As of December 31, 2024 and 2023, the balances of aforementioned pension funds were \$497,674 and \$172,198, respectively. For information on the domestic labor pension fund assets (including the asset portfolio and yield of the fund), please refer to the website of the Bureau of Labor Funds.

2) Movements in present value of the defined benefit obligations

	<u>2024</u>	<u>2023</u>
Defined benefit obligations at January 1	\$ 776,435	862,598
Current service costs	6,020	7,430
Interest expense	12,492	14,936
Remeasurement on the net defined benefit liabilities:		
Actuarial (gain) loss arising from experience adjustments	3,519	(13,169)
Actuarial loss (gain) arising from changes in financial assumption	(22,509)	9,017
Benefits paid by the company and the plan	(42,840)	(104,158)
Liabilities transferred out due to employees shift within the group	(47,423)	(219)
Defined benefit obligations at December 31	<u>\$ 685,694</u>	<u>776,435</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

3) Movements in fair value of plan assets

	<u>2024</u>	<u>2023</u>
Fair value of plan assets at January 1	\$ 172,198	252,072
Interest income	1,662	2,773
Remeasurement on the net defined benefit liabilities		
Return on plan assets (excluding amounts included in net interest expense)	12,147	356
Benefits paid by the plan	(42,750)	(103,187)
Contributions by the employer	356,456	26,829
Loss on curtailment	(2,039)	(6,645)
Fair value of plan assets at December 31	<u>\$ 497,674</u>	<u>172,198</u>

4) Changes in the effect of the asset ceiling

In 2024 and 2023, there was no effect of the asset ceiling.

5) Expenses recognized in profit or loss

	<u>2024</u>	<u>2023</u>
Current service costs	\$ 6,020	7,430
Net interest expense	10,830	12,163
Loss on curtailment	2,039	6,645
	<u>\$ 18,889</u>	<u>26,238</u>
Classified under operating expense	<u>\$ 18,889</u>	<u>26,238</u>

6) Actuarial assumptions

The principal assumptions of the actuarial valuation were as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Discount rate	2.000 %	1.625 %
Future salary increases rate	4.000 %	4.000 %

The Company expects to make contribution of \$25,817 to the defined benefit plans in the year following December 31, 2024. The weighted average duration of the defined benefit plans is 10.97 years.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

7) Sensitivity analysis

The following table summarizes the impact of a change in the assumptions on the present value of the defined benefit obligation on December 31, 2024 and 2023.

	December 31, 2024		December 31, 2023	
	0.25%	0.25%	0.25%	0.25%
	Increase	Decrease	Increase	Decrease
Discount rate	\$ (14,451)	14,891	(17,866)	18,459
Future salary increasing rate	\$ 14,244	(13,906)	17,608	(17,146)

The above sensitivity analysis considers the change in one assumption at a time, leaving other assumptions unchanged. This approach shows the isolated effect of changing one individual assumption but does not take into account that some assumptions are interrelated. The method used to carry out the sensitivity analysis is consistent with the calculation of the net defined benefit liabilities recognized in the balance sheets. The method and assumptions used to carry out the sensitivity analysis is the same as in the prior year.

(ii) Defined contribution plans

The Company contributes monthly an amount equal to 6% of each employee's monthly wages to the employee's individual pension fund account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Company has no legal or constructive obligation to pay additional amounts after contributing a fixed amount to the Bureau of Labor Insurance.

For the years ended December 31, 2024 and 2023, the Company recognized pension expenses of \$86,080 and \$86,671, respectively, which had been contributed to the Bureau of Labor Insurance, in relation to the defined contribution plans.

(s) Income taxes

(i) The components of income tax expense were as follows:

	2024	2023
Current income tax expense		
Current period	\$ 2,367,179	653,465
Adjustments for prior years	(389,471)	5,684
	1,977,708	659,149
Deferred tax expense		
Origination and reversal of temporary differences	(560,314)	1,107,712
Change in unrecognized deductible temporary differences	295,878	(410,233)
	(264,436)	697,479
Income tax expense	\$ 1,713,272	1,356,628

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

The components of income tax expense recognized in other comprehensive income were as follows:

	<u>2024</u>	<u>2023</u>
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit plans	\$ <u>6,227</u>	<u>902</u>

Reconciliation between the expected income tax expense calculated based on the Company's statutory tax rate and the actual income tax expense reported in the statements of comprehensive income was as follows:

	<u>2024</u>	<u>2023</u>
Income before taxes	\$ <u>7,252,601</u>	<u>6,288,572</u>
Income tax using the Company's statutory tax rate	\$ 1,450,520	1,257,714
Adjustments for prior-year income tax expense	(389,471)	5,684
Change in unrecognized temporary differences	295,878	(410,233)
Surtax on undistributed earnings	402,972	56,974
Additional income tax under the Alternative Minimum Tax Act	-	197,400
Others	<u>(46,627)</u>	<u>249,089</u>
	\$ <u>1,713,272</u>	<u>1,356,628</u>

(ii) Deferred income tax assets and liabilities

1) Unrecognized deferred income tax assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Unrecognized deferred income tax assets:		
Loss associated with investments in subsidiaries	\$ <u>1,886,727</u>	<u>1,919,925</u>

As the Company is able to control the timing of the realization of the temporary differences, and management believed that it is probable that the temporary differences will not realize in the foreseeable future, such temporary differences were not recognized as deferred income tax assets.

2) Unrecognized deferred income tax liabilities

The Company is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2024 and 2023. As management believed that it is probable that the temporary differences will not reverse in the foreseeable future, such temporary differences were not recognized as deferred income tax liabilities. The related amounts were as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Profits associated with investments in subsidiaries	\$ <u>-</u>	<u>329,076</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

3) Recognized deferred income tax assets and liabilities

Changes in the amount of deferred income tax assets and liabilities were as follows:

Deferred income tax assets:

	Remeasurements of defined benefit plans	Accrued expenses and costs	Others	Total
Balance at January 1, 2024	\$ 84,558	2,848,871	148,463	3,081,892
Recognized in profit or loss	-	568,351	-	568,351
Recognized in other comprehensive loss	(6,227)	-	-	(6,227)
Balance at December 31, 2024	<u>\$ 78,331</u>	<u>3,417,222</u>	<u>148,463</u>	<u>3,644,016</u>
Balance at January 1, 2023	\$ 85,460	2,997,334	-	3,082,794
Recognized in profit or loss	-	(148,463)	148,463	-
Recognized in other comprehensive income	(902)	-	-	(902)
Balance at December 31, 2023	<u>\$ 84,558</u>	<u>2,848,871</u>	<u>148,463</u>	<u>3,081,892</u>

Deferred income tax liabilities:

	Income from investments accounted for using the equity method	Others	Total
Balance at January 1, 2024	\$ 5,223,340	4,198	5,227,538
Recognized in profit or loss	303,915	-	303,915
Balance at December 31, 2024	<u>\$ 5,527,255</u>	<u>4,198</u>	<u>5,531,453</u>
Balance at January 1, 2023	\$ 4,523,461	6,598	4,530,059
Recognized in profit or loss	699,879	(2,400)	697,479
Balance at December 31, 2023	<u>\$ 5,223,340</u>	<u>4,198</u>	<u>5,227,538</u>

(iii) No income tax was recognized directly in equity in 2024 and 2023.

(iv) The Company's income tax returns for the years through 2022 were examined and approved by the R.O.C. income tax authorities.

(t) Capital and other equity

(i) Common stock

As of December 31, 2024 and 2023, the Company had issued 5,494 thousand units and 5,558 thousand units, respectively, of global depository receipts (GDRs). The GDRs were listed on the London Stock Exchange, and each GDR represents five common shares.

As of December 31, 2024 and 2023, the Company's authorized shares of common stock consisted of 4,000,000 thousand shares, of which 3,047,854 thousand shares were issued. The par value of the Company's common stock is \$10 per share. All issued shares were paid up upon issuance.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Certain shares of common stock were not outstanding as they were held by the Company's subsidiaries. The movements in outstanding shares of common stock were as follows (in thousands of shares):

	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 3,006,208	3,001,108
Disposal of the Company's share by subsidiaries deemed as treasury share transactions	<u>-</u>	<u>5,100</u>
Balance at December 31	<u>\$ 3,006,208</u>	<u>3,006,208</u>

(ii) Capital surplus

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Paid-in capital in excess of par value	\$ 10,095,206	10,095,202
Surplus from mergers	15,797,245	15,797,245
Surplus related to treasury stock transactions and cash dividend	939,141	872,507
Difference between consideration and carrying amount of subsidiaries acquired or disposed	111,423	240,108
Employee share options	90,000	90,000
Surplus from equity-method investments	<u>843,250</u>	<u>710,114</u>
	<u>\$ 27,876,265</u>	<u>27,805,176</u>

Pursuant to the Company Act, any realized capital surplus is initially used to cover accumulated deficit, and the balance, if any, could be transferred to common stock as stock dividends or distributed by cash based on the original shareholding ratio. Realized capital surplus includes the premium derived from the issuance of shares of stock in excess of par value and donations received by the Company. In accordance with the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", distribution of stock dividends from capital surplus in any one year shall not exceed 10% of paid-in capital.

(iii) Legal reserve, special reserve, surplus distribution and dividend policy

The Company's Articles of Incorporation stipulate that at least 10% of annual net income, after deducting accumulated deficit, if any, must be retained as legal reserve until such retention equals the amount of paid-in capital. In addition, a special reserve shall be set aside in accordance with applicable laws and regulations. The remaining balance, together with the unappropriated earnings from the previous years, after retaining a certain portion of it for business considerations, can be distributed as dividends to stockholders. Except for the distribution of capital surplus and legal reserve in accordance with applicable laws and regulations, the Company cannot distribute any earnings when there are no retained earnings. The distributable dividends in whole or in part will be paid in cash by the Company after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Since the Company operates in an industry experiencing rapid change and development, earnings are distributed in consideration of the current year's earnings, the overall economic environment, related laws and decrees, and the Company's long-term development and stability in its financial position. The Company has adopted a stable dividend policy, in which a cash dividend comprises at least 10% of the total dividend distribution.

Additionally, pursuant to the Company Act, if the Company has no accumulated deficit, it may, pursuant to a resolution approved by the stockholders, distribute its legal reserve by issuing new shares or distributing cash for the portion of legal reserve which exceeds 25% of the paid-in capital.

In accordance with the rulings issued by the FSC, a special reserve shall be retained at an amount equal to the proportionate share of the carrying value of the treasury stock held by subsidiaries in excess of the market value at the reporting date. The special reserve may be reversed when the market value recovers in subsequent periods.

In accordance with the rulings issued by the FSC, a special reserve equal to the total amount of items that are accounted for as deductions from stockholders' equity shall be set aside from the after-tax net profit in the period, plus items other than the after-tax net profit in the period, that are included in the undistributed current-period earnings and undistributed prior-period earnings. This special reserve shall revert to retained earnings and be made available for distribution when the items that are accounted for as deductions from stockholders' equity are reversed in subsequent periods.

On March 14, 2024, the Company's Board of Directors approved the distribution of cash dividends amounting to \$4,876,566 (\$1.6 per share, in New Taiwan Dollars), of which \$66,634 was distributed to the subsidiaries holding the Company's common shares. Additionally, on May 31, 2024, the Company's shareholders approved an appropriation of legal reserve \$816,562.

On March 16, 2023, the Company's Board of Directors approved the distribution of cash dividends amounting to \$4,571,781 (\$1.5 per share, in New Taiwan Dollars), of which \$70,119 was distributed to the subsidiaries holding the Company's common shares. Additionally, on June 6, 2023, the Company's shareholders approved an appropriation of legal reserve of \$495,986 and a reversal of special reserve of \$84,251, respectively.

On March 13, 2025, the Company's Board of Directors had approved the distribution of cash dividends amounting to \$5,181,352 (\$1.7 per share, in New Taiwan Dollars), of which \$70,799 was distributed to the subsidiaries holding the Company's common shares.

Related information is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(iv) Treasury stock

As of December 31, 2024 and 2023, details of the GDRs (for the implementation of an overseas employee stock option plan) held by subsidiary CCI and the Company's common stock held by subsidiaries CCI (to maintain the Company's shareholders' equity), and AGT (resulting from the acquisition of AGT) were as follows (expressed in thousands of shares):

	December 31, 2024		
	Number of shares	Carrying amount	Market value
Common stock	16,709	\$ 743,157	665,018
GDRs	24,937	1,969,617	931,915
	41,646	\$ 2,712,774	1,596,933
	December 31, 2023		
	Number of shares	Carrying amount	Market value
Common stock	16,709	\$ 743,157	898,944
GDRs	24,937	1,969,617	1,226,316
	41,646	\$ 2,712,774	2,125,260

According to the Securities and Exchange Act, treasury stock cannot be collateralized. In addition, treasury shares do not bear shareholder rights prior to being sold to third parties. Moreover, the number of treasury shares shall not exceed 10% of the number of common shares issued. The total amount of treasury stock shall not exceed the sum of retained earnings, paid-in capital in excess of par value, and other realized capital surplus.

(v) Other equity items (net after tax)

1) Foreign currency translation differences:

	2024	2023
Balance at January 1	\$ (3,799,702)	(4,219,903)
Generated by the Company:		
Foreign exchange differences arising from translation of foreign operations	2,980,318	421,565
Changes in ownership interests in subsidiaries	(187)	(1,364)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	27	-
Balance at December 31	\$ (819,544)	(3,799,702)

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- 2) Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income:

	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 4,170,049	(409,726)
Generated by the Company:		
Change in fair value of financial assets measured at fair value through other comprehensive income	(1,512,286)	7,165,914
Share of other comprehensive income of subsidiaries, associates and joint ventures	9,005	647,970
Disposal of financial assets measured at fair value through other comprehensive income by the Company	(499,017)	(3,212,026)
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	(1,067)	(21,652)
Changes in ownership interests in subsidiaries	512	(431)
Balance at December 31	<u>\$ 2,167,196</u>	<u>4,170,049</u>

- 3) Remeasurement of defined benefit plans:

	<u>2024</u>	<u>2023</u>
Balance at January 1	\$ 294,251	320,376
Change in the period (generated by the Company)	24,910	3,606
Share of other comprehensive income of subsidiaries and associates	(137,012)	(29,419)
Changes in ownership interests in subsidiaries	2,435	(312)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	33	-
Balance at December 31	<u>\$ 184,617</u>	<u>294,251</u>

- (u) Earnings per share ("EPS")

- (i) Basic earnings per share

The basic earnings per share were calculated as the earnings attributable to the shareholders of the Company divided by the weighted-average number of common shares outstanding as follows:

	<u>2024</u>	<u>2023</u>
Net income attributable to the ordinary shareholders	<u>\$ 5,539,329</u>	<u>4,931,944</u>
Weighted-average number of ordinary shares outstanding (in thousands)	<u>3,006,208</u>	<u>3,001,145</u>
Basic earnings per share (in New Taiwan dollars)	<u>\$ 1.84</u>	<u>1.64</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ii) Diluted earnings per share

	<u>2024</u>	<u>2023</u>
Net income attributable to the ordinary shareholders	\$ <u>5,539,329</u>	<u>4,931,944</u>
Weighted-average number of ordinary shares outstanding (in thousands)	3,006,208	3,001,145
Effect of dilutive potential common stock (in thousands):		
Effect of employee remuneration in stock	<u>9,682</u>	<u>12,512</u>
Weighted-average shares of common stock outstanding (including effect of dilutive potential common stock) (in thousands)	<u>3,015,890</u>	<u>3,013,657</u>
Diluted earnings per share (in New Taiwan dollars)	\$ <u>1.84</u>	<u>1.64</u>

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

	<u>2024</u>		
	<u>IT Hardware Products</u>	<u>Others</u>	<u>Total</u>
Primary geographical markets:			
EMEA	\$ 45,911,695	6,586,939	52,498,634
Pan America	43,483,905	7,502,429	50,986,334
Asia Pacific	<u>42,196,254</u>	<u>13,766,787</u>	<u>55,963,041</u>
	<u>\$ 131,591,854</u>	<u>27,856,155</u>	<u>159,448,009</u>
	<u>2023</u>		
	<u>IT Hardware Products</u>	<u>Others</u>	<u>Total</u>
Primary geographical markets:			
EMEA	\$ 43,300,512	5,987,870	49,288,382
Pan America	36,703,770	7,519,753	44,223,523
Asia Pacific	<u>45,482,737</u>	<u>11,998,268</u>	<u>57,481,005</u>
	<u>\$ 125,487,019</u>	<u>25,505,891</u>	<u>150,992,910</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ii) Contract balances

	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>January 1, 2023</u>
Notes and accounts receivable (including receivables from related parties)	\$ 19,685,763	17,056,897	16,315,190
Less: loss allowance	<u>(1,460)</u>	<u>(1,461)</u>	<u>(1,755)</u>
	<u>\$ 19,684,303</u>	<u>17,055,436</u>	<u>16,313,435</u>
 Contract liabilities – current	 <u>\$ 17,236</u>	 <u>10,855</u>	 <u>8,809</u>

Please refer to note 6(c) for details on notes and accounts receivable and related loss allowance.

The major changes in the balance of contract liabilities was due to the timing difference between the satisfaction of performance obligation and the receipt of customer's payment.

The amount of revenue recognized in 2024 and 2023 that was included in the contract liability balance at January 1, 2024 and 2023, was \$9,687 and \$7,652, respectively.

(w) Remuneration to employees and directors

The Company's Articles of Incorporation require that annual earning shall first be offset against any deficit, then, a minimum of 4% shall be allocated as employee remuneration and a maximum of 0.8% be allocated as directors' remuneration. Employees who are entitled to receive the abovementioned employee remuneration, in share or cash, include the employees of subsidiaries of the Company who meet certain specific requirements.

For the years ended December 31, 2024 and 2023, the Company accrued its remuneration to employees amounting to \$517,000 and \$470,000, respectively, and the remuneration for directors of \$8,000 and \$18,443, respectively. The said amounts, which were recognized as operating expenses, were calculated based on pre-tax net profit for each year before deducting the amount of the remuneration to employees and directors, multiplied by the proposed distribution ratio of remuneration to employees and directors.

Except that the remuneration to directors for 2024 resolved by the Company's Board of Directors on March 13, 2025 was \$5,200 and that for 2023 resolved by the Company's Board of Directors on March 14, 2024 was \$4,000, the aforementioned accrued remunerations to employees were the same as the amounts resolved by the Board of Directors, which were all paid in cash. The difference between accrual and actual payment, amounting to \$2,800 and \$14,443 for 2024 and 2023, respectively, is treated as change in accounting estimate and recognized in profit or loss in the following year.

Related information is available on the Market Observation Post System website of Taiwan Stock Exchange.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(x) Other operating income and expenses – net

	<u>2024</u>	<u>2023</u>
Government grants	\$ 3,382	166
Rental income	<u>117,973</u>	<u>130,349</u>
	<u>\$ 121,355</u>	<u>130,515</u>

(y) Non-operating income and loss

(i) Interest income

	<u>2024</u>	<u>2023</u>
Interest income from bank deposits	\$ 523,079	687,159
Other interest income	<u>360,864</u>	<u>134,953</u>
	<u>\$ 883,943</u>	<u>822,112</u>

(ii) Other income

	<u>2024</u>	<u>2023</u>
Dividend income	<u>\$ 227,956</u>	<u>400,382</u>

(iii) Other gains and losses

	<u>2024</u>	<u>2023</u>
Gain on disposal of equipment and intangible assets	\$ 15,825	418
Gain on disposal of investments	15,007	3,967
Foreign currency exchange gain (loss), net	(1,222,948)	693,060
Gain on financial assets and liabilities measured at fair value through profit	2,730,076	833,533
Gain on bargain purchase in business combination	-	2,216
Others (note 7(b)-(v))	<u>41,680</u>	<u>41,156</u>
	<u>\$ 1,579,640</u>	<u>1,574,350</u>

(iv) Finance costs

	<u>2024</u>	<u>2023</u>
Interest expense from bank loans and bonds payable	\$ 174,310	87,794
Interest expense on lease liabilities	1,368	1,580
Others	<u>7,651</u>	<u>2,712</u>
	<u>\$ 183,329</u>	<u>92,086</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(z) Financial instruments and fair value information

(i) Categories of financial instruments

1) Financial assets

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Financial assets measured at fair value through profit or loss	\$ 777,726	59,412
Financial assets measured at fair value through other comprehensive income	7,886,772	10,112,654
Financial assets measured at amortized cost:		
Cash and cash equivalents	11,468,571	18,363,188
Fixed rate corporate bonds (classified as financial assets measured at amortized cost)	8,039,787	4,672,781
Notes and accounts receivable and other receivables (including receivables from related parties)	21,577,612	18,684,908
Other financial assets	<u>512,958</u>	<u>1,392,682</u>
	<u>\$ 50,263,426</u>	<u>53,285,625</u>

2) Financial liabilities

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Financial liabilities measured at fair value through profit or loss	\$ 12,321	490,931
Financial liabilities measured at amortized cost:		
Accounts payable (including payables to related parties)	24,198,997	32,157,494
Other payables (including payables to related parties)	25,200,213	21,732,992
Long-term payables (including payables to related parties)	13,635	13,353
Lease liabilities – current and non-current	130,452	82,321
Long-term debt	3,000,000	1,500,000
Bonds payable (including current portion)	<u>15,000,000</u>	<u>10,000,000</u>
	<u>\$ 67,555,618</u>	<u>65,977,091</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ii) Fair value information

1) Financial instruments not measured at fair value

The Company considers that the carrying amounts of financial assets and financial liabilities measured at amortized cost approximate their fair values.

2) Financial instruments measured at fair value

The following financial instruments are measured at fair value on a recurring basis.

The table below analyzes the financial instruments measured at fair value on a regular basis subsequent to initial recognition, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The different levels have been defined as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	December 31, 2024			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets mandatorily measured at fair value through profit or loss:				
Foreign currency forward contracts	\$ -	777,726	-	777,726
Financial assets measured at fair value through other comprehensive income:				
Domestic listed stock	\$ 7,114,981	-	-	7,114,981
Unlisted stock	-	-	771,791	771,791
	\$ 7,114,981	-	771,791	7,886,772
Financial liabilities measured at fair value through profit or loss:				
Foreign currency forward contracts	\$ -	(12,321)	-	(12,321)
Financial instruments measured at amortized cost:				
Corporate bonds carrying fixed interest rates	\$ 4,867,517	3,162,364	-	8,029,881

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

	December 31, 2023			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets mandatorily measured at fair value through profit or loss:				
Foreign currency forward contracts	\$ -	58,595	-	58,595
Stock listed on foreign markets	817	-	-	817
	\$ 817	58,595	-	59,412
Financial assets measured at fair value through other comprehensive income:				
Domestic listed stock	\$ 9,568,286	-	-	9,568,286
Unlisted stock	-	-	544,368	544,368
	\$ 9,568,286	-	544,368	10,112,654
Financial liabilities measured at fair value through profit or loss:				
Foreign currency forward contracts	\$ -	(490,931)	-	(490,931)
Financial assets measured at amortized cost:				
Corporate bonds carrying fixed interest rates	\$ 2,558,350	2,107,026	-	4,665,376

The stocks of Pell Bio-med Technology Co., Ltd., initially classified under Level 3 of the fair value hierarchy for FVOCI, were transferred to Level 1 following its listing on the Taiwan Stock Exchange Corporation on March 8, 2024.

There were no transfers among fair value hierarchies for the year ended December 31, 2023.

3) Movement in financial assets included in Level 3 fair value hierarchy

	Financial assets measured at fair value through other comprehensive income	
	2024	2023
	Balance at January 1	\$ 544,368
Additions	456,870	330,000
Recognized in other comprehensive income	(109,447)	(108,088)
Transfers out of Level 3	(120,000)	-
Balance at December 31	\$ 771,791	544,368

The abovementioned total gains or losses were included in “unrealized gain (loss) from financial assets measured at fair value through other comprehensive income”. The gains or losses attributable to the financial assets held on December 31, 2024 and 2023 were as follows:

	2024	2023
Total gains or losses:		
Recognized in other comprehensive income (included in “unrealized gain (loss) from financial assets measured at fair value through other comprehensive income”)	\$ (109,447)	(108,088)

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- 4) Valuation techniques and inputs used for financial instruments measured at fair value
- a) The fair values of financial assets with standard terms and conditions and traded on active markets are determined with reference to quoted market prices (e.g. listed stocks).
 - b) The fair value of derivative financial instruments is determined using a valuation technique, with estimates and assumptions consistent with those used by market participants that are readily available to the Company. The fair value of foreign currency forward contracts is computed individually by each contract using the valuation technique.
 - c) The fair value of unlisted stocks in Level 3 fair value hierarchy is estimated by using the market approach and is determined by reference to recent financing activities, valuations of similar companies, market conditions, and other economic indicators. The significant unobservable input is the liquidity discount. No quantitative information is disclosed due to the possible changes in liquidity discount would not cause significant potential financial impact.
- (iii) Offsetting of financial assets and liabilities

The Company has financial instrument transactions which are set off in accordance with paragraph 42 of IAS 32; the related financial assets and liabilities are presented in the balance sheets on a net basis.

The table below summarizes the related information of offsetting of financial assets and liabilities:

December 31, 2024						
Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements						
	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities offset in the balance sheet	Net amounts of financial assets presented in the balance sheet	Amount not set off in the balance sheet (d)		Net amounts
	(a)	(b)	(c)=(a)-(b)	Financial instruments	Cash collateral received	(e)=(c)-(d)
Notes and accounts receivable, net	\$ 28,478,602	23,744,726	4,733,876	-	-	4,733,876
December 31, 2024						
Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements						
	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets offset in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Amount not set off in the balance sheet (d)		Net amounts
	(a)	(b)	(c)=(a)-(b)	Financial instruments	Cash collateral received	(e)=(c)-(d)
Accounts payable	\$ 46,605,409	23,744,726	22,860,683	-	-	22,860,683

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

December 31, 2023						
Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements						
	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities offset in the balance sheet	Net amounts of financial assets presented in the balance sheet	Amount not set off in the balance sheet (d)		Net amounts
	(a)	(b)	(c)=(a)-(b)	Financial instruments	Cash collateral received	(e)=(c)-(d)
Notes and accounts receivable, net	\$ <u>28,530,749</u>	<u>24,493,731</u>	<u>4,037,018</u>	-	-	<u>4,037,018</u>

December 31, 2023						
Financial liabilities subject to offsetting, enforceable master netting arrangements or similar agreements						
	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets offset in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Amount not set off in the balance sheet (d)		Net amounts
	(a)	(b)	(c)=(a)-(b)	Financial instruments	Cash collateral received	(e)=(c)-(d)
Accounts payable	\$ <u>55,449,899</u>	<u>24,493,731</u>	<u>30,956,168</u>	-	-	<u>30,956,168</u>

(aa) Financial risk management

The Company is exposed to credit risk, liquidity risk, and market risk (including currency risk, interest rate risk, and other market price risk). The Company has disclosed the information on exposure to the aforementioned risks and the Company's policies and procedures to measure and manage those risks as well as the quantitative information below.

The Board of Directors are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor adherence to the controls. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's operations.

The Company's management monitors and reviews the financial activities in accordance with procedures required by relevant regulations and internal controls. Internal auditors undertake reviews of risk management controls and procedures, and the results of which are reported to the Board of Directors on a regular basis.

(i) Credit risk

1) The maximum exposure to credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty of a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and cash equivalents, derivative instruments, receivables from customers, corporate bonds and time deposits. The maximum exposure to credit risk is equal to the carrying amount of the Company's financial assets.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

The maximum exposure to credit risk of financial loss due to the financial guarantees provided by the Company mainly arose from the following items:

- the carrying amounts of financial assets recognized in the balance sheets and;
- the financial guarantees provided to subsidiaries and joint ventures amounting to \$6,506,251 and \$4,818,824 for the years ended December 31, 2024 and 2023, respectively.

2) Concentration of credit risk

The Company primarily sells and markets its multi-branded IT products through its subsidiaries and distributors in different geographic areas. The Company believes that there is no significant concentration of credit risk due to the Company's large number of customers and their wide geographical spread.

3) Credit risk from receivables

Please refer to note 6(c) for credit risk exposure of notes and accounts receivable. Other financial assets measured at amortized cost include corporate bonds carrying fixed interest rates, other receivables (refer to note 6(d)) and time deposits (classified as other financial assets). Abovementioned financial assets are considered low-credit-risk financial assets, and thus, the loss allowance is measured using 12 months ECL. Please refer to note 4(f) for descriptions about how the Company determines the credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in settling its financial liabilities by delivering cash or another financial assets. The Company manages liquidity risk by monitoring regularly the current and mid- to long-term cash demand, maintaining adequate cash and banking facilities, and ensuring compliance with the terms of the loan agreements. As of December 31, 2024 and 2023, the Company had unused credit facilities of \$40,022,524 and \$36,361,028, respectively.

The table below is the maturity profile of the Company's financial liabilities based on contractual undiscounted payments, including principal and estimated interest.

	Contractual cash flows	Within 1 year	1-2 years	2-5 years	Over 5 years
December 31, 2024					
Non-derivative financial liabilities:					
Bonds payable	\$ 15,510,880	2,669,760	7,654,260	5,186,860	-
Long-term debt carrying fixed interest rate	\$ 3,484,500	51,000	51,000	153,000	3,229,500
Accounts payable (including related parties)	24,198,997	24,198,997	-	-	-
Other payables (including related parties)	25,200,213	22,507,036	2,693,177	-	-
Long-term payable to related parties	13,635	-	-	13,635	-
Lease liability	137,667	47,918	30,304	59,445	-
	<u>\$ 68,545,892</u>	<u>49,474,711</u>	<u>10,428,741</u>	<u>5,412,940</u>	<u>3,229,500</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
Derivative financial instruments:					
Foreign currency forward contracts— settled in gross					
Outflow	\$ 35,084,692	35,084,692	-	-	-
Inflow	<u>(35,890,841)</u>	<u>(35,890,841)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ (806,149)</u>	<u>(806,149)</u>	<u>-</u>	<u>-</u>	<u>-</u>
December 31, 2023					
Non-derivative financial liabilities:					
Bonds payable	\$ 10,191,500	69,000	2,569,000	7,553,500	-
Long-term debt carrying fixed interest rate	\$ 1,755,000	25,500	25,500	76,500	1,627,500
Accounts payable (including related parties)	\$ 32,157,494	32,157,494	-	-	-
Other payables (including related parties)	21,732,992	19,139,553	2,593,439	-	-
Long-term payable to related parties	13,353	-	-	13,353	-
Lease liability	<u>83,463</u>	<u>55,682</u>	<u>18,617</u>	<u>9,164</u>	<u>-</u>
	<u>\$ 65,933,802</u>	<u>51,447,229</u>	<u>5,206,556</u>	<u>7,652,517</u>	<u>1,627,500</u>
Derivative financial instruments:					
Foreign currency forward contracts— settled in gross					
Outflow	\$ 36,697,141	36,697,141	-	-	-
Inflow	<u>(36,376,327)</u>	<u>(36,376,327)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 320,814</u>	<u>320,814</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, and will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company utilizes derivative financial instruments to manage market risks and the volatility of profit or loss. All such transactions are carried out within the guidelines set by the Board of Directors.

1) Foreign currency risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Company. The foreign currencies used in these transactions are mainly the US dollar (USD), Indian Rupee (INR), etc. The Company utilizes foreign currency forward contracts to hedge its foreign currency exposure with respect to its forecast sales and purchases over the following 12 months.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

Exposure to foreign currency risk and sensitivity analysis:

The Company's exposure to foreign currency risk arises from cash and cash equivalents, notes and accounts receivable/payable (including related parties), and other receivables/payables (including related parties) that are denominated in foreign currencies. At the reporting date, the carrying amounts of the Company's significant monetary assets and liabilities denominated in a currency other than the functional currency of the Company and their sensitivity analysis were as follows:

(in thousands)

December 31, 2024					
	Foreign currency	Exchange rate	NTD	Change in magnitude	Pre-tax effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$ 824,863	32.7810	27,039,834	1 %	270,398
INR	11,623,809	0.3829	4,450,756	1 %	44,508
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	1,373,023	32.7810	45,009,067	1 %	450,091

(in thousands)

December 31, 2023					
	Foreign currency	Exchange rate	NTD	Change in magnitude	Pre-tax effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$ 955,462	30.7350	29,366,125	1 %	293,661
INR	11,704,601	0.3694	4,323,680	1 %	43,237
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD	1,609,268	30.7350	49,460,852	1 %	494,609

With varieties of foreign currencies, the Company disclosed foreign exchange gain (loss) on monetary items in aggregate. Please refer to note 6(y) for further information.

2) Interest rate risk

The Company's loan from banks and related parties carried fixed interest rate and therefore, the Company was not exposed to the risk arising from fluctuation of interest rates.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

3) Other market price risk

The Company is exposed to the risk of price fluctuation in securities resulting from its investment in publicly traded stocks. The Company supervises the equity price risk actively and manages the risk based on fair value. The Company also has strategic investments in privately held stocks, in which the Company does not actively participate in their trading.

Assuming a hypothetical increase or decrease of 5% in equity prices of the equity investments at each reporting date, the other comprehensive income for the years ended December 31, 2024 and 2023, would have increased or decreased by \$394,339 and \$505,633, respectively.

(ab) Capital management

In consideration of the industry dynamics and future developments, as well as external environment factors, the Company maintains an optimal capital structure to enhance long-term shareholder value by managing its capital in a manner to ensure that it has sufficient and necessary financial resources to fund its working capital needs, research and development activities, dividend payments, and other business requirements for continuing operations and to reward shareholders and take into consideration the interests of other stakeholders.

(ac) Investing and financing activities not affecting cash flows

(i) Please refer to note 6(j) for a description of acquisition of right-of-use assets through leases in 2024 and 2023.

(ii) The reconciliation of liabilities arising from financing activities were as follows:

	January 1,		Non-cash	December 31,
	2024	Cash flows	changes of	2024
			leasing	
Long-term debt	\$ 1,500,000	1,500,000	-	3,000,000
Lease liabilities	82,321	(67,184)	115,315	130,452
Loans from related parties	250,000	255,000	-	505,000
Bonds payable	<u>10,000,000</u>	<u>5,000,000</u>	<u>-</u>	<u>15,000,000</u>
Total liabilities from financing activities	<u>\$ 11,832,321</u>	<u>6,687,816</u>	<u>115,315</u>	<u>18,635,452</u>

	January 1,		Non-cash	December 31,
	2023	Cash flows	changes of	2023
			leasing	
Long-term debt	\$ -	1,500,000	-	1,500,000
Lease liabilities	121,132	(80,780)	41,969	82,321
Loans from related parties	90,000	160,000	-	250,000
Bonds payable	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>
Total liabilities from financing activities	<u>\$ 10,211,132</u>	<u>1,579,220</u>	<u>41,969</u>	<u>11,832,321</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

7. Related-party transactions

(a) Related party name and relationship

The followings are subsidiaries and other related parties that have had transactions with the Company during the reporting periods.

<u>Name of related party</u>	<u>Relationship with the Company</u>
Acer European Holdings SA (AEH)	Subsidiaries
Acer Europe B.V. (AHN)	Subsidiaries
Acer Africa (Proprietary) Limited (AAF)	Subsidiaries
AGP Insurance (Guernsey) Limited (AGU)	Subsidiaries
Acer Europe SA (AEG)	Subsidiaries
Sertec 360 SA (SER)	Subsidiaries
Acer Bilisim Teknolojileri Limited Sirketi (ATR)	Subsidiaries
Acer Computer France S.A.S.U. (ACF)	Subsidiaries
Acer U.K. Limited (AUK)	Subsidiaries
Acer Italy S.R.L. (AIT)	Subsidiaries
Acer Computer GmbH (ACG)	Subsidiaries
Acer Austria GmbH (ACV)	Subsidiaries
Acer Czech Republic s.r.o. (ACZ)	Subsidiaries
Acer Computer Iberica, S.A. (AIB)	Subsidiaries
Enfinitec Switzerland AG (ENCH)	Subsidiaries
Asplex Sp. z o.o. (APX)	Subsidiaries
Acer Marketing Services LLC (ARU)	Subsidiaries
Acer Poland sp. z o.o. (APL)	Subsidiaries
Acer Computer B.V. (ACH)	Subsidiaries
CPYou B.V. (CPY)	Subsidiaries
Enfinitec B.V. (ENNL)	Subsidiaries
Enfinitec Germany GmbH (ENDE)	Subsidiaries (note 3)
Enfinitec France (ENFR)	Subsidiaries (note 3)
Enfinitec Italy S.R.L. (ENIT)	Subsidiaries
Enfinitec Poland Sp. z o.o. (ENPL)	Subsidiaries (note 3)
Enfinitec Czech Republic s.r.o (ENCZ)	Subsidiaries (note 3)
Enfinitec Spain, S.L.U. (ENES)	Subsidiaries (note 2)
Acer Computer Norway AS (ACN)	Subsidiaries
Acer Finland Oy (AFN)	Subsidiaries
Acer Sweden AB (ACW)	Subsidiaries
Acer Denmark A/S (ACD)	Subsidiaries
Boardwalk Capital Holdings Limited (Boardwalk)	Subsidiaries
Acer Computec Mexico, S.A. de C.V. (AMEX)	Subsidiaries

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

<u>Name of related party</u>	<u>Relationship with the Company</u>
Acer American Holdings Corp. (AAH)	Subsidiaries
AGP Tecnologia em Informatica do Brasil Ltda. (ATB)	Subsidiaries
Acer Cloud Technology Inc. (ACTI)	Subsidiaries
Acer Cloud Technology (US), Inc. (ACTUS)	Subsidiaries
Gateway, Inc. (GWI)	Subsidiaries
Acer America Corporation (AAC)	Subsidiaries
Acer Service Corporation (ASC)	Subsidiaries
Acer Holdings International, Incorporated (AHI)	Subsidiaries
Acer Computer Co., Ltd. (ATH)	Subsidiaries
Acer Japan Corp. (AJC)	Subsidiaries
Acer Computer Australia Pty. Limited (ACA)	Subsidiaries
Acer Sales And Services Sdn Bhd (ASSB)	Subsidiaries
Acer Asia Pacific Sdn Bhd (AAPH)	Subsidiaries
Acer Computer (Singapore) Pte. Ltd. (ACS)	Subsidiaries
Acer Computer New Zealand Limited (ACNZ)	Subsidiaries
PT. Acer Indonesia (AIN)	Subsidiaries
PT. Acer Manufacturing Indonesia (AMI)	Subsidiaries
Acer India Private Limited (AIL)	Subsidiaries
Acer Vietnam Co., Ltd. (AVN)	Subsidiaries
Acer Philippines, Inc. (APHI)	Subsidiaries
Servex (Malaysia) Sdn Bhd (SMA)	Subsidiaries
Acer Market Services Limited (AMS)	Subsidiaries
Acer Computer (Far East) Limited (AFE)	Subsidiaries
Acer Information (Zhong Shan) Co., Ltd. (AIZS)	Subsidiaries
Acer Computer (Shanghai) Ltd. (ACCN)	Subsidiaries
Acer (Chongqing) Ltd. (ACCQ)	Subsidiaries
Weblink International Inc. (WLII)	Subsidiaries
Wellife Inc. (WELL)	Subsidiaries
Pecer Bio-medical Technology Incorporated (PBT)	Subsidiaries
Protrade Applied Materials Corp. (PAM)	Subsidiaries
Protrade Asia Limited (PAL)	Subsidiaries
Dakota Co., Ltd. (DCL)	Subsidiaries
Protrade Shanghai Trading Co., Ltd. (PST)	Subsidiaries
Protrade Resources Vietnam Company Limited (PRV)	Subsidiaries
Cascadia Resources Inc. (CRI)	Subsidiaries
Acer Synergy Tech Corp. (AST)	Subsidiaries
Shanghai AST Technology Service Ltd. (ASTS)	Subsidiaries
Acer Synergy Manpower Corp. (ASM)	Subsidiaries

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

<u>Name of related party</u>	<u>Relationship with the Company</u>
Acer Synergy Tech America Corporation (ASTA)	Subsidiaries
Shine Passion Engineering Co., Ltd (SPE)	Subsidiaries (note 1)
Acer Synergy Manpower America Corporation (ASMA)	Subsidiaries (note 3)
Acer Synergy Manpower Japan Corporation (ASMJ)	Subsidiaries (note 2)
Acer Digital Service Co. (ADSC)	Subsidiaries
Acer Energy Pack Inc. (ENP)	Subsidiaries
Acer Gaming Inc. (AGM)	Subsidiaries
Acer Global Merchandise Philippines Inc. (AGMPH)	Subsidiaries
DropZone (Hong Kong) Limited (DZL)	Subsidiaries
Winking Studios Limited (WKS)	Subsidiaries
Winking Art Pte. Ltd (WKSG)	Subsidiaries
Winking Entertainment Corporation (WKTW)	Subsidiaries
Winking Skywalker Entertainment Limited (WKSJ)	Subsidiaries
Winking Entertainment Investment Limited	Subsidiaries
Shanghai Winking Entertainment Limited (WKSH)	Subsidiaries
Pixelline Art SDN. BHD. (PLMY)	Subsidiaries (note 2)
On Point Creative Co., Ltd. (OPTW)	Subsidiaries (note 2)
Nanjing Winking Entertainment Ltd (WKNJ)	Subsidiaries
On Point Creative(HK) Company Limited (OPHK)	Subsidiaries (note 2)
On Point Creative (Suzhou) Co., Ltd. (OPSZ)	Subsidiaries (note 2)
Shanghai Wishing Entertainment Limited (SHW)	Subsidiaries
Winking Art Limited (WKHK)	Subsidiaries
Acer SoftCapital Incorporated (CCI)	Subsidiaries
DropZone Holding Limited (DZH)	Subsidiaries
Acer Gadget Inc. (AGT)	Subsidiaries
GadgeTek (Shanghai) Limited (GCN)	Subsidiaries
Acer Gadget America Inc. (AGA)	Subsidiaries (note 3)
Acer BeingWare Holding Inc. (ABH)	Subsidiaries
Acer Cloud Technology (Taiwan) Inc. (ACTTW)	Subsidiaries
Altos Computing Inc. (ALT)	Subsidiaries
Beijing Altos Computing Ltd. (BJAC)	Subsidiaries
Altos Computing (Thailand) Co., Ltd. (ALTH)	Subsidiaries
Altos Computing (India) Private Limited (ALIN)	Subsidiaries
Acer Mobile Power System Inc. (MPS)	Subsidiaries
Acer e-Enabling Service Business Inc. (AEB)	Subsidiaries
Acer e-Enabling Service Business (Shang-Hai) Ltd. (EBSH)	Subsidiaries (note 3)

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

<u>Name of related party</u>	<u>Relationship with the Company</u>
Acer E-Enabling Service Business Vietnam Company Limited (EBVN)	Subsidiaries (note 2)
Acer ITS Inc. (ITS)	Subsidiaries
Acer Medical Inc. (AMED)	Subsidiaries
Acer Healthcare Inc. (AHC, formerly ABI)	Subsidiaries
Acer Cloud Technology(Chongqing) Ltd. (ACTCQ)	Subsidiaries
Acer Being Communication Inc. (ABC)	Subsidiaries
Acer Being Signage Inc. (ABST)	Subsidiaries
Acer Being Signage GmbH (ABSG)	Subsidiaries
Xplova Inc. (XPL)	Subsidiaries
Xplova (Shanghai) Ltd. (XPLSH)	Subsidiaries
Acer AI Cloud Inc. (AIC)	Subsidiaries
Acer Third Wave Software (Beijing) Co. Ltd (TWPBJ)	Subsidiaries
Acer Cyber Security Incorporated (ACSI)	Subsidiaries
Acer e-Enabling Data Center Incorporated (EDC)	Subsidiaries
ACSI Cyber Security Academy Inc. (ACAD)	Subsidiaries
Sertec (Beijing) Ltd. (SEB)	Subsidiaries
StarVR Corporation (ASBZ)	Subsidiaries
AOPEN Inc. (AOI)	Subsidiaries
AOPEN America Inc.(AOA)	Subsidiaries
AOPEN Computer B.V.(AOE)	Subsidiaries
AOPEN Technology Inc.(AOTH)	Subsidiaries
AOPEN Japan Inc.(AOJ)	Subsidiaries
Aopen SmartVision Incorporated (AOSV)	Subsidiaries
AOPEN Global Solutons Pty Ltd.(AOGS)	Subsidiaries
Great Connection LTD.(GCL)	Subsidiaries
AOPEN International (ShangHai) Co., Ltd (AOC)	Subsidiaries
AOPEN Information Products (Zhongshan) Inc. (AOZ)	Subsidiaries
AOPEN Australia & New Zealand Pty Ltd (AOAU)	Subsidiaries
Amadana Corporation (AMDA)	Subsidiaries (note 2)
Beasty Coffee Cafe Laboratory Corp. (BCC)	Subsidiaries (note 2)
Bluechip Infotech Pty Ltd. (Bluechip)	Subsidiaries
Bluechip Infotech Incorporated (BLI)	Subsidiaries
Dingo Tech Pty Ltd. (DTP)	Subsidiaries
Mia Telecomms Pty Limited (MIA)	Subsidiaries
O'Nature Pty Ltd (ONA)	Subsidiaries (note 2)
Digital Networks Australia Pty Ltd. (DNA)	Subsidiaries

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

<u>Name of related party</u>	<u>Relationship with the Company</u>
Ingeniq Pty Ltd (IGP)	Subsidiaries
BLUECHIP GROUP (NZ) LIMITED (BLNZ)	Subsidiaries
BLUECHIP INFOTECH NEW ZEALAND LIMITED (BLINZ, formerly SSL)	Subsidiaries
Highpoint Service Network Corporation (HSNC)	Subsidiaries
Highpoint Service Network (Thailand) Co., Ltd (HSNT)	Subsidiaries
Highpoint Service Network Vietnam Company Limited (HSNV)	Subsidiaries
PT HSN Tech Indonesia (HSNI)	Subsidiaries
HighPoint Service Network Sdn Bhd (HSN)	Subsidiaries
Highpoint Services Network Philippines, Inc. (HSNP)	Subsidiaries
AcerPure Inc. (API)	Subsidiaries
Acer Property Development Inc. (APDI)	Subsidiaries
Aspire Service & Development Inc. (ASDI)	Subsidiaries
Acerpure India CE Private Limited (APIN)	Subsidiaries (note 2)
Acer Asset Management Incorporated (AAM)	Subsidiaries
ACER TECHNOLOGY AND BUSINESS DEVELOPMENT PTE. LTD. (ATBD)	Subsidiaries (note 3)
Smart Frequency Technology Inc. (SFT)	Joint venture (SFT has been included in the Company's subsidiaries from December 27, 2023.)
Haoyu Electric Co., Ltd. (HYE)	Subsidiaries (note 2)
Haoru Electric Co., Ltd. (HRC)	Joint venture
Enrich Investment Incorporated (ERI)	Joint venture
GrandPad Inc. (GrandPAD)	Associates
Piovision International Inc. (HPT)	Associates
ECOM Software Inc. (ECS)	Associates
Kbest Technology Inc. (KBest)	Associates
Apacer Technology Inc. (AMT)	Associates (The Company has significant influence over AMT from May 31, 2024)
Chao-Chi Property Management Consulting Co., Ltd. (CCP)	Associates
Acer Foundation	Substantive related party
Satoro Taiwan Inc.	The entity's chairman is the Company's director
Eric's Sports Marketing Inc. (Eric's)	The entity's chairman is the first-degree relatives of the Company's director

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

<u>Name of related party</u>	<u>Relationship with the Company</u>
Mu-Jin Investments Co., Ltd	The entity's legal representative is the Company's chairman
Mu-Shi Investments Co., Ltd	The entity's legal representative is the Company's chairman
Porrima Inc.	The entity's chairman is the Company's director

Note 1: In 2022, SPE was an associate of the Company. On January 1, 2023, AST obtained more than half of the voting rights of SPE through the written agreements among the shareholders of SPE, so that AST has the power to control the daily operation of SPE and has substantial ability to direct relevant activities of SPE. As a result, SPE was included in the Company's subsidiaries.

Note 2: The subsidiaries were acquired in 2024.

Note 3: The subsidiaries were acquired in 2023.

(b) Significant related-party transactions

(i) Revenue

The amounts of significant sales to related parties were as follows:

	<u>2024</u>	<u>2023</u>
Subsidiaries		
AEG	\$ 52,431,036	49,209,858
AAC	50,857,656	44,017,585
Others	41,720,034	44,840,544
Associates	-	115,279
Joint venture	-	7
Other related parties	2,395	639
	<u>\$ 145,011,121</u>	<u>138,183,912</u>

The sales prices and trade term with related parties depend on the economic environment and market competition, and are not comparable to those with third-party customers.

(ii) Purchases

The amounts of significant purchases from related parties were as follows:

	<u>2024</u>	<u>2023</u>
Associates	\$ 8,871,040	6,941,943
Subsidiaries	233,631	-
	<u>\$ 9,104,671</u>	<u>6,941,943</u>

The purchase price with related parties are not comparable to the purchase price with third-party vendors as the specifications of products are different.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(iii) Operating costs and expenses

The operating costs and expenses related to after-sale services for IT products, product development and design as well as business continuity plan services provided by related parties and the donation to related parties were as follows:

<u>Accounts</u>	<u>Related-party categories</u>	<u>2024</u>	<u>2023</u>
Cost of revenue	Subsidiaries	\$ 609,856	601,685
Operating expense	Subsidiaries	51,028	44,092
Operating expense	Associates	2,182	1,745
Operating expense	Other related parties	16,000	10,000
		<u>\$ 679,066</u>	<u>657,522</u>

(iv) Lease

The Company leased investment property, property and rental office premises to its related parties. The related rental income was reported in “other operating income and expenses – net” and summarized as follows:

	<u>2024</u>	<u>2023</u>
Subsidiaries:		
ASDI	\$ 60,592	60,592
AEB	8,558	21,553
Others	16,255	15,357
Joint venture	32	-
Other related parties	103	81
	<u>\$ 85,540</u>	<u>97,583</u>

(v) Service income

The service income related to management services provided to related parties was included in “other gains and losses ” and was summarized as follows:

	<u>2024</u>	<u>2023</u>
Subsidiaries	\$ 30,832	33,031
Associates	48	48
Joint venture	-	3,771
Other related parties	134	159
	<u>\$ 31,014</u>	<u>37,009</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(vi) Loans to related parties

The actual drawdown amounts were as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subsidiaries:		
AFE	\$ 295,377	365,916
ITS	436,000	543,000
EDC	-	150,000
ALT	140,000	80,000
PAM	151,953	-
Associates:		
CCP	140,000	-
	<u>\$ 1,163,330</u>	<u>1,138,916</u>
Interest rate	<u>1.49%-5.85%</u>	<u>1.67%-4.73%</u>

Interest income related to loans to subsidiaries and associates in 2024 and 2023 was \$57,920 and \$22,045, respectively.

(vii) Borrowings from related parties

The borrowings from related parties were as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subsidiaries:		
ADSC	\$ -	150,000
CCI	505,000	-
ABH	-	100,000
	<u>\$ 505,000</u>	<u>250,000</u>
Interest rate	<u>1.58%</u>	<u>1.62%</u>

Interest expenses related to borrowings from subsidiaries in 2024 and 2023 were \$7,570 and \$2,708, respectively.

(viii) Payables related to defined benefit liabilities due to personnel transfer to subsidiaries

The net defined benefit liabilities have been transferred while certain employees transferred from the Company to ALT, HSNC, API and ITS. Related payables were included in “other payables to related parties” and “long-term payable to related parties”.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

(ix) Receivables from related parties

<u>Accounts</u>	<u>Related-party categories</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Notes and accounts receivable from related parties	Subsidiaries:		
	AAC	\$ 1,940,566	73,007
	AIL	4,520,627	4,333,513
	ACA	947,423	1,308,208
	AEG	1,711,665	1,146,056
	Others	5,734,183	6,048,875
Notes and accounts receivable from related parties	Associates	95,963	108,740
Note and accounts receivable from related parties	Other related parties	-	19
	Subtotal	<u>14,950,427</u>	<u>13,018,418</u>
Other receivables from related parties	Subsidiaries	59,048	79,012
Other receivables from related parties (financing)	Subsidiaries	1,023,330	1,138,916
Other receivables from related parties (financing)	Associates	140,000	-
Other receivables from related parties	Associates	601	6
Other receivables from related parties	Other related parties	18	18
	Subtotal	<u>1,222,997</u>	<u>1,217,952</u>
		<u>\$ 16,173,424</u>	<u>14,236,370</u>

(x) Payables to related parties

<u>Accounts</u>	<u>Related party categories</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts payable to related parties	Subsidiaries	\$ 1,259,608	1,201,326
Accounts payable to related parties	Associates	78,706	-
	Subtotal	<u>1,338,314</u>	<u>1,201,326</u>
Other payables to related parties	Subsidiaries	503,921	218,815
Other payables to related parties (financing)	Subsidiaries	505,000	250,000
	Subtotal	<u>1,008,921</u>	<u>468,815</u>
Long-term payable to related parties	Subsidiaries	13,635	13,353
		<u>\$ 2,360,870</u>	<u>1,683,494</u>

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- (xi) Guarantees and endorsements provided to related parties

As of December 31, 2024 and 2023, the balances of guarantees and endorsements provided to subsidiaries and joint ventures were \$30,346,121 and \$23,661,830, respectively, and the amounts actually drawn were \$6,506,251 and \$4,818,824, respectively.

- (c) Compensation for key management personnel

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 172,273	165,938
Post-employment benefits	2,781	3,390
	<u>\$ 175,054</u>	<u>169,328</u>

8. Pledged assets

The carrying values of pledged assets (reported under other financial assets — non-current) were as follows:

<u>Assets</u>	<u>Pledged to secure</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash in bank and time deposits	Contract bidding, refundable deposits, and project fulfillment guarantee	<u>\$ 155,618</u>	<u>152,782</u>

9. Significant commitments and contingencies

- (a) The Company has entered into software and royalty license agreements with Microsoft, Google, IBM, and other companies. The Company has fulfilled its obligations according to the contracts.
- (b) In the regular course of its business from, the Company received letter of notice from third parties asserting that the Company has infringed certain patents and demanded that it should obtain certain patent licenses. Although the Company does not expect that the outcome of any of these legal proceedings (individually or collectively) will have a material adverse effect on its business operations and finance, the litigation is inherently unpredictable. Therefore, the Company may be involved in a future lawsuit or enter into settlements of claims that could adversely affect its operating results or cash flows within a particular period.
- (c) As of December 31, 2024 and 2023, the Company had outstanding stand-by letters of credit provided by the banks amounting to \$3,322 and \$0, respectively, for purposes of bids and contracts.
- (d) As of December 31, 2024 and 2023, the Company had issued promissory notes amounting to \$35,873,262 and \$35,758,490, respectively, as collateral for obtaining credit facilities from financial institutions.

10. Significant loss from disaster: None

11. Significant subsequent events: None

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

12. Others

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

	2024			2023		
	Cost of revenue	Operating expenses	Total	Cost of revenue	Operating expenses	Total
Employee benefits:						
Salaries	-	2,676,691	2,676,691	-	2,289,358	2,289,358
Insurance	-	171,616	171,616	-	175,450	175,450
Pension	-	104,969	104,969	-	112,909	112,909
Remuneration of directors	-	20,840	20,840	-	31,443	31,443
Others	-	143,642	143,642	-	126,923	126,923
Depreciation	-	157,957	157,957	-	150,584	150,584
Amortization	5,493	26,753	32,246	16,117	28,606	44,723

	2024	2023
Employees	<u>1,518</u>	<u>1,599</u>
Directors not in concurrent employment	<u>4</u>	<u>4</u>
Average employee benefits	<u>\$ 2,046</u>	<u>1,715</u>
Average employee salaries	<u>\$ 1,768</u>	<u>1,435</u>
Adjustment of average employee salaries	<u>23.21 %</u>	

The Company's compensation policy, including directors, managers, and employees, is as follows:

The compensation of directors and managers is evaluated and reviewed by Compensation Committee periodically. The compensation of employees is determined by participating in salary surveys every year and reviewing salary level regularly to provide competitive compensation to employees.

13. Additional disclosures

(a) Information on significant transactions:

- (i) Financing provided to other parties: See Table 1 attached;
- (ii) Guarantees and endorsements provided to other parties: See Table 2 attached;
- (iii) Marketable securities held at reporting date (excluding investments in subsidiaries, associates, and jointly controlled entities): See Table 3 attached;
- (iv) Marketable securities for which the accumulated purchase or sale amounts for the period exceed \$300 million or 20% of the paid-in capital: See Table 4 attached;

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- (v) Acquisition of real estate at costs which exceeds \$300 million or 20% of the paid-in capital: See Table 5 attached;
- (vi) Disposal of real estate at prices which exceeds \$300 million or 20% of the paid-in capital: None;
- (vii) Total purchases from and sales to related parties which exceed \$100 million or 20% of the paid-in capital: See Table 6 attached;
- (viii) Receivables from related parties which exceed \$100 million or 20% of the paid-in capital: See Table 7 attached;
- (ix) Information about derivative instruments transactions: See notes 6(b);
- (b) Information on investees: See Table 8 attached;
- (c) Information on investment in Mainland China:
 - (i) The names of investees in Mainland China, the main businesses and products, paid-in capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investees, share of profits (losses) of investees, ending balance, amount received as earnings distributions from the investment, and limitation on investment: See Table 9 attached;
 - (ii) Significant direct or indirect transactions with investee companies, the prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in Mainland China on financial reports: For the Company's significant direct or indirect transactions (eliminated when compiling the consolidated financial statements) with investee companies in Mainland China for the year ended December 31, 2024, please refer to "Information on significant transactions" above.
- (d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
Yuanta/P-shares Taiwan Dividend Plus ETF		154,340,934	5.06 %

Note: (1) The information of major shareholders in this table was calculated by the Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, based on the Company's common shares (including treasury stock) without physical registration for which the major shareholders own more than 5% of the total shares. The total common shares stated in the accompanying consolidated financial statements and the actual number of shares delivered without physical registration may vary due to the different use of calculation basis.

(Continued)

ACER INCORPORATED
Notes to Parent-Company-Only Financial Statements

- (2) If the shares are entrusted, the above information regarding such shares will be revealed by each trustor of individual trust account. The shareholders holding more than 10% of the total shares of the company should declare insider's equity according to Securities and Exchange Act. Such shareholdings include self-held shares plus the shares that are delivered to the trust and have the right to exercise decision-making over the trust property, and so on. Please refer to the Market Observation Post System for information on insider shareholding declarations.

14. Segment information

Please refer to the consolidated financial statements for the year ended December 31, 2024.

Acer Incorporated
Financing provided to other parties
For the year ended December 31, 2024

Table 1

(Amounts in Thousands of New Taiwan Dollars)

No.	Financing Company	Counterparty	Financial Statement Account (Note 4)	Related Party	Maximum Balance for the Period	Ending Balance	Actual Amount Drawn	Interest Rate	Nature of Financing (Note 1)	Transaction Amounts	Reasons for Short-term Financing	Loss Allowance	Collateral		Financing Limit for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
0	The Company	ADSC	Other receivables from related parties	Yes	2,000	1,000	-	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	MPS	Other receivables from related parties	Yes	95,000	-	-	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	EDC	Other receivables from related parties	Yes	790,000	400,000	-	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	ALT	Other receivables from related parties	Yes	450,000	160,000	140,000	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	ITS	Other receivables from related parties	Yes	1,180,000	580,000	436,000	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	AFE	Other receivables from related parties	Yes	728,454	337,574	295,377	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	ABH	Other receivables from related parties	Yes	2,000	1,000	-	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	PAM	Other receivables from related parties	Yes	872,392	871,182	151,953	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	CCI	Other receivables from related parties	Yes	1,000	1,000	-	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	AEB	Other receivables from related parties	Yes	500,000	500,000	-	1%-8%	2	-	Operating requirements	-	None	-	7,682,813	38,414,065
0	The Company	CCP	Other receivables from related parties	Yes	140,000	140,000	140,000	1%-8%	2	-	Operating requirements	-	None	-	3,841,407	38,414,065
1	ABH	ABST	Other receivables from related parties	Yes	204,000	102,000	101,500	1%-8%	2	-	Operating requirements	-	None	-	195,879	783,517
1	ABH	ABSG	Other receivables from related parties	Yes	144,990	71,277	71,277	1%-8%	2	-	Operating requirements	-	None	-	195,879	783,517
1	ABH	ABC	Other receivables from related parties	Yes	87,500	42,500	40,800	1%-8%	2	-	Operating requirements	-	None	-	195,879	783,517
1	ABH	APDI	Other receivables from related parties	Yes	75,000	-	-	1%-8%	2	-	Operating requirements	-	None	-	195,879	783,517
1	ABH	The Company	Other receivables from related parties	Yes	250,000	100,000	-	1%-8%	2	-	Operating requirements	-	None	-	783,517	783,517
2	ADSC	The Company	Other receivables from related parties	Yes	300,000	150,000	-	1%-8%	2	-	Operating requirements	-	None	-	808,224	808,224
2	ADSC	Bluechip	Other receivables from related parties	Yes	122,058	73,026	68,969	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	ENP	Other receivables from related parties	Yes	34,000	25,000	10,000	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	ABH	Other receivables from related parties	Yes	140,000	140,000	140,000	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	AHC	Other receivables from related parties	Yes	7,000	-	-	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	BLI	Other receivables from related parties	Yes	30,250	15,000	10,000	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	ATBD	Other receivables from related parties	Yes	33,591	-	-	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	ALT	Other receivables from related parties	Yes	190,000	190,000	-	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
2	ADSC	AMDA	Other receivables from related parties	Yes	11,000	10,427	10,427	1%-8%	2	-	Operating requirements	-	None	-	202,056	808,224
3	GWI	AAC	Other receivables from related parties	Yes	983,936	524,495	265,198	1%-8%	2	-	Operating requirements	-	None	-	31,337,255	31,337,255
3	GWI	CRI	Other receivables from related parties	Yes	948,128	491,715	262,248	1%-8%	2	-	Operating requirements	-	None	-	5,222,876	5,222,876
4	AAH	AAC	Other receivables from related parties	Yes	9,865,285	5,130,227	5,130,227	1%-8%	2	-	Operating requirements	-	None	-	39,305,619	39,305,619
5	AHN	ENNL	Other receivables from related parties	Yes	299,224	169,707	169,707	1%-8%	2	-	Operating requirements	-	None	-	6,065,329	12,130,657
5	AHN	ENDE	Other receivables from related parties	Yes	52,064	-	-	1%-8%	2	-	Operating requirements	-	None	-	6,065,329	12,130,657

No.	Financing Company	Counterparty	Financial Statement Account (Note 4)	Related Party	Maximum Balance for the Period	Ending Balance	Actual Amount Drawn	Interest Rate	Nature of Financing (Note 1)	Transaction Amounts	Reasons for Short-term Financing	Loss Allowance	Collateral		Financing Limit for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
6	ASDI	APDI	Other receivables from related parties	Yes	9,000	9,000	9,000	1%-8%	2	-	Operating requirements	-	None	-	12,933	51,732
7	API	APDI	Other receivables from related parties	Yes	60,000	31,000	31,000	1%-8%	2	-	Operating requirements	-	None	-	32,838	131,354
8	CCI	The Company	Other receivables from related parties	Yes	600,000	600,000	505,000	1%-8%	2	-	Operating requirements	-	None	-	899,556	899,556
9	AEG	The Company	Other receivables from related parties	Yes	1,777,413	1,697,072	-	1%-8%	2	-	Operating requirements	-	None	-	4,991,619	4,991,619
10	Bluechip	BLI	Other receivables from related parties	Yes	2,627	-	-	1%-8%	2	-	Operating requirements	-	None	-	82,361	82,361
11	AIZS	ACCQ	Other receivables from related parties	Yes	181,748	179,639	179,639	1%-8%	2	-	Operating requirements	-	None	-	224,854	224,854
12	ACCN	ACCQ	Other receivables from related parties	Yes	1,135,926	1,122,745	-	1%-8%	2	-	Operating requirements	-	None	-	1,570,987	1,570,987
12	ACCN	EBSH	Other receivables from related parties	Yes	45,437	44,910	-	1%-8%	2	-	Operating requirements	-	None	-	261,831	261,831
13	AST	ASTA	Other receivables from related parties	Yes	120,000	120,000	-	-	2	-	Operating requirements	-	None	-	86,981	347,922
13	AST	SPE	Other receivables from related parties	Yes	60,000	60,000	-	-	2	-	Operating requirements	-	None	-	86,981	347,922
14	AMED	AHC	Other receivables from related parties	Yes	20,000	20,000	-	-	2	-	Operating requirements	-	None	-	19,459	77,836

Note 1: Nature of Financing:

Type 2: Short-term financing purpose

Note 2: 1. The aggregate financing amount shall not exceed 50% of net worth of the Company, within which the short-term financing amount shall not exceed 20% of net worth of the Company.

1-1. For an entity which the Company owns less than 50% of its outstanding common shares, the individual financing amounts shall not exceed lower of 5% of net worth of the Company and 40% of net worth of the entity.

1-2. For an entity which the Company owns more than 50% of its outstanding common shares, the individual financing amounts shall not exceed 10% of net worth of the Company.

1-3. When a subsidiary who provides financing to other parties is directly or indirectly wholly owned by the Company, the aforementioned limit of aggregate amount and individual financing amount is applied.

2. The financing limits of ABH, ADSC and CCI were as follows:

2-1. The aggregate financing amount shall not exceed 40% of net worth of the entities listed above.

2-2. The individual financing amounts to the ultimate parent company shall not exceed 40% of net worth of the entities listed above.

3. For an entity which the financing company owns more than 50% of its outstanding common shares or is fellow subsidiary of the same group, the individual financing amounts of ABH and ADSC shall not exceed 10% of their net worth.

4. The financing limits of GWI, AAH, AIZS and ACCN were as follows:

4-1. The individual financing amounts shall not exceed higher of 20% of net worth of the entity or the financing amount subject to regulations governing financing provided to other parties stipulated by the ultimate parent company.

4-2. For an entity which the ultimate parent company wholly owns directly or indirectly, the individual financing amounts shall not exceed 120% of net worth of the entity.

5. The financing limits of AHN were as follows:

5-1. For an entity which AHN owns more than 50% of its outstanding shares or is fellow subsidiary of the same group, the aggregate financing amounts shall not exceed 50% of net worth of AHN.

5-2. For an entity which AHN owns more than 50% of its outstanding shares or is fellow subsidiary of the same group, the individual financing amounts shall not exceed 20% of net worth of AHN.

5-3. The aggregate financing amount to the ultimate parent company shall not exceed 100% of net worth of AHN.

5-4. The individual financing amounts to the ultimate parent company shall not exceed 50% of net worth of AHN.

6. The financing limits of API and ASDI were as follows:

6-1. The aggregate financing amount shall not exceed 40% of net worth of the entities listed above.

6-2. The individual financing amounts to the ultimate parent company and its related parties shall not exceed 10% of net worth of the entities listed above.

7. The financing limits of AEG were as follows:

7-1. For an entity which AEG owns more than 50% of its outstanding shares or is fellow subsidiary of the same group, the aggregate financing amounts shall not exceed 50% of net worth of AEG.

7-2. For an entity which AEG owns more than 50% of its outstanding shares or is fellow subsidiary of the same group, the individual financing amounts shall not exceed 20% of net worth of AEG.

7-3. Both of the aggregate financing amount and the individual financing amounts to the ultimate parent company shall not exceed 120% of net worth of AEG.

8. Both of the aggregate financing amount and the individual financing amounts of Bluechip shall not exceed 20% of its net worth.

9. The financing limits of AST and AMED were as follows:

9-1. The aggregate financing amount shall not exceed 40% of net worth of the entities listed above.

9-2. The individual financing amounts shall not exceed 10% of net worth of the entities listed above.

9-3. Regarding the financing provided by AST to ASTA, as the financing contract with a financing limit of \$60,000 expired in January 2025, AST's Board of Directors had approved the financing of \$60,000 to ASTA due to its operating requirements.

However, because of the early meeting of the Board of Directors, the ending balance of the financing provided by AST to ASTA was repetitively calculated.

Note 3: Net worth of the Company and subsidiaries listed above are the most recent audited.

Note 4: The above transactions are eliminated when preparing the consolidated financial statements.

Acer Incorporated
Guarantees and endorsements provided to other parties
For the year ended December 31, 2024

Table 2

(Amounts in Thousands of New Taiwan Dollars)

No.	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 2 to Note 8)	Maximum Balance for the Period	Ending Balance	Actual Amount Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable (Note 2 to Note 8)	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship (Note 1)										
0	The Company	AJC	2	15,365,626	661,094	625,592	-	-	0.81%	76,828,131	Y		
0	The Company	ATH/ALTH	2	15,365,626	174,031	173,739	-	-	0.23%	76,828,131	Y		
0	The Company	Acer Asia Pacific subsidiaries	2	15,365,626	2,298,520	2,294,670	135,387	-	2.99%	76,828,131	Y		
0	The Company	AEG	2	15,365,626	318,337	311,755	311,755	-	0.41%	76,828,131	Y		
0	The Company	Acer EMEA subsidiaries	2	15,365,626	1,149,260	1,147,335	118,059	-	1.49%	76,828,131	Y		
0	The Company	Acer EMEA subsidiaries	2	15,365,626	164,180	163,905	22,082	-	0.21%	76,828,131	Y		
0	The Company	ACN/ACD/ACW/AFN	2	15,365,626	12,461	11,844	11,844	-	0.02%	76,828,131	Y		
0	The Company	Acer Pan America subsidiaries	2	15,365,626	5,582,120	5,572,770	354,011	-	7.25%	76,828,131	Y		
0	The Company	AMEX	2	15,365,626	295,524	295,029	-	-	0.38%	76,828,131	Y		
0	The Company	Acer Greater China subsidiaries	2	15,365,626	1,805,980	1,802,955	4,033	-	2.35%	76,828,131	Y		Y
0	The Company	SMA	2	15,365,626	230,273	219,898	123,545	-	0.29%	76,828,131	Y		
0	The Company	ACA	2	15,365,626	180,598	180,296	180,296	-	0.23%	76,828,131	Y		
0	The Company	AIL	2	15,365,626	3,364,077	3,290,044	1,067,202	-	4.28%	76,828,131	Y		
0	The Company	ACCN/ACCQ/BJAC	2	15,365,626	908,741	-	-	-	0.00%	76,828,131	Y		Y
0	The Company	ACCQ	2	15,365,626	656,720	655,620	655,620	-	0.85%	76,828,131	Y		Y
0	The Company	ABSG	2	15,365,626	181,954	180,876	16,971	-	0.24%	76,828,131	Y		
0	The Company	ITS	2	15,365,626	402,100	402,100	102,100	-	0.52%	76,828,131	Y		
0	The Company	ALT	2	15,365,626	326,271	310,000	-	-	0.40%	76,828,131	Y		
0	The Company	MPS	2	15,365,626	153,254	150,000	-	-	0.20%	76,828,131	Y		
0	The Company	EDC	2	15,365,626	2,955,240	2,950,290	812,160	-	3.84%	76,828,131	Y		
0	The Company	AAC	2	15,365,626	1,805,980	1,802,955	1,106,171	-	2.35%	76,828,131	Y		
0	The Company	API	2	15,365,626	63,254	60,000	-	-	0.08%	76,828,131	Y		
0	The Company	CPY	2	15,365,626	17,774	16,971	16,971	-	0.02%	76,828,131	Y		
0	The Company	ALTH	2	15,365,626	49,254	49,172	-	-	0.06%	76,828,131	Y		
0	The Company	ALIN	2	15,365,626	117,653	114,875	-	-	0.15%	76,828,131	Y		
0	The Company	ATB	2	15,365,626	985,080	983,430	355,159	-	1.28%	76,828,131	Y		
0	The Company	HRC	6	15,365,626	6,480,000	6,480,000	1,112,885	-	8.43%	76,828,131	Y		
0	The Company	AMED	2	15,365,626	100,000	100,000	-	-	0.13%	76,828,131	Y		
1	AAC	ASC	4	2,805,914	18,946	-	-	-	0.00%	2,805,914			
2	AHI	The Company	3	3,263,532	3,333,333	3,333,333	3,333,333	-	20.43%	16,317,660		Y	
3	AST	ASTA	2	173,961	127,760	65,562	-	-	7.54%	434,903			
4	WLII	CRI	2	434,526	265,102	196,686	8,411	-	9.05%	1,086,316			
4	WLII	PAM	2	434,526	207,610	81,953	37,834	-	3.77%	1,086,316			
4	WLII	PST	2	434,526	293,848	147,515	25,901	-	6.79%	1,086,316			Y
4	WLII	PAL	2	434,526	65,477	37,698	-	-	1.74%	1,086,316			
5	HSNC	HSNT	2	95,212	65,672	65,562	18,240	-	27.54%	238,031			
5	HSNC	HSNI	2	95,212	16,418	16,391	-	-	6.89%	238,031			
5	HSNC	HSNV	2	95,212	32,836	32,781	-	-	13.77%	238,031			
5	HSNC	HSNP	2	95,212	32,836	32,781	-	-	13.77%	238,031			
5	HSNC	HSN	2	95,212	32,836	32,781	-	-	13.77%	238,031			
6	API	APDI	2	65,677	20,000	20,000	8,000	-	6.09%	164,192			

- Note 1: Relationships between the endorsement/guarantee provider and the guaranteed party:
Type 2: an entity directly or indirectly owned by the Company over 50%
Type 3: the Company, directly and indirectly, has voting rights of the entity over 50%
Type 4: between entities directly or indirectly owned by the Company over 90%
Type 6: An entity jointly invested by capital contributing shareholders that make endorsements/guarantees in proportion to their shareholding percentages.
- Note 2: The aggregate endorsement/guarantee amount provided shall not exceed the most recent audited net worth of the Company.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 20% of the most recent audited net worth of the Company.
- Note 3: The aggregate endorsement/guarantee amount provided shall not exceed 20% of the most recent audited net worth of AAC.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 20% of the most recent audited net worth of AAC.
- Note 4: The aggregate endorsement/guarantee amount provided shall not exceed the most recent audited net worth of AHI.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 20% of the most recent audited net worth of AHI.
- Note 5: The aggregate endorsement/guarantee amount provided shall not exceed 50% of the most recent audited net worth of AST.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 20% of the most recent audited net worth of AST.
- Note 6: The aggregate endorsement/guarantee amount provided limits of WLII and its subsidiaries were as follows:
The aggregate endorsement/guarantee amount provided shall not exceed 50% of the most recent audited net worth of the entities listed above.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 20% of the most recent audited net worth of the entities listed above.
The aggregate endorsement/guarantee amount provided by WLII and its subsidiaries shall not exceed 50% of the most recent audited net worth of WLII.
The endorsement/guarantee amount provided to individual guarantee party by WLII and its subsidiaries shall not exceed 20% of the most recent audited net worth of WLII.
- Note 7: The aggregate endorsement/guarantee amount provided shall not exceed the most recent audited net worth of HSNC.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 40% of the most recent audited net worth of HSNC.
- Note 8: The aggregate endorsement/guarantee amount provided shall not exceed 50% of the most recent audited net worth of API.
The endorsement/guarantee amount provided to individual guarantee party shall not exceed 20% of the most recent audited net worth of API.

Acer Incorporated
Marketable securities held at reporting date
(Excluding investments in subsidiaries, associates, and jointly controlled entities)
December 31, 2024

Table 3

(Amounts in Thousands of New Taiwan Dollars / Shares)

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	Ending Balance				Maximum ownership during 2024		Note
				Shares/ Units (in thousands)	Carrying Value	Percentage of Ownership	Fair Value	Shares/ Units (in thousands)	Percentage of Ownership	
The Company	Stock: Qisda	-	Financial assets measured at fair value through other comprehensive income — non-current	81,716	2,745,647	4.24%	2,745,647	89,516	4.55%	
The Company	Stock: Wistron	-	Financial assets measured at fair value through other comprehensive income — non-current	19,109	1,987,335	0.66%	1,987,335	19,109	0.66%	
The Company	Preferred Stock B: SKFH	-	Financial assets measured at fair value through other comprehensive income — non-current	6,750	238,613	3.04%	238,613	6,830	3.08%	(Note)
The Company	Stock: FocalTech	-	Financial assets measured at fair value through other comprehensive income — non-current	8,733	777,209	3.98%	777,209	8,733	4.01%	
The Company	Preferred stock B: CTBC	-	Financial assets measured at fair value through other comprehensive income — non-current	855	53,438	0.26%	53,438	855	0.26%	(Note)
The Company	Preferred stock B: CTFH	-	Financial assets measured at fair value through other comprehensive income — non-current	1,177	70,738	0.17%	70,738	1,177	0.17%	(Note)
The Company	Preferred stock A: CTFH	-	Financial assets measured at fair value through other comprehensive income — non-current	260	15,860	0.03%	15,860	260	0.03%	(Note)
The Company	Preferred stock B: FBFH	-	Financial assets measured at fair value through other comprehensive income — non-current	991	59,955	0.15%	59,955	991	0.15%	(Note)
The Company	Preferred stock A: FBFH	-	Financial assets measured at fair value through other comprehensive income — non-current	254	16,053	0.04%	16,053	254	0.04%	(Note)
The Company	Preferred stock A: UBOT	-	Financial assets measured at fair value through other comprehensive income — non-current	30	1,605	0.02%	1,605	30	0.02%	(Note)
The Company	Preferred stock C: FBFH	-	Financial assets measured at fair value through other comprehensive income — non-current	7,000	372,400	2.10%	372,400	7,000	2.10%	(Note)
The Company	Preferred stock E: TSFH	-	Financial assets measured at fair value through other comprehensive income — non-current	335	17,286	0.07%	17,286	335	0.07%	(Note)
The Company	Stock: Welldone	-	Financial assets measured at fair value through other comprehensive income — non-current	11,712	562,762	11.75%	562,762	11,712	11.75%	
The Company	Stock: PELL BMT	-	Financial assets measured at fair value through other comprehensive income — non-current	2,400	196,080	4.15%	196,080	2,400	4.45%	
The Company	Stock: CT Ambi Investment and Consulting Inc.	Other related parties	Financial assets measured at fair value through other comprehensive income — non-current	2,000	14,165	14.83%	14,165	2,000	14.83%	
The Company	Stock: Fortune Electric Value Company Limited	-	Financial assets measured at fair value through other comprehensive income — non-current	2,500	22,421	8.83%	22,421	2,500	8.83%	
The Company	Stock: Starbit Innovation Co., Ltd.	-	Financial assets measured at fair value through other comprehensive income — non-current	6,922	6,083	12.64%	6,083	6,922	12.64%	
The Company	Stock: GreenHarvest Co.,Ltd.	-	Financial assets measured at fair value through other comprehensive income — non-current	1,111	49,995	8.40%	49,995	1,111	8.40%	

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	Ending Balance				Maximum ownership during 2024		Note
				Shares/ Units (in thousands)	Carrying Value	Percentage of Ownership	Fair Value	Shares/ Units (in thousands)	Percentage of Ownership	
The Company	Stock: C-LiFe Technologies, Inc.	-	Financial assets measured at fair value through other comprehensive income — non-current	11,000	230,000	11.38%	230,000	11,000	11.38%	
The Company	Stock: Carota		Financial assets measured at fair value through other comprehensive income — non-current	3,905	250,500	10.00%	250,500	3,905	10.00%	
The Company	Stock: Porrina Inc	Other related parties	Financial assets measured at fair value through other comprehensive income — non-current	4,000	38,340	5.00%	38,340	4,000	5.00%	
The Company	Stock: Taiwan Cell Manufacturing Company Ltd.		Financial assets measured at fair value through other comprehensive income — non-current	500	6,000	1.41%	6,000	500	1.41%	
The Company	Stock: Chih He Low Carbon Co.,Ltd.		Financial assets measured at fair value through other comprehensive income — non-current	910	9,100	7.00%	9,100	910	7.00%	
The Company	Stock: Sheng He Energy Co.,Ltd.		Financial assets measured at fair value through other comprehensive income — non-current	9,990	113,187	9.99%	113,187	9,990	9.99%	
The Company	Stock: AUROSI PRECISION CO., LTD.		Financial assets measured at fair value through other comprehensive income — non-current	3,200	32,000	8.00%	32,000	3,200	8.00%	
The Company	USD Fixed Rate Callable Note 3.85 05/13/25	-	Financial assets measured at amortized cost — current	-	163,905	-	162,825	-	-	
The Company	CREDIT AGRICOLE SA Bond 4.375 03/17/25	-	Financial assets measured at amortized cost — current	-	65,579	-	65,447	-	-	
The Company	UBS Bond 4.125 09/24/25	-	Financial assets measured at amortized cost — current	-	65,480	-	65,279	-	-	
The Company	HSBC Bond 4.375 11/23/26	-	Financial assets measured at amortized cost — non-current	-	65,290	-	64,940	-	-	
The Company	HSBC Bond 3.9 05/25/26	-	Financial assets measured at amortized cost — non-current	-	226,228	-	226,929	-	-	
The Company	UBS Bond 4.253 03/23/28	-	Financial assets measured at amortized cost — non-current	-	223,701	-	223,469	-	-	
The Company	MUFG Bond 2.757 09/13/26	-	Financial assets measured at amortized cost — non-current	-	189,781	-	190,630	-	-	
The Company	SUMIBK Bond 5.52 01/13/28	-	Financial assets measured at amortized cost — non-current	-	99,797	-	100,146	-	-	
The Company	Citigroup Inc. Bond 3.3 04/27/25	-	Financial assets measured at amortized cost — current	-	65,266	-	65,207	-	-	
The Company	Citigroup Inc. Bond 3.3 04/27/25	-	Financial assets measured at amortized cost — current	-	97,895	-	97,811	-	-	
The Company	MIZUHO Bond 3.477 04/12/26	-	Financial assets measured at amortized cost — non-current	-	96,602	-	96,822	-	-	
The Company	SUMIBK Bond 3.364 07/12/27	-	Financial assets measured at amortized cost — non-current	-	158,602	-	158,934	-	-	
The Company	MUFG Bond 3.85 03/01/26	-	Financial assets measured at amortized cost — non-current	-	97,151	-	97,423	-	-	
The Company	SUMIBK Bond 5.52 01/13/28	-	Financial assets measured at amortized cost — non-current	-	66,645	-	66,764	-	-	

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	Ending Balance				Maximum ownership during 2024		Note
				Shares/ Units (in thousands)	Carrying Value	Percentage of Ownership	Fair Value	Shares/ Units (in thousands)	Percentage of Ownership	
The Company	MIZUHO Bond 3.477 04/12/26	-	Financial assets measured at amortized cost – non-current	-	64,393	-	64,548	-	-	
The Company	CREDIT AGRICOLE 5.301 07/12/28	-	Financial assets measured at amortized cost – non-current	-	98,343	-	99,026	-	-	
The Company	HSBC 5.625 03/17/25	-	Financial assets measured at amortized cost – current	-	98,358	-	98,540	-	-	
The Company	BNP 3.375 01/09/25	-	Financial assets measured at amortized cost – current	-	98,141	-	98,320	-	-	
The Company	P12 Cathay Life Insurance 1A	-	Financial assets measured at amortized cost – non-current	-	1,500,000	-	1,499,754	-	-	
The Company	BNP 3.375 01/09/25	-	Financial assets measured at amortized cost – current	-	65,569	-	65,547	-	-	
The Company	SOCGEN 4.677 06/15/27	-	Financial assets measured at amortized cost – non-current	-	96,347	-	97,930	-	-	
The Company	BNP 3.5 11/16/27	-	Financial assets measured at amortized cost – non-current	-	93,279	-	94,253	-	-	
The Company	HSBC 5.625 03/17/25	-	Financial assets measured at amortized cost – current	-	65,566	-	65,693	-	-	
The Company	CREDIT AGRICOLE 5.301 07/12/28	-	Financial assets measured at amortized cost – non-current	-	65,131	-	66,018	-	-	
The Company	SOCGEN 4.677 06/15/27	-	Financial assets measured at amortized cost – non-current	-	64,093	-	65,287	-	-	
The Company	BNP 3.5 11/16/27	-	Financial assets measured at amortized cost – non-current	-	92,496	-	94,253	-	-	
The Company	WSTPNZ 4.902 02/15/28	-	Financial assets measured at amortized cost – non-current	-	163,905	-	163,610	-	-	
The Company	ANZNZ 5.355 08/14/28	-	Financial assets measured at amortized cost – non-current	-	166,871	-	166,303	-	-	
The Company	HSBC 4.95 03/31/30	-	Financial assets measured at amortized cost – non-current	-	162,672	-	162,448	-	-	
The Company	SUMIBK 5.8 07/13/28	-	Financial assets measured at amortized cost – non-current	-	168,400	-	168,579	-	-	
The Company	SUMIBK 5.71 01/13/30	-	Financial assets measured at amortized cost – non-current	-	101,198	-	101,165	-	-	
The Company	SUMIBK 5.71 01/13/30	-	Financial assets measured at amortized cost – non-current	-	67,532	-	67,444	-	-	
The Company	P13 Cathay Life Insurance 1A	-	Financial assets measured at amortized cost – non-current	-	1,500,000	-	1,499,785	-	-	
The Company	C 3.7 01/12/26	-	Financial assets measured at amortized cost – non-current	-	161,252	-	158,319	-	-	
The Company	HSBC 4.95 03/31/30	-	Financial assets measured at amortized cost – non-current	-	97,372	-	96,397	-	-	

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	Ending Balance				Maximum ownership during 2024		Note
				Shares/ Units (in thousands)	Carrying Value	Percentage of Ownership	Fair Value	Shares/ Units (in thousands)	Percentage of Ownership	
The Company	WSTPNZ 5.195 02/28/29	-	Financial assets measured at amortized cost — non-current	-	165,111	-	166,323	-	-	
The Company	SUMIBK 5.71 01/13/30	-	Financial assets measured at amortized cost — non-current	-	100,876	-	103,998	-	-	
The Company	WSTPNZ 4.902 02/15/28	-	Financial assets measured at amortized cost — non-current	-	98,024	-	97,788	-	-	
The Company	ANZNZ 2.55 02/13/30	-	Financial assets measured at amortized cost — non-current	-	87,500	-	77,142	-	-	
The Company	SUMIBK 5.52 01/13/28	-	Financial assets measured at amortized cost — non-current	-	66,307	-	67,632	-	-	
The Company	SUMIBK 5.8 07/13/28	-	Financial assets measured at amortized cost — non-current	-	100,314	-	103,423	-	-	
The Company	SUMIBK 5.424 07/09/31	-	Financial assets measured at amortized cost — non-current	-	99,593	-	101,095	-	-	
The Company	DB 5.414 05/10/29	-	Financial assets measured at amortized cost — non-current	-	167,400	-	170,059	-	-	
The Company	INTNED 4.05 04/09/29	-	Financial assets measured at amortized cost — non-current	-	160,116	-	153,669	-	-	
The Company	SUMIBK 5.316 07/09/29	-	Financial assets measured at amortized cost — non-current	-	167,873	-	170,275	-	-	
The Company	MUFG 3.195 07/18/29	-	Financial assets measured at amortized cost — non-current	-	153,833	-	142,632	-	-	
ADSC	Stock: Wistron	-	Financial assets measured at fair value through other comprehensive income — non-current	13,046	1,356,804	0.45%	1,356,804	13,046	0.45%	
ADSC	Stock: Benepet Co., Ltd.	-	Financial assets measured at fair value through other comprehensive income — non-current	322	1,849	18.92%	1,849	322	18.92%	
ADSC	21st Financial Technology Co., Ltd	-	Financial assets measured at fair value through other comprehensive income — non-current	585	19,613	0.86%	19,613	592	0.86%	
CCI	ID5 Fund LTP.	-	Financial assets measured at fair value through other comprehensive income — non-current	3,800	64,871	19.39%	64,871	3,800	19.39%	
CCI	Stock: BoniO	-	Financial assets measured at fair value through other comprehensive income — non-current	463	71,816	12.20%	71,816	463	12.20%	
AGT	Stock: Royal Tek Company Ltd.	-	Financial assets measured at fair value through other comprehensive income — non-current	1,015	62,146	2.01%	62,146	1,015	2.01%	
AGT	Stock: Ability SHI-Pro Co.,Ltd	-	Financial assets measured at fair value through other comprehensive income — non-current	208	-	7.89%	-	208	7.89%	
WLII	Stock: Jet One Technology CO.,LTD.	-	Financial assets measured at fair value through other comprehensive income — non-current	1,800	88,134	10.00%	88,134	1,800	10.00%	
ACTCQ	Equity of Thinputer Technology Corporation	-	Financial assets measured at fair value through other comprehensive income — non-current	889	1,037	13.79%	1,037	889	13.79%	
AEB	Preferred Stock B: SKFH	-	Financial assets measured at fair value through other comprehensive income — non-current	666	23,543	0.30%	23,543	666	0.30%	(Note)

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	Ending Balance				Maximum ownership during 2024		Note
				Shares/ Units (in thousands)	Carrying Value	Percentage of Ownership	Fair Value	Shares/ Units (in thousands)	Percentage of Ownership	
AEB	Stock: Ambi Arts Inc.	Other related parties	Financial assets measured at fair value through other comprehensive income — non-current	180	1,182	18.00%	1,182	180	18.00%	
ACSI	Preferred Stock B: SKFH	-	Financial assets measured at fair value through other comprehensive income — non-current	666	23,543	0.30%	23,543	666	0.30%	(Note)
AOI	Preferred stock C: FBFH	-	Financial assets measured at fair value through other comprehensive income — non-current	200	10,640	0.06%	10,640	200	0.06%	(Note)
AST	Preferred stock C: FBFH	-	Financial assets measured at fair value through other comprehensive income — non-current	400	21,280	0.12%	21,280	400	0.12%	(Note)
AST	Stock: Simple Mart Retail Co.,Ltd.	-	Financial assets measured at fair value through other comprehensive income — non-current	300	11,940	0.44%	11,940	300	0.44%	
AST	Preferred stock A: FBFH	-	Financial assets measured at fair value through other comprehensive income — non-current	20	1,264	0.0033%	1,264	20	0.0033%	(Note)
AST	Preferred stock E: TSFH	-	Financial assets measured at fair value through other comprehensive income — non-current	952	49,123	0.19%	49,123	952	0.19%	(Note)
AST	Preferred Stock B: SKFH	-	Financial assets measured at fair value through other comprehensive income — non-current	549	19,407	0.25%	19,407	549	0.25%	(Note)
SPE	Credit Suisse AG 4 05/15/27	-	Financial assets measured at amortized cost — non-current	-	2,963	-	2,828	-	-	
WKS	BAC 5.015 07/22/33	-	Financial assets measured at amortized cost — non-current	-	16,635	-	16,131	-	-	
WKS	BAC 6.204 11/10/28	-	Financial assets measured at amortized cost — non-current	-	12,087	-	11,881	-	-	
WKS	JPM 6.4 05/15/38	-	Financial assets measured at amortized cost — non-current	-	19,168	-	17,953	-	-	
Boardwalk	Citi Goldman Sachs Financial Square Government Fund	-	Financial assets measured at fair value through profit or loss — current	-	78,674	-	78,674	-	-	

Note : The stocks held are preferred stocks, the percentage of ownership listed above is the percentage of ownership of preferred stock.

Acer Incorporated
Marketable securities for which the accumulated purchase or sale amounts for the period exceed NT\$300 million or 20% of the paid-in capital
For the year ended December 31, 2024

Table 4

(Amounts in Thousands of New Taiwan Dollars / Shares)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisitions		Disposal				Ending Balance	
					Shares/ Units (in thousands)	Amount	Shares/ Units (in thousands)	Amount	Shares/ Units (in thousands)	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/ Units (in thousands)	Amount (Note 1)
The Company	Stock: WPG Holdings Limited	Financial assets measured at fair value through other comprehensive income — non-current	WPG Holdings Limited	None	4,012	327,343	-	-	4,012	302,400	212,131	90,269	-	-
The Company	Stock: ACSI	Investments accounted for using equity method	Acer Cyber Security Incorporated	Parent/Subsidiary	13,296	774,963	2,266	453,278	-	-	-	-	15,562	1,556,409
The Company	Stock: HRC	Investments accounted for using equity method	Haoru Electric Co., Ltd	Joint Venture	30,000	300,081	138,000	1,380,000	-	-	-	-	168,000	1,678,367
The Company	Stock: ERI	Investments accounted for using equity method	Enrich Investment Incorporated	Joint Venture	-	-	2,900	1,176,911	-	-	-	-	2,900	1,421,483
The Company	Stock: CCP	Investments accounted for using equity method	Chao-Chi Property Management Consulting Co., Ltd.	Associates	-	-	6,750	337,500	-	-	-	-	6,750	338,184
The Company	Stock: Haosheng	Investments accounted for using equity method	Haosheng Co.,Ltd	Joint Venture	-	-	30,338	303,383	-	-	-	-	30,338	303,283
The Company	Stock: Haosheng No.3	Investments accounted for using equity method	Haosheng No. 3 Electric Co., Ltd.	Associates	-	-	40,357	403,572	10,850	116,095	108,529	7,566	29,507	295,252
The Company	Stock: Chaoming Electric	Investments accounted for using equity method	Chaoming Electric Co., Ltd.	Associates	-	-	46,158	461,580	12,600	133,560	126,119	7,441	33,558	335,784
The Company	P12 Cathay Life Insurance 1A	Financial assets measured at amortized cost — non-current	Cathay Life Insurance Co., Ltd.	None	-	-	-	1,500,000	-	-	-	-	-	1,500,000
AGM	Stock: WKS	Investments accounted for using equity method	Winking Studios Limited	Parent/Subsidiary	142,538	724,836	110,200	669,550	-	-	-	-	252,738	1,355,345
WKS	Stock: WKSH	Investments accounted for using equity method	Shanghai Winking Entertainment Limited	Parent/Subsidiary	-	142,698	-	509,089	-	-	-	-	-	472,458
ACSI	Stock: EDC	Investments accounted for using equity method	Acer e-Enabling Data Center Incorporated	Parent/Subsidiary	44,462	599,351	70,000	700,000	-	-	-	-	114,462	1,363,061
ACCN	Fubon Bank (China) CNY SDRMBC	Financial assets measured at fair value through profit or loss — current	Fubon Bank (China)	None	-	-	402,000	1,789,089	402,000	1,799,855	1,789,089	10,766	-	-
ACCN	China Merchants Bank Dianjin Series	Financial assets measured at fair value through profit or loss — current	China Merchants Bank	None	-	-	515,000	2,313,450	515,000	2,325,832	2,313,450	12,382	-	-
ACCQ	Fubon Bank (China) CNY SDRMBC	Financial assets measured at fair value through profit or loss — current	Fubon Bank (China)	None	-	-	634,000	2,810,376	634,000	2,819,957	2,810,376	9,581	-	-

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisitions		Disposal			Ending Balance		
					Shares/ Units (in thousands)	Amount	Shares/ Units (in thousands)	Amount	Shares/ Units (in thousands)	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/ Units (in thousands)	Amount (Note 1)
ACCQ	China Merchants Bank Dianjin Series	Financial assets measured at fair value through profit or loss — current	China Merchants Bank	None	-	-	1,430,000	6,435,952	1,430,000	6,447,841	6,435,952	11,889	-	-
AIZS	China Merchants Bank Dianjin Series	Financial assets measured at fair value through profit or loss — current	China Merchants Bank	None	-	-	80,000	355,779	80,000	357,974	355,779	2,195	-	-
GCN	China Merchants Bank Dianjin Series	Financial assets measured at fair value through profit or loss — current	China Merchants Bank	None	-	-	71,000	318,967	71,000	319,855	318,967	888	-	-

Note 1: Ending balance includes evaluation gains and losses, investment gains and losses, translation adjustments and other amounts.

Acer Incorporated
Acquisition of real estate at costs which exceed NT\$300 Million or 20% of the paid-in capital
For the year ended December 31, 2024

Table 5

(Amounts in Thousands of New Taiwan Dollars)

Company Name	Property	Transaction Date	Transaction Amount	Status of payment	Counterparty	Relationship	Information on prior transaction if the counterparty is a related party				Basis or reference used in setting the price	Purpose of acquisition and utilization	Other commitments
							Owner	Relationship with the issuer	Date of transfer	Amount			
WLII	Land and buildings in Nangang District, Taipei City	2023/12/21	912,190	Paid in full	LIBERTY STATIONERY CORPORATION	None	None	None	None	-	Valuation report	Self-use office building	None
AEB	Land and buildings in Nangang District, Taipei City	2023/12/21	1,768,906	Paid in full	LIBERTY STATIONERY CORPORATION	None	None	None	None	-	Referring to the valuation report and negotiation between both parties	Self-use office building	None
ACSI	Land and buildings in Nangang District, Taipei City	2024/5/7	864,070	Paid in full	LIBERTY STATIONERY CORPORATION	None	None	None	None	-	Negotiation between both parties	Self-use office building	None
AAC	Land and buildings in Santa Clara, California, USA	2024/1/17	448,089	Paid in full	American National Insurance Company	None	None	None	None	-	Valuation report	Self-use office building	None

Acer Incorporated
Total purchases from and sales to related parties which exceed NT\$100 million or 20% of the paid-in capital
For the year ended December 31, 2024

Table 6

(Amounts in Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others (Note 1)		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	AAC	Parent/Subsidiary	(Sales)	(50,857,656)	(31.90)%	OA90	-	-	1,940,566	9.86%	
The Company	ACA	Parent/Subsidiary	(Sales)	(4,533,110)	(2.84)%	OA60	-	-	947,423	4.81%	
The Company	ACCQ	Parent/Subsidiary	(Sales)	(3,378,368)	(2.12)%	OA60	-	-	-	-	
The Company	ACNZ	Parent/Subsidiary	(Sales)	(311,767)	(0.20)%	OA60	-	-	51,186	0.26%	
The Company	ACS	Parent/Subsidiary	(Sales)	(1,764,286)	(1.11)%	OA60	-	-	207,634	1.05%	
The Company	AEG	Parent/Subsidiary	(Sales)	(52,431,036)	(32.88)%	OA60	-	-	1,711,665	8.70%	
The Company	AFE	Parent/Subsidiary	(Sales)	(3,158,941)	(1.98)%	OA60	-	-	455,379	2.31%	
The Company	AIL	Parent/Subsidiary	(Sales)	(8,076,120)	(5.07)%	OA150	-	-	4,520,627	22.97%	
The Company	AIN	Parent/Subsidiary	(Sales)	(4,356,519)	(2.73)%	OA90	-	-	724,348	3.68%	
The Company	AJC	Parent/Subsidiary	(Sales)	(1,266,745)	(0.79)%	OA60	-	-	963,504	4.89%	
The Company	AMI	Parent/Subsidiary	(Sales)	(2,435,906)	(1.53)%	OA90	-	-	352,167	1.79%	
The Company	APHI	Parent/Subsidiary	(Sales)	(2,482,538)	(1.56)%	OA60	-	-	762,892	3.88%	
The Company	ASC	Parent/Subsidiary	(Sales)	(128,678)	(0.08)%	OA60	-	-	4,904	0.02%	
The Company	ASSB	Parent/Subsidiary	(Sales)	(2,894,980)	(1.82)%	OA60	-	-	964,972	4.90%	
The Company	ATH	Parent/Subsidiary	(Sales)	(3,985,911)	(2.50)%	OA60	-	-	548,627	2.79%	
The Company	AVN	Parent/Subsidiary	(Sales)	(449,277)	(0.28)%	OA60	-	-	148,087	0.75%	
The Company	WLII	Parent/Subsidiary	(Sales)	(2,183,793)	(1.37)%	EM45	-	-	387,262	1.97%	
The Company	APHI	Parent/Subsidiary	Purchases	271,150	0.13%	OA60	-	-	(117,568)	(0.49)%	
The Company	AVN	Parent/Subsidiary	Purchases	132,053	0.06%	OA60	-	-	(32,275)	(0.13)%	
The Company	ALT	Parent/Subsidiary	Purchases	786,242	0.38%	OA60	-	-	(117,622)	(0.49)%	
The Company	EDC	Parent/Subsidiary	Purchases	104,023	0.05%	EM60	-	-	(38,315)	(0.16)%	
The Company	AEB	Parent/Subsidiary	Purchases	164,536	0.08%	EM30	-	-	(22,283)	(0.09)%	
The Company	AOI	Parent/Subsidiary	Purchases	6,334,900	3.07%	EM60	-	-	(733,140)	(3.03)%	
The Company	AGT	Parent/Subsidiary	Purchases	1,056,092	0.51%	OA60	-	-	(184,143)	(0.76)%	
The Company	WLII	Parent/Subsidiary	Purchases	108,661	0.05%	EM60	-	-	(9,309)	(0.04)%	
WKSH	WKNJ	Fellow subsidiary	(Sales)	(333,203)	(99.72)%	OA45	-	-	137,538	90.81%	
WELL	WLII	Parent/Subsidiary	Purchases	774,682	94.72%	EM45	-	-	(69,720)	(95.54)%	
ALT	ACA	Fellow subsidiary	(Sales)	(116,842)	(9.93)%	OA60	-	-	8,792	4.65%	
ALT	The Company	Parent/Subsidiary	(Sales)	(786,242)	(66.79)%	OA60	-	-	117,622	62.17%	
EDC	The Company	Parent/Subsidiary	(Sales)	(104,023)	(4.85)%	EM60	-	-	38,315	10.81%	
AEB	The Company	Parent/Subsidiary	(Sales)	(164,536)	(1.92)%	EM30	-	-	22,283	0.88%	
AEB	WLII	Fellow subsidiary	Purchases	287,065	5.09%	EM60	-	-	(53,425)	(4.19)%	

Company Name	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others (Note 1)		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
AGM	AFE	Fellow subsidiary	(Sales)	(225,532)	(6.93)%	OA10	-	-	-	-	
AGM	AGMPH	Parent/Subsidiary	(Sales)	(756,835)	(23.24)%	OA60	-	-	227,711	47.93%	
WKNJ	WKSH	Fellow subsidiary	Purchases	333,203	60.49%	OA45	-	-	(137,538)	(66.96)%	
AOI	AOA	Parent/Subsidiary	(Sales)	(143,373)	(2.10)%	OA90	-	-	295,401	24.80%	
AOI	AOE	Parent/Subsidiary	(Sales)	(276,573)	(4.05)%	OA60	-	-	118,137	9.92%	
AOI	The Company	Parent/Subsidiary	(Sales)	(6,334,900)	(92.70)%	EM60	-	-	733,140	61.55%	
AGT	The Company	Parent/Subsidiary	(Sales)	(1,056,092)	(46.64)%	OA60	-	-	184,143	56.74%	
WLII	The Company	Parent/Subsidiary	(Sales)	(108,661)	(0.56)%	EM60	-	-	9,309	0.34%	
WLII	WELL	Parent/Subsidiary	(Sales)	(774,682)	(4.01)%	EM45	-	-	69,720	2.52%	
WLII	AEB	Fellow subsidiary	(Sales)	(287,065)	(1.48)%	EM60	-	-	53,425	1.93%	
WLII	The Company	Parent/Subsidiary	Purchases	2,183,793	11.86%	EM45	-	-	(387,262)	(13.74)%	
PAM	CRI	Fellow subsidiary	(Sales)	(1,433,727)	(38.58)%	EM120	-	-	504,485	63.14%	
AAC	AMEX	Fellow subsidiary	(Sales)	(3,002,801)	(5.18)%	OA60	-	-	1,033,730	9.61%	
AAC	ATB	Fellow subsidiary	(Sales)	(395,161)	(0.68)%	OA60	-	-	166,086	1.54%	
AAC	The Company	Parent/Subsidiary	Purchases	50,857,656	100.00%	OA90	-	-	(1,940,566)	(66.24)%	
ACA	ACNZ	Fellow subsidiary	(Sales)	(131,551)	(2.14)%	OA60	-	-	7,815	0.58%	
ACA	The Company	Parent/Subsidiary	Purchases	4,533,110	97.49%	OA60	-	-	(947,423)	(92.61)%	
ACA	ALT	Fellow subsidiary	Purchases	116,842	2.51%	OA60	-	-	(8,792)	(0.86)%	
ACCN	ACCQ	Fellow subsidiary	(Sales)	(351,958)	(63.43)%	OA60	-	-	109,284	90.84%	
ACCQ	ACCN	Fellow subsidiary	Purchases	351,958	4.47%	OA60	-	-	(109,284)	(5.60)%	
ACCQ	GCN	Fellow subsidiary	Purchases	127,828	1.62%	OA60	-	-	(12,422)	(0.64)%	
ACCQ	The Company	Parent/Subsidiary	Purchases	3,378,368	42.93%	OA60	-	-	-	-	
ACF	AEG	Fellow subsidiary	Purchases	5,652,886	97.59%	OA60	-	-	(547,432)	(92.41)%	
ACF	APX	Fellow subsidiary	Purchases	139,862	2.41%	OA60	-	-	(6,884)	(1.16)%	
ACG	AEG	Fellow subsidiary	(Sales)	(129,171)	(0.91)%	OA60	-	-	1,577,889	26.74%	
ACG	AEG	Fellow subsidiary	Purchases	12,817,329	98.00%	OA60	-	-	(1,728,811)	(95.42)%	
ACG	APL	Fellow subsidiary	Purchases	112,887	0.86%	OA30	-	-	(15,866)	(0.88)%	
ACG	APX	Fellow subsidiary	Purchases	149,089	1.14%	OA45	-	-	(19,821)	(1.09)%	
ACH	AEG	Fellow subsidiary	Purchases	3,116,547	100.00%	OA60	-	-	(51,907)	(49.23)%	
ACNZ	ACA	Fellow subsidiary	Purchases	131,551	29.67%	OA60	-	-	(7,815)	(13.03)%	
ACNZ	The Company	Parent/Subsidiary	Purchases	311,767	70.33%	OA60	-	-	(51,186)	(85.34)%	
ACS	The Company	Parent/Subsidiary	Purchases	1,764,286	100.00%	OA60	-	-	(207,634)	(94.83)%	
ACZ	AEG	Fellow subsidiary	(Sales)	(173,200)	(45.39)%	OA60	-	-	17,569	35.87%	
ACZ	APX	Fellow subsidiary	Purchases	161,297	64.62%	OA90	-	-	(24,060)	(87.30)%	
AEG	ACF	Fellow subsidiary	(Sales)	(5,652,886)	(9.93)%	OA60	-	-	547,432	4.50%	
AEG	ACG	Fellow subsidiary	(Sales)	(12,817,329)	(22.51)%	OA60	-	-	1,728,811	14.22%	
AEG	ACH	Fellow subsidiary	(Sales)	(3,116,547)	(5.47)%	OA60	-	-	51,907	0.43%	
AEG	AIB	Fellow subsidiary	(Sales)	(4,213,075)	(7.40)%	OA60	-	-	1,413,368	11.62%	

Company Name	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others (Note 1)		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
AEG	AIT	Fellow subsidiary	(Sales)	(4,399,605)	(7.73)%	OA60	-	-	796,236	6.55%	
AEG	AUK	Fellow subsidiary	(Sales)	(6,478,438)	(11.38)%	OA60	-	-	1,814,545	14.92%	
AEG	CPY	Fellow subsidiary	(Sales)	(1,000,071)	(1.76)%	OA60	-	-	314,652	2.59%	
AEG	ACG	Fellow subsidiary	Purchases	129,171	0.24%	OA60	-	-	(1,577,889)	(22.25)%	
AEG	ACZ	Fellow subsidiary	Purchases	173,200	0.32%	OA60	-	-	(17,569)	(0.25)%	
AEG	AEH	Parent/Subsidiary	Purchases	211,706	0.39%	OA60	-	-	(32,244)	(0.45)%	
AEG	AIB	Fellow subsidiary	Purchases	107,252	0.20%	OA60	-	-	(594,139)	(8.38)%	
AEG	ARU	Fellow subsidiary	Purchases	193,150	0.36%	OA30	-	-	-	-	
AEG	ENNL	Fellow subsidiary	Purchases	820,205	1.52%	OA30	-	-	(94,264)	(1.33)%	
AEG	The Company	Parent/Subsidiary	Purchases	52,431,036	96.98%	OA60	-	-	(1,711,665)	(24.13)%	
AEH	AEG	Parent/Subsidiary	(Sales)	(211,706)	(100.00)%	OA60	-	-	32,244	100.00%	
AFE	The Company	Parent/Subsidiary	Purchases	3,158,941	93.34%	OA60	-	-	(455,379)	(92.57)%	
AFE	AGM	Fellow subsidiary	Purchases	225,532	6.66%	OA10	-	-	-	-	
AGMPH	AGM	Parent/Subsidiary	Purchases	756,835	100.00%	OA60	-	-	(227,711)	(100.00)%	
AIB	AEG	Fellow subsidiary	(Sales)	(107,252)	(2.26)%	OA60	-	-	594,139	21.07%	
AIB	ENES	Fellow subsidiary	(Sales)	(111,345)	(2.35)%	OA30	-	-	1,885	0.07%	
AIB	AEG	Fellow subsidiary	Purchases	4,213,075	97.45%	OA60	-	-	(1,413,368)	(98.49)%	
AIB	APX	Fellow subsidiary	Purchases	110,039	2.55%	OA60	-	-	(14,144)	(0.99)%	
AIL	AIN	Fellow subsidiary	(Sales)	(309,914)	(1.36)%	OA60	-	-	39,416	1.16%	
AIL	ALIN	Fellow subsidiary	(Sales)	(1,176,456)	(5.15)%	OA120	-	-	310,982	9.16%	
AIL	The Company	Parent/Subsidiary	Purchases	8,076,120	41.54%	OA150	-	-	(4,520,627)	(75.30)%	
AIN	AMI	Parent/Subsidiary	(Sales)	(334,155)	(3.66)%	OA60	-	-	174,073	51.71%	
AIN	AIL	Fellow subsidiary	Purchases	309,914	3.76%	OA60	-	-	(39,416)	(4.97)%	
AIN	AMI	Fellow subsidiary	Purchases	3,568,764	43.34%	OA90	-	-	(17,462)	(2.20)%	
AIN	The Company	Parent/Subsidiary	Purchases	4,356,519	52.90%	OA90	-	-	(724,348)	(91.42)%	
AIT	AEG	Fellow subsidiary	Purchases	4,399,605	100.00%	OA60	-	-	(796,236)	(98.83)%	
AJC	The Company	Parent/Subsidiary	Purchases	1,266,745	85.68%	OA60	-	-	(963,504)	(98.36)%	
ALIN	AIL	Fellow subsidiary	Purchases	1,176,456	100.00%	OA120	-	-	(310,982)	(74.31)%	
AMEX	AAC	Fellow subsidiary	Purchases	3,002,801	100.00%	OA60	-	-	(1,033,730)	(100.00)%	
AMI	AIN	Fellow subsidiary	(Sales)	(3,568,764)	(99.95)%	OA90	-	-	17,462	99.99%	
AMI	AIN	Parent/Subsidiary	Purchases	334,155	12.06%	OA60	-	-	(174,073)	(31.53)%	
AMI	The Company	Parent/Subsidiary	Purchases	2,435,906	87.94%	OA90	-	-	(352,167)	(63.80)%	
AOA	AOI	Parent/Subsidiary	Purchases	143,373	85.76%	OA90	-	-	(295,401)	(97.26)%	
AOE	AOI	Parent/Subsidiary	Purchases	276,573	100.00%	OA60	-	-	(118,137)	(96.10)%	
APHI	The Company	Parent/Subsidiary	(Sales)	(271,150)	(9.15)%	OA60	-	-	117,568	42.98%	
APHI	The Company	Parent/Subsidiary	Purchases	2,482,538	100.00%	OA60	-	-	(762,892)	(91.97)%	
APL	ACG	Fellow subsidiary	(Sales)	(112,887)	(100.00)%	OA30	-	-	15,866	87.73%	
APX	ACF	Fellow subsidiary	(Sales)	(139,862)	(15.62)%	OA60	-	-	6,884	4.94%	

Company Name	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others (Note 1)		Notes/Accounts Receivable or (Payable)		Note
			Purchases/(Sales)	Amount	% of Total Purchases/(Sales)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
APX	ACG	Fellow subsidiary	(Sales)	(149,089)	(16.65)%	OA45	-	-	19,821	14.21%	
APX	ACZ	Fellow subsidiary	(Sales)	(161,297)	(18.02)%	OA90	-	-	24,060	17.25%	
APX	AIB	Fellow subsidiary	(Sales)	(110,039)	(12.29)%	OA60	-	-	14,144	10.14%	
ARU	AEG	Fellow subsidiary	(Sales)	(193,150)	(99.94)%	OA30	-	-	-	-	
ASC	The Company	Parent/Subsidiary	Purchases	128,678	30.17%	OA60	-	-	(4,904)	(3.73)%	
ASSB	SMA	Parent/Subsidiary	(Sales)	(446,127)	(13.84)%	OA60	-	-	-	-	
ASSB	The Company	Parent/Subsidiary	Purchases	2,894,980	52.47%	OA60	-	-	(964,972)	(97.43)%	
ATB	AAC	Fellow subsidiary	Purchases	395,161	6.78%	OA60	-	-	(166,086)	(4.44)%	
ATH	The Company	Parent/Subsidiary	Purchases	3,985,911	100.00%	OA60	-	-	(548,627)	(94.60)%	
AUK	AEG	Fellow subsidiary	Purchases	6,478,438	100.00%	OA60	-	-	(1,814,545)	(99.00)%	
AVN	The Company	Parent/Subsidiary	(Sales)	(132,053)	(22.03)%	OA60	-	-	32,275	26.28%	
AVN	The Company	Parent/Subsidiary	Purchases	449,277	100.00%	OA60	-	-	(148,087)	(90.93)%	
CPY	AEG	Fellow subsidiary	Purchases	1,000,071	100.00%	OA60	-	-	(314,652)	(98.66)%	
CRI	PAM	Fellow subsidiary	Purchases	1,433,727	62.14%	EM120	-	-	(504,485)	(92.88)%	
ENCH	ENNL	Fellow subsidiary	(Sales)	(110,672)	(97.32)%	OA60	-	-	23,678	91.47%	
ENCZ	ENNL	Fellow subsidiary	(Sales)	(144,476)	(97.29)%	OA30	-	-	23,787	99.05%	
ENDE	ENNL	Fellow subsidiary	(Sales)	(478,024)	(97.52)%	OA60	-	-	87,166	98.69%	
ENES	ENNL	Fellow subsidiary	(Sales)	(266,396)	(98.00)%	OA60	-	-	68,850	96.35%	
ENES	AIB	Fellow subsidiary	Purchases	111,345	56.61%	OA30	-	-	(1,885)	(4.38)%	
ENFR	ENNL	Fellow subsidiary	(Sales)	(399,571)	(94.45)%	OA60	-	-	103,455	97.81%	
ENIT	ENNL	Fellow subsidiary	(Sales)	(274,665)	(97.61)%	OA60	-	-	53,302	99.45%	
ENNL	AEG	Fellow subsidiary	(Sales)	(820,205)	(25.22)%	OA30	-	-	94,264	17.20%	
ENNL	ENCH	Fellow subsidiary	Purchases	110,672	4.64%	OA60	-	-	(23,678)	(3.84)%	
ENNL	ENCZ	Fellow subsidiary	Purchases	144,476	6.06%	OA30	-	-	(23,787)	(3.86)%	
ENNL	ENDE	Fellow subsidiary	Purchases	478,024	20.06%	OA60	-	-	(87,166)	(14.15)%	
ENNL	ENES	Fellow subsidiary	Purchases	266,396	11.18%	OA60	-	-	(68,850)	(11.17)%	
ENNL	ENFR	Fellow subsidiary	Purchases	399,571	16.76%	OA60	-	-	(103,455)	(16.79)%	
ENNL	ENIT	Fellow subsidiary	Purchases	274,665	11.52%	OA60	-	-	(53,302)	(8.65)%	
ENNL	ENPL	Fellow subsidiary	Purchases	709,723	29.78%	OA60	-	-	(140,556)	(22.81)%	
ENPL	ENNL	Fellow subsidiary	(Sales)	(709,723)	(94.99)%	OA60	-	-	140,556	99.10%	
GCN	ACCQ	Fellow subsidiary	(Sales)	(127,828)	(37.49)%	OA60	-	-	12,422	100.00%	
SMA	ASSB	Parent/Subsidiary	Purchases	446,127	6.59%	OA60	-	-	-	-	

Note 1: The trade terms and price of sales with related parties are not comparable to those with third-party customers as they are determined by the economic environment and market competition of specific locations.

The purchase price with related parties are not comparable to those with third-party vendors as the specifications of products are different.

Note 2: The above transactions between parent and subsidiary are eliminated when preparing the consolidated financial statements.

Acer Incorporated
Receivables from related parties which exceed NT\$100 million or 20% of the paid-in capital
December 31, 2024

Table 7

(Amounts in Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Loss Allowance	Note
					Amount	Action Taken			
The Company	AAC	Parent/Subsidiary	1,940,566	50.51	-		703,041	-	
The Company	ACA	Parent/Subsidiary	949,022	4.02	315,437	Under Collection	906,883	-	
The Company	ACS	Parent/Subsidiary	207,634	7.74	-		201,638	-	
The Company	AEG	Parent/Subsidiary	1,711,665	36.69	-		741,606	-	
The Company	AFE	Parent/Subsidiary	750,756	5.12	-		374,260	-	
The Company	AIL	Parent/Subsidiary	4,520,627	1.82	1,056,563	Under Collection	1,266,048	-	
The Company	AIN	Parent/Subsidiary	725,388	4.63	597	Under Collection	702,600	-	
The Company	AJC	Parent/Subsidiary	966,658	1.31	844,013	Under Collection	252,935	-	
The Company	AMI	Parent/Subsidiary	352,796	4.29	-		255,545	-	
The Company	APHI	Parent/Subsidiary	762,892	4.31	395,555	Under Collection	250,060	-	
The Company	ASSB	Parent/Subsidiary	964,972	4.17	-		367,864	-	
The Company	ATH	Parent/Subsidiary	548,627	6.72	7,857	Under Collection	479,119	-	
The Company	AVN	Parent/Subsidiary	148,087	4.12	-		87,856	-	
The Company	CCP	Associate	140,000	-	-		-	-	(Note 2)
The Company	ALT	Parent/Subsidiary	144,784	2.71	-		2,365	-	
The Company	ITS	Parent/Subsidiary	436,554	6.84	4	Under Collection	428	-	
The Company	WLII	Parent/Subsidiary	388,763	6.44	-		384,330	-	
The Company	PAM	Parent/Subsidiary	151,953	-	-		151,953	-	(Note 2)
WKSH	WKS	Parent/Subsidiary	660,630	-	-		-	-	(Note 3)
WKSH	WKNJ	Fellow subsidiary	137,538	2.91	82,989	Under Collection	25,951	-	
ALT	The Company	Parent/Subsidiary	127,393	6.45	-		-	-	
ABH	ABST	Parent/Subsidiary	102,065	-	-		-	-	(Note 2)
AGM	AGMPH	Parent/Subsidiary	227,711	3.11	24,194	Under Collection	24,121	-	
AOI	AOA	Parent/Subsidiary	295,401	0.57	295,401	Under Collection	2,222	-	
AOI	AOE	Parent/Subsidiary	118,137	2.21	98,667	Under Collection	15,676	-	
AOI	The Company	Parent/Subsidiary	733,140	8.41	-		733,111	-	
AGT	The Company	Parent/Subsidiary	184,143	5.40	141	Under Collection	141	-	
PAM	CRI	Fellow subsidiary	504,485	5.40	774,699	Under Collection	126,540	-	
ADSC	ABH	Fellow subsidiary	140,000	-	-		-	-	(Note 2)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Loss Allowance	Note
					Amount	Action Taken			
CCI	The Company	Parent/Subsidiary	507,951	-	-		-	-	(Note 2)
AAC	AMEX	Fellow subsidiary	1,033,730	4.37	833,868	Under Collection	578,468	-	
AAC	ASC	Fellow subsidiary	544,929	14.22	-		-	-	
AAC	ATB	Fellow subsidiary	166,086	3.30	104,096	Under Collection	104,042	-	
AAH	AAC	Parent/Subsidiary	5,334,142	-	-		-	-	(Note 2)
ACCN	ACCQ	Fellow subsidiary	109,284	3.37	-		-	-	
ACF	AEG	Fellow subsidiary	718,197	0.09	13,080	Under Collection	13,080	-	
ACG	AEG	Fellow subsidiary	1,577,889	0.08	12,618	Under Collection	12,618	-	
ACH	AEG	Fellow subsidiary	331,482	0.17	-		-	-	
AEG	ACF	Fellow subsidiary	547,432	16.60	-		-	-	
AEG	ACG	Fellow subsidiary	1,728,811	5.81	348,586	Under Collection	233,992	-	
AEG	AIB	Fellow subsidiary	1,413,368	4.61	290,526	Under Collection	290,526	-	
AEG	AIT	Fellow subsidiary	796,236	3.82	-		-	-	
AEG	AUK	Fellow subsidiary	1,814,545	4.02	643,405	Under Collection	662,426	-	
AEG	CPY	Fellow subsidiary	314,652	2.99	102,292	Under Collection	102,292	-	
AFE	AEG	Fellow subsidiary	116,635	-	-		-	-	(Note 2)
AHN	ENNL	Parent/Subsidiary	171,652	-	-		-	-	(Note 2)
AIB	AEG	Fellow subsidiary	605,132	0.19	-		-	-	
AIL	ALIN	Fellow subsidiary	310,982	3.82	-		-	-	
AIN	AMI	Parent/Subsidiary	174,073	3.81	13,271	Under Collection	13,271	-	
AIT	AEG	Fellow subsidiary	883,170	0.02	-		-	-	
AIZS	ACCQ	Fellow subsidiary	179,639	-	-		-	-	(Note 2)
APHI	The Company	Parent/Subsidiary	126,877	2.60	-		-	-	
ASC	AAC	Fellow subsidiary	236,463	4.07	958	Under Collection	958	-	
AUK	AEG	Fellow subsidiary	753,640	0.09	-		-	-	
ENFR	ENNL	Fellow subsidiary	103,455	4.86	-		-	-	
ENPL	ENNL	Fellow subsidiary	140,556	5.56	-		-	-	
GWI	AAC	Parent/Subsidiary	265,198	-	-		-	-	(Note 2)
GWI	CRI	Fellow subsidiary	262,248	-	-		-	-	(Note 2)

Note 1: The above transactions between parent and subsidiary are eliminated when preparing the consolidated financial statements.

Note 2: Receivables are financing and interest receivables, not applicable.

Note 3: Receivables are related to investment activities, not applicable.

Acer Incorporated
Names, Locations, and Related Information of Investees over which The Company Exercises Significant Influence
December 31, 2024

Table 8

(Amounts in Thousands of New Taiwan Dollars/Shares)

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Balances as of December 31, 2024			Maximum ownership during 2024		Net Income (Loss) of the Investee	Share of profits/ losses of investee	Note
				December 31, 2024	December 31, 2023	Shares (in thousands)	Percentage of Ownership	Carrying Value	Shares (in thousands)	Percentage of Ownership			
The Company	ADSC	Taiwan	Investment and holding activity	1,143,730	1,143,730	66,215	100.00	2,020,558	66,215	100.00	50,090	50,090	Parent/Subsidiary
The Company	Boardwalk	British Virgin Islands	Investment and holding activity	41,496,383	41,496,383	1,263,432	92.02	30,497,256	1,263,432	92.02	199,156	183,254	Parent/Subsidiary
The Company	AEH	Switzerland	Investment and holding activity	2,464,262	2,464,262	147	100.00	20,225,758	147	100.00	639,086	639,086	Parent/Subsidiary
The Company	AHI	British Virgin Islands	Investment and holding activity	6,230,208	6,230,208	191,155	100.00	16,317,656	191,155	100.00	(243,993)	(243,993)	Parent/Subsidiary
The Company	Bluechip	Australia	Sale of computer peripherals and software system	43,407	43,407	1,421	20.48	79,830	1,421	24.18	(18,158)	(4,470)	Parent/Subsidiary
The Company	CCI	Taiwan	Investment and holding activity	6,957,928	6,957,928	850	100.00	3,403,155	850	100.00	7,277	7,277	Parent/Subsidiary
The Company	ACSI	Taiwan	Cyber security service	1,815,828	1,362,550	15,562	51.67	1,556,409	15,562	60.12	225,763	135,673	Parent/Subsidiary
The Company	WLII	Taiwan	Sale of computers and communication products	728,694	728,694	48,073	58.93	1,297,975	48,073	58.93	335,243	197,547	Parent/Subsidiary
The Company	AGT	Taiwan	Research, design and sale of smart handheld products and peripheral 3C products	6,993,697	6,993,697	39,308	63.54	2,286,727	39,308	63.54	116,029	66,847	Parent/Subsidiary
The Company	ABH	Taiwan	Investment and holding activity	2,128,004	2,128,004	130,308	100.00	1,958,793	130,308	100.00	332,393	332,393	Parent/Subsidiary
The Company	ASBZ	Taiwan	Solutions provider of B2B virtual reality	402,702	395,981	660	99.99	23,725	660	99.99	12,370	8,279	Parent/Subsidiary
The Company	AOI	Taiwan	Sale, manufacture, import and export of commercial computer products, software, components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	693,168	693,168	34,264	43.68	686,688	34,264	43.68	300,533	130,483	Parent/Subsidiary
The Company	HSNC	Taiwan	After-sales and value-added services of IT products	102,419	102,419	10,242	63.18	150,388	10,242	63.18	33,082	20,902	Parent/Subsidiary
The Company	SFT	Taiwan	Research, development, manufacturing, and sales of technology application products	172,000	172,000	9,110	100.00	86,863	24,000	100.00	(4,242)	(4,242)	Parent/Subsidiary
The Company	AST	Taiwan	System integration service	404,558	404,558	12,640	56.94	495,236	12,640	56.94	18,493	10,529	Parent/Subsidiary
The Company	API	Taiwan	Intelligent air solution and home appliances	171,957	181,030	14,233	56.93	186,956	14,984	59.94	25,331	15,029	Parent/Subsidiary
The Company	AGM	Taiwan	Agency of video game console and peripherals	893,639	893,639	24,449	69.85	812,127	24,449	69.85	47,543	33,211	Parent/Subsidiary
The Company	AAM	Taiwan	Property held and related management business	1,077,189	1,077,189	107,719	100.00	1,060,323	107,719	100.00	(6,546)	(6,546)	Parent/Subsidiary
The Company	ASSB	Malaysia	Sale of brand-name IT products	1,193,559	1,193,559	30,969	100.00	1,448,419	30,969	100.00	(72,035)	(72,035)	Parent/Subsidiary
The Company	ACS	Singapore	Sale of brand-name IT products	171,997	171,997	3,985	100.00	255,273	3,985	100.00	11,716	11,716	Parent/Subsidiary
The Company	CHC	Taiwan	Technical services for energy	50,000	50,000	5,000	21.28	48,063	5,000	41.67	(13,502)	(2,873)	Associate
The Company	ATBD	Singapore	Real estate asset holding and management services	934	-	40	100.00	66	40	100.00	(293)	(293)	Parent/Subsidiary
The Company	HRC	Taiwan	Technical services for energy	1,680,000	300,000	168,000	60.00	1,678,367	168,000	60.00	(2,857)	(1,714)	Joint Venture
The Company	HYE	Taiwan	Technical services for energy	210,000	-	21,000	70.00	209,915	21,000	83.33	28	20	Parent/Subsidiary
The Company	ERI	Taiwan	Investment and holding activity	1,176,911	-	2,900	74.35	1,421,483	2,900	74.35	326,501	242,754	Joint Venture
The Company	AMT	Taiwan	Sale of memory module	411,827	399,317	11,928	9.27	637,435	11,928	9.27	30,310	2,810	Associates (The company had significant influence over AMT from May 31, 2024.)
The Company	CCP	Taiwan	Offering leasing,escrow,and other related property management services	337,500	-	6,750	20.03	338,184	6,750	20.03	3,414	684	Associate
The Company	Haosheng	Taiwan	Technical services for energy	303,383	-	30,338	35.00	303,283	30,338	35.00	(400)	(140)	Joint Venture
The Company	Haosheng No.3	Taiwan	Technical services for energy	295,072	-	29,507	25.00	295,252	29,507	60.00	836	209	Associate
The Company	SGE	Taiwan	Technical services for energy	217,224	-	12,068	22.84	208,562	12,068	22.84	(8,130)	(1,857)	Associate
The Company	Chaoming Electric	Taiwan	Technical services for energy	335,580	-	33,558	25.00	335,784	33,558	60.00	1,292	323	Associate
HSNC	HSNT	Thailand	After-sales and value-added services of IT products	2,345	2,345	25	100.00	23,360	25	100.00	4,846	Note 1	Parent/Subsidiary
HSNC	HSNI	Indonesia	After-sales and value-added services of IT products	30,501	30,501	990	99.00	52,113	990	99.00	14,749	Note 1	Parent/Subsidiary
HSNC	HSN	Malaysia	After-sales and value-added services of IT products	87,268	87,268	1,000	100.00	138,319	1,000	100.00	24,111	Note 1	Parent/Subsidiary
HSNC	HSNP	Philippines	After-sales and value-added services of IT products	6,357	6,357	106	100.00	55,784	106	100.00	11,688	Note 1	Parent/Subsidiary
HSNC	HSNV	Vietnam	After-sales and value-added services of IT products	4,192	4,192	-	100.00	12,807	-	100.00	7,089	Note 1	Parent/Subsidiary
HSN	Miifix	Malaysia	After-sales and value-added services of IT products	29,372	-	80	20.00	11,501	80	20.00	3,709	Note 1	Associate

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Balances as of December 31, 2024			Maximum ownership during 2024		Net Income (Loss) of the Investee	Share of profits/ losses of investee	Note
				December 31, 2024	December 31, 2023	Shares (in thousands)	Percentage of Ownership	Carrying Value	Shares (in thousands)	Percentage of Ownership			
AST	ASM	Taiwan	Human resources and project service	66,805	66,805	6,063	60.63	83,305	6,063	60.63	5,670	Note 1	Parent/Subsidiary
AST	ASTA	U.S.A.	System integration service	14,000	14,000	1	100.00	33,381	1	100.00	(1,966)	Note 1	Parent/Subsidiary
AST	SPE	Taiwan	Factory plant engineering planning and construction	99,700	99,700	3,474	29.21	105,085	3,474	29.21	13,563	Note 1	Parent/Subsidiary
ASM	ASMA	U.S.A.	Human resources and project service	15,759	15,759	100	100.00	21,251	100	100.00	4,896	Note 1	Parent/Subsidiary
ASM	ASMJ	Japan	Human resources and project service	6,333	-	3	100.00	6,212	3	100.00	(45)	Note 1	Parent/Subsidiary
ADSC	ECS	Taiwan	Delivering services in integration, optimization and security for digital transformation	40,851	40,851	1,244	24.88	30,075	1,244	24.88	34,497	Note 1	Associate
ADSC	KBEST	Taiwan	Development and manufacturing of radiofrequency and microwave equipment	130,720	130,720	4,713	29.84	59,761	4,713	29.84	18,362	Note 1	Associate
ADSC	ENP	Taiwan	Manufacturing of lithium battery module	19,000	19,000	1,900	95.00	(4,328)	1,900	95.00	(10,027)	Note 1	Parent/Subsidiary
ADSC	AST	Taiwan	System integration service	13,056	13,056	245	1.10	9,601	245	1.10	18,493	Note 1	Fellow subsidiaries
ADSC	ACSI	Taiwan	Cyber security service	238,720	18,720	1,295	4.30	129,518	1,295	4.30	225,763	Note 1	Fellow subsidiaries
ADSC	AGM	Taiwan	Agency of video game console and peripherals	4,582	4,582	63	0.18	2,085	63	0.18	47,543	Note 1	Fellow subsidiaries
CCI	ATB	Brazil	Sale of brand-name IT products	304,540	304,540	2	0.00	-	2	0.00	(368,333)	Note 1	Fellow subsidiaries
CCI	ALIN	India	High performance computing, cloud computing, software-defined storage, and IT solution	161,621	161,621	163	1.00	538	163	1.00	28,670	Note 1	Fellow subsidiaries
CCI	ECS	Taiwan	Delivering services in integration, optimization and security for digital transformation	-	-	452	9.05	-	452	9.05	34,497	Note 1	Associate
CCI	AIN	Indonesia	Sale of brand-name IT products	3,484	3,484	1	0.00	3	1	0.00	(10)	Note 1	Fellow subsidiaries
CCI	WKS	Cayman Islands	Investment and holding activity	148,784	-	29,809	6.77	141,391	29,809	8.63	18,119	Note 1	Fellow subsidiaries
CCI	DZH	Cayman Islands	Investment and holding activity	845,523	845,523	100	100.00	772	100	100.00	(136)	Note 1	Parent/Subsidiary
CCI	Bluechip	Australia	Sale of computer peripherals and software system	17,767	-	260	3.75	14,618	260	3.75	(18,158)	Note 1	Fellow subsidiaries
WLII	Bluechip	Australia	Sale of computer peripherals and software system	77,411	22,411	1,256	18.10	59,943	1,256	18.10	(18,158)	Note 1	Fellow subsidiaries
WLII	WELL	Taiwan	Retail of household appliances and 3C products	10,000	10,000	1,000	100.00	37,457	1,000	100.00	24,476	Note 1	Parent/Subsidiary
WLII	PBT	Taiwan	Healthcare product distribution and biotechnology services	750	750	75	75.00	749	75	75.00	448	Note 1	Parent/Subsidiary
WLII	HPT	Taiwan	Software retail and services	26,820	26,820	882	30.22	18,610	882	30.22	13,738	Note 1	Associate
WLII	ANT	Taiwan	Agency service, sales, and OEM of components of heavy machinery, automobiles, and motorcycles	203,052	203,052	6,000	20.00	319,953	6,000	20.00	255,913	Note 1	Associate
WLII	PAM	Taiwan	Trading of rubber and various rubber products	602,150	628,483	13,739	59.91	574,161	14,340	62.53	58,870	Note 1	Parent/Subsidiary
PAM	PAL	British Virgin Islands	Trading of rubber and various rubber products	36,979	36,979	70	100.00	53,810	70	100.00	14,269	Note 1	Parent/Subsidiary
PAM	DCL	Samoa	Investment and holding activity	135,924	135,924	650	100.00	71,949	650	100.00	(30,002)	Note 1	Parent/Subsidiary
PAM	CRI	U.S.A.	Trading of rubber and various rubber products	99,078	99,078	2,000	100.00	188,633	2,000	100.00	22,151	Note 1	Parent/Subsidiary
PAM	PRV	Vietnam	Trading of rubber and various rubber products	14,940	14,940	-	100.00	13,375	-	100.00	389	Note 1	Parent/Subsidiary
AEH	Boardwalk	British Virgin Islands	Investment and holding activity	3,333,032	3,333,032	109,639	7.98	78,088	109,639	7.98	199,156	Note 1	Fellow subsidiaries
ACTI	GPI	U.S.A.	Development of user-friendly IoT device	350,477	350,477	436	28.85	176,828	436	28.85	18,436	Note 1	Associate
Bluechip	BLI	Taiwan	Sale of computer peripherals and software system	8,150	1,000	815	100.00	4,244	815	100.00	(2,526)	Note 1	Parent/Subsidiary
Bluechip	MIA	Australia	Sale of computer peripherals and software system	149,329	149,329	719	100.00	168,959	719	100.00	(1,638)	Note 1	Parent/Subsidiary
Bluechip	ONA	Australia	Agency for hair, makeup, and skincare brands	-	-	1	100.00	(2,172)	1	100.00	(2,172)	Note 1	Parent/Subsidiary
Bluechip	BLNZ	New Zealand	Investment and holding activity	69,343	69,343	3,600	100.00	50,497	3,600	100.00	3,282	Note 1	Parent/Subsidiary
Bluechip	DTP	Australia	Investment and holding activity	110,110	110,110	1	100.00	2	1	100.00	-	Note 1	Parent/Subsidiary
AGT	AGA	U.S.A.	Sale of 3C peripherals	15,786	-	500	100.00	14,845	500	100.00	799	Note 1	Parent/Subsidiary
ABH	MPS	Taiwan	Research, development, and sale of batteries	179,111	179,111	9,750	94.20	63,834	9,750	94.20	(16,461)	Note 1	Parent/Subsidiary
ABH	AIC	Taiwan	Providing cloud technology and solutions	62,676	62,676	2,900	100.00	22,671	2,900	100.00	(2,864)	Note 1	Parent/Subsidiary
ABH	ABC	Taiwan	Software design service	18,500	18,500	1,225	49.00	(9,906)	1,225	49.00	5,495	Note 1	Parent/Subsidiary
ABH	XPL	Taiwan	Design, development and sale of smart bicycle speedometer	38,173	38,173	2,310	100.00	15,033	2,310	100.00	737	Note 1	Parent/Subsidiary
ABH	ACSI	Taiwan	Cyber security service	240,000	-	1,200	3.98	120,016	1,200	3.98	225,763	Note 1	Fellow subsidiaries
ABH	AMED	Taiwan	Intelligent medical examination and data interpretation analysis, medical big data, and health management and related information exchange	267,834	267,834	10,279	67.51	131,368	10,279	67.51	(27,364)	Note 1	Parent/Subsidiary
ABH	ITS	Taiwan	Programs and services of intelligent transportation and electronic ticketing	621,384	523,384	25,550	100.00	196,964	25,550	100.00	7,671	Note 1	Parent/Subsidiary
ABH	ALT	Taiwan	High performance computing, cloud computing, software-defined storage, and IT solution	78,613	78,613	6,581	78.59	86,103	6,581	78.59	18,596	Note 1	Parent/Subsidiary
ABH	AEB	Taiwan	Providing solutions of cloud and digitalization	276,559	276,559	26,304	63.46	1,370,190	26,304	63.46	538,964	Note 1	Parent/Subsidiary
ABH	ACTTW	Taiwan	Development of Internet of Beings and cloud technology, and integration of cloud technology, software and hardware	955,056	955,056	2,900	100.00	(145,734)	2,900	100.00	(16,332)	Note 1	Parent/Subsidiary

Investor	Investee	Location	Main Businesses and Products	Original Investment Amount		Balances as of December 31, 2024			Maximum ownership during 2024		Net Income (Loss) of the Investee	Share of profits/ losses of investee	Note
				December 31, 2024	December 31, 2023	Shares (in thousands)	Percentage of Ownership	Carrying Value	Shares (in thousands)	Percentage of Ownership			
ALT	QSAN Common Share	Taiwan	Data storage devices and solution	78,246	78,246	966	16.68	82,739	966	16.68	40,577	Note 1	Associate(ALT had significant influence over QSAN from April 25,2024.)
ALT	QSAN Preferred Share	Taiwan	Data storage devices and solution	24	-	2	100.00	206	2	100.00	40,577	Note 1	Associate(The percentage of ownership is the percentage of ownership of preferred stock.
ALT	ALTH	Thailand	High performance computing, cloud computing, software-defined storage, and IT solution	5,993	5,993	24	49.00	7,020	24	49.00	760	Note 1	Parent/Subsidiary
ALT	ALIN	India	High performance computing, cloud computing, software-defined storage, and IT solution	514	514	27,688	99.42	91,689	27,688	99.42	28,670	Note 1	Parent/Subsidiary
ASSB	SMA	Malaysia	Sale of computers and communication products	32,739	32,739	4,748	100.00	118,227	4,748	100.00	29,654	Note 1	Parent/Subsidiary
ACTTW	ABC	Taiwan	Software design service	76,371	76,371	1,275	51.00	(10,298)	1,275	51.00	5,495	Note 1	Parent/Subsidiary
ACTTW	ABST	Taiwan	Technical service and research of aBeing cloud digital content management	300,000	300,000	2,500	100.00	(147,416)	2,500	100.00	(19,160)	Note 1	Parent/Subsidiary
ABST	ABSG	Germany	Technical service and research of aBeing cloud digital content management	325,630	325,630	6,029	100.00	(46,061)	6,029	100.00	(17,521)	Note 1	Parent/Subsidiary
AEB	DIS	Taiwan	Wholesale of computer software packages	10,125	10,125	675	20.00	10,308	675	20.00	8,380	Note 1	Associate
AEB	EBVN	Vietnam	Software sales and information consulting service	16,285	-	-	100.00	16,361	-	100.00	195	Note 1	Parent/Subsidiary
ITS	TOB	Taiwan	Professional parking lot management services and intelligent parking equipment	97,661	97,661	1,661	16.13	99,030	1,661	16.13	39,534	Note 1	Associate
AMED	AHC	Taiwan	Sale of health supplements	2,500	-	1,000	100.00	5,103	1,000	100.00	2,616	Note 1	Parent/Subsidiary
AGM	AGMPH	Philippines	Agency of video game console and peripherals	8,340	8,340	154	100.00	39,378	154	100.00	6,583	Note 1	Parent/Subsidiary
AGM	DZL	Hong Kong	Agent game eSports brand	2,474	-	8	100.00	3,519	8	100.00	1,020	Note 1	Parent/Subsidiary
AGM	WKS	Cayman Islands	Investment and holding activity	1,362,422	692,872	252,738	57.39	1,355,345	252,738	57.39	18,119	Note 1	Parent/Subsidiary
API	APDI	Taiwan	Solar optronics business	37,446	37,446	2,957	100.00	39,848	2,957	100.00	2,464	Note 1	Parent/Subsidiary
API	ASDI	Taiwan	Hotel operations and real estate asset management	73,758	73,758	5,000	100.00	129,330	5,000	100.00	70,452	Note 1	Parent/Subsidiary
API	APIN	India	Intelligent home appliances and consumer electronics	90,185	-	234,257	99.98	85,627	234,257	99.98	51	Note 1	Parent/Subsidiary
ASDI	APIN	India	Intelligent home appliances and consumer electronics	20	-	50	0.02	20	50	0.02	51	Note 1	Fellow subsidiaries
ACSI	ACAD	Taiwan	Cyber security training	10,000	10,000	1,000	100.00	3,295	1,000	100.00	(1,697)	Note 1	Parent/Subsidiary
ACSI	EDC	Taiwan	Uninterrupted operation and IT operation outsourcing services	1,175,748	475,748	114,462	100.00	1,363,061	114,462	100.00	163,422	Note 1	Parent/Subsidiary
AOI	Bluechip	Australia	Sale of computer peripherals and software system	36,915	36,915	570	8.22	25,989	570	9.70	(18,158)	Note 1	Fellow subsidiaries
AOI	AOA	U.S.A.	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	295,771	295,771	15,000	100.00	(251,915)	15,000	100.00	(45,764)	Note 1	Parent/Subsidiary
AOI	AOE	Netherlands	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	214,094	214,094	1	100.00	(40,608)	1	100.00	(6,270)	Note 1	Parent/Subsidiary
AOI	AOTH	British Virgin Islands	Investment and holding activity	1,623	1,623	50	100.00	333,340	50	100.00	7,214	Note 1	Parent/Subsidiary
AOI	AOJ	Japan	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	2,899	2,899	1	100.00	23,890	1	100.00	(2,643)	Note 1	Parent/Subsidiary
AOI	AOSV	Taiwan	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	15,000	15,000	1,500	100.00	13,255	1,500	100.00	353	Note 1	Parent/Subsidiary
AOI	AOGS	Australia	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	2,956	2,956	105	70.00	(27,542)	105	70.00	(19,239)	Note 1	Parent/Subsidiary
AOI	AMTC	Taiwan	Sale and manufacture of touch screens, touch screens controllers, and drives	363,284	363,284	6,399	15.09	336,220	6,399	16.60	91,171	Note 1	Associate
AOGS	AOAU	Australia	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	3	3	1	100.00	(16,055)	1	100.00	(19,233)	Note 1	Parent/Subsidiary
AOJ	AMDA	Japan	Design and sales of lifestyle products	18,639	-	38	90.00	15,973	38	90.00	(1,684)	Note 1	Parent/Subsidiary
AMDA	BCC	Japan	Catering, catering management, and related consulting	2,071	-	1	100.00	(5,715)	1	100.00	(516)	Note 1	Parent/Subsidiary
AMDA	GV Corp.	Japan	Design and sales of lifestyle products	207	-	1	50.00	89	1	50.00	-	Note 1	Associate
AMDA	amadana Creative Institute.	Japan	Design and sales of lifestyle products	1,864	-	1	30.00	248	1	30.00	-	Note 1	Associate

Note 1: The share of profits or losses of the investee company is not disclosed herein as such amount is already included in the share of profits or losses of the investor company.

Acer Incorporated
Information on Investment in Mainland China
For the year ended December 31, 2024

Table 9

(Amounts in Thousands of New Taiwan Dollars)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	Net Income (Losses) of Investee	% of Ownership of Direct or Indirect Investment	Maximum ownership during 2024		Share of profits/ losses of investee	Carrying Value as of December 31, 2024	Accumulated Inward Remittance of Earnings as of December 31, 2024
					Outflow	Inflow				Shares	Percentage of Ownership			
Acer Third Wave Software (Beijing) Co. Ltd.	Sale of commercial and cloud application software and technical service	98,343	1	98,343	-	-	98,343	9,093	100.00	-	100.00	9,093	2,959	-
Acer Information (Zhong Shan) Co., Ltd.	Sale of brand-name IT products	49,172	2	-	-	-	-	4,898	100.00	-	100.00	4,898	187,378	-
Acer Computer (Shanghai) Ltd.	Responsible for the repair and maintenance services of Acer brand-name products sold in China, mainly engaged in after-sales service	65,562	2	65,562	-	-	65,562	6,577	100.00	-	100.00	6,577	1,309,156	-
Acer (Chongqing) Ltd.	Sale of brand-name IT products	4,917,150	2	5,048,274	-	-	5,048,274	(944,335)	100.00	-	100.00	(944,335)	2,479,087	-
Acer Cloud Technology (Chongqing) Ltd.	Design, development, sale, and advisory of computer software and hardware	163,905	1	163,905	-	-	163,905	3	100.00	-	100.00	3	7,184	-
Innovation and Commercialization Accelerator Inc.	Development, design, manufacturing, sale, and maintenance of intelligent terminal devices	26,946	1	Note 3	-	-	-	-	30.00	-	30.00	-	-	-
Xplova (Shanghai) Ltd.	Sale of smart bicycle speedometer and operating social platform for bicycle riding and sports	9,854	1	9,854	-	5,222	4,632	(3)	100.00	-	100.00	(3)	-	-
Consumer Insights Research (Chongqing) Inc.	Collection, analysis and research of data information	13,473	1	Note 3	-	-	-	-	30.00	-	30.00	-	-	-
Sertec (Beijing) Ltd.	It is no longer in operation and is planned to be merged into other subsidiaries of the Acer Group or transformed into other non-repair and maintenance services businesses.	4,491	1	4,491	-	-	4,491	145	100.00	-	100.00	145	9,495	-
Beijing Altos Computing Ltd.	High performance computing, cloud computing, software-defined storage, and IT solution	19,760	1	19,760	-	-	19,760	537	100.00	-	100.00	537	29,751	-
Shanghai AST Technology Service Ltd.	System integration service	19,973	1	19,973	-	-	19,973	487	100.00	-	100.00	487	30,710	-
GadgeTek (Shanghai) Limited	Sale of 3C peripherals	16,391	1	16,391	-	-	16,391	16,441	100.00	-	100.00	16,441	83,714	-
AOPEN International (ShangHai) Co., Ltd	Sale, import and export of commercial computer products, software, computer components, peripheral equipment and apparatus; repair and maintenance service of IT products (its IT products repair and maintenance services business is limited to Aopen brand-name after-sales service)	161,322	2	161,322	-	-	161,322	(697)	100.00	-	100.00	(697)	7,567	-
AOPEN Information Products (Zhongshan) Inc.	Outsourcing manufacturing management of commercial computer products, computer components, peripheral equipment and apparatus	450,261	2	450,261	-	-	450,261	7,913	100.00	-	100.00	7,913	321,508	-
Protrade Shanghai Trading Co., Ltd.	Trading of rubber and various rubber products	19,960	2	-	-	-	-	(29,750)	100.00	-	100.00	(29,750)	66,337	-
Shanghai Winking Entertainment Limited	Holding activity, Art outsourcing and Game development headquarter	939,519	2	-	-	-	-	(19,636)	100.00	-	100.00	(11,269)	472,458	-
Shanghai Wishing Entertainment Limited	Management of collaborative art design and IP licensing in Mainland China	92,820	2	-	-	-	-	1,566	100.00	-	100.00	898	11,267	-
Nanjing Winking Entertainment Ltd	Art outsourcing	89,639	2	-	-	-	-	(61,453)	100.00	-	100.00	(35,270)	61,784	-
On Point Creative (Suzhou) Co., Ltd.	Art outsourcing	4,491	2	-	-	-	-	(3,484)	100.00	-	100.00	(1,999)	574	-
Acer e-Enabling Service Business (Shang-Hai) Ltd.	Software sales and information consulting services	49,172	1	49,172	-	-	49,172	9,415	100.00	-	100.00	9,415	56,914	-

Note 1: Method of Investment:

Type 1: Direct investment in Mainland China.

Type 2: Indirect investment in Mainland China through a holding company established in other countries.

Note 2: Acer Intellectual (Chongqing) Limited had merged with Acer (Chongqing) Ltd. in 2014, and Acer (Chongqing) Ltd. was the surviving entity from the merger. This amount included the original investment in

Acer Intellectual (Chongqing) Limited of \$131,124 (US\$ 4,000 thousand).

Note 3: Innovation and Commercialization Accelerator Inc. and Consumer Insights Research (Chongqing) Inc. were reinvested by Acer Cloud Technology(Chongqing) Ltd.

Investor Company Name	Accumulated Investment in Mainland China as of December 31, 2024 (Note 4)(Note 5)(Note 6)(Note 7)	Investment Amounts Authorized by Investment Commission, MOEA (Note 4)(Note 5)(Note 6)(Note 7)	Upper Limit on Investment Authorized by Investment Commission, MOEA
The Company and Subsidiaries	\$6,745,874 (US\$205,786,097)	\$8,681,748 (264,840,852.98)	\$50,141,833 (Note)

Note 4: In September 2008, AOI had disposed all shares of JNS Technology Co., Ltd., and the proceeds from the disposal of US\$ 730,000 had been remitted to AOI in March 2010.

AOI has not yet to report to MOEA, therefore, the amount of US\$ 1,645,200 was still included the original investment in JNS Technology Co., Ltd.

Note 5: T-Conn Precision(Zhongshan) Co., Ltd., indirectly invested by AOI, had been dissolved and the related liquidation process has been completed. The liquidation proceeds of US\$ 31,549.06

(according to ownership percentage of 19%) has been remitted to Super Elite Ltd., a holding company established in other countries. On March 12, 2010, AOI has obtained MOEA's approval to

withdraw its investment. However, the amount of accumulated investment in Mainland China still included the amount of US\$ 57,000 due to the liquidation of capital which has yet to be remitted to Taiwan.

Note 6: As a result of the acquisition of WKS, AGM indirectly acquired its investment of WKSH located in Mainland China, and meanwhile accumulated the investments in Mainland China amounting to US\$16,033,042.

Note 7: AGM made indirect investment in Mainland China through a holding company (WKS) established in other countries.

The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1=NT\$32.781 as of December 31, 2024.

Note: Calculated based on 60% of the consolidated net equity value.

ACER INCORPORATED
Statement of Cash and Cash Equivalents
December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>
Cash on hand		\$ 599
Bank deposits	Note 1	5,552,641
Time deposits (mature within three months)	Interest rate at 4.32%~4.97%; Note 2	<u>5,915,331</u>
		<u>\$ 11,468,571</u>

Note 1: Foreign currency deposits (in thousands) and their exchange rates were as follows:

CNY \$	1	CNY: NTD=1 :	4.4910
EUR \$	426	EUR: NTD=1 :	33.9414
USD \$	157,934	USD: NTD=1 :	32.7810
JPY \$	13	JPY: NTD=1 :	0.2085
AUD \$	51	AUD: NTD=1 :	20.2849
NZD \$	74	NZD: NTD=1 :	18.3377
KRW \$	40,507	KRW: NTD=1 :	0.0223
HKD \$	0.7	HKD: NTD=1 :	4.2197

Note 2: Including time deposit denominated in USD of \$180,450.

(Continued)

ACER INCORPORATED
Statement of Notes and Accounts Receivable
December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount</u>
Notes and accounts receivable:	
Client A	\$ 814,016
Client B	578,603
Client C	442,575
Client D	285,902
Client E	285,321
Client F	278,391
Others (the amount of individual client does not exceed 5% of the account balance)	2,050,528
Less: loss allowance	<u>(1,460)</u>
	<u><u>\$ 4,733,876</u></u>

Statement of Inventories

<u>Item</u>	<u>Amount</u>		<u>Note</u>
	<u>Carrying Amount</u>	<u>Market Value</u>	
Raw materials	\$ 10,742,532	11,393,179	Market value at net realizable value
Finished goods and merchandise	1,032,735	1,203,288	Market value at net realizable value
Spare parts	61,454	61,454	Market value at net realizable value
Inventories in transit	<u>306,446</u>	<u>306,446</u>	Market value at net realizable value
	<u><u>\$ 12,143,167</u></u>	<u><u>12,964,367</u></u>	

(Continued)

ACER INCORPORATED
Statement of Other Current Assets
December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

Item	Amount
Prepaid expenses	\$ 183,615
Input VAT	320,226
Others	13,217
	\$ 517,058

Statement of Other Financial Assets - Current

Items	Amount
Time deposits with original maturities between three months and one year	\$ 357,340

(Continued)

Acer Incorporated

**Statement of Changes in Financial Assets Measured
at Amortized Cost – Current**

For the year ended December 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

Name	Beginning Balance		Addition		Deductions		Others (Note)		Ending Balance		Pledged as Collateral	Remark
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount		
USD Fixed Rate Callable Note 1.83 02/23/2024	-	\$ 307,350	-	-	-	(312,000)	-	4,650	-	-		
USD Fixed Rate Callable Note 3.05 04/01/2024	-	153,675	-	-	-	(158,000)	-	4,325	-	-		
USD Fixed Rate Callable Note 3.85 05/13/25	-	-	-	-	-	-	-	163,905	-	163,905		
CREDIT AGRICOLE SA Bond 4.375 03/17/25	-	-	-	-	-	-	-	65,579	-	65,579		
UBS Bond 4.125 09/24/25	-	-	-	-	-	-	-	65,480	-	65,480		
Citigroup Inc. Bond 3.3 04/27/25	-	-	-	-	-	-	-	65,266	-	65,266		
Citigroup Inc. Bond 3.3 04/27/25	-	-	-	-	-	-	-	97,895	-	97,895		
HSBC 5.625 03/17/25	-	-	-	-	-	-	-	98,358	-	98,358		
BNP 3.375 01/09/25	-	-	-	-	-	-	-	98,141	-	98,141		
BNP 3.375 01/09/25	-	-	-	-	-	-	-	65,569	-	65,569		
HSBC 5.625 03/17/25	-	-	-	-	-	-	-	65,566	-	65,566		
		<u>\$ 461,025</u>		<u>-</u>		<u>(470,000)</u>		<u>794,734</u>		<u>785,759</u>		

Note: Others include amortization, translation adjustments and reclassification from non-current assets to current assets.

(Continued)

Acer Incorporated

Statement of Changes in Financial Assets Measured at Amortized Cost – Non-current

For the year ended December 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

Name	Beginning Balance		Addition		Deductions		Others (Note)		Ending Balance		Pledged as Collateral	Remark
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount		
USD Fixed Rate Callable Note 3.85 05/13/2025	-	\$ 153,675	-	-	-	-	-	(153,675)	-	-		
CREDIT AGRICOLE SA Bond 4.375 03/17/2025	-	61,549	-	-	-	-	-	(61,549)	-	-		
UBS Bond 4.125 09/24/25	-	61,295	-	-	-	-	-	(61,295)	-	-		
HSBC Bond 4.375 11/23/26	-	61,091	-	-	-	-	-	4,199	-	65,290		
HSBC Bond 3.9 05/25/26	-	210,087	-	-	-	-	-	16,141	-	226,228		
UBS Bond 4.253 03/23/28	-	208,245	-	-	-	-	-	15,456	-	223,701		
MUFG Bond 2.757 09/13/26	-	174,471	-	-	-	-	-	15,310	-	189,781		
SUMIBK Bond 5.52 01/13/28	-	93,978	-	-	-	-	-	5,819	-	99,797		
Citigroup Inc. Bond 3.3 04/27/25	-	60,381	-	-	-	-	-	(60,381)	-	-		
Citigroup Inc. Bond 3.3 04/27/25	-	90,559	-	-	-	-	-	(90,559)	-	-		
MIZUHO Bond 3.477 04/12/26	-	89,414	-	-	-	-	-	7,188	-	96,602		
SUMIBK Bond 3.364 07/12/27	-	146,932	-	-	-	-	-	11,670	-	158,602		
MUFG Bond 3.85 03/01/26	-	90,177	-	-	-	-	-	6,974	-	97,151		
SUMIBK Bond 5.52 01/13/28	-	62,783	-	-	-	-	-	3,862	-	66,645		
MIZUHO Bond 3.477 04/12/26	-	59,597	-	-	-	-	-	4,796	-	64,393		
CREDIT AGRICOLE 5.301 07.12/28	-	92,205	-	-	-	-	-	6,138	-	98,343		
HSBC 5.625 03/17/25	-	92,257	-	-	-	-	-	(92,257)	-	-		
BNP 3.375 01/09/25	-	89,801	-	-	-	-	-	(89,801)	-	-		
P12 Cathay Life Insurance 1A	-	1,500,000	-	-	-	-	-	-	-	1,500,000		
BNP 3.375 01/09/25	-	60,070	-	-	-	-	-	(60,070)	-	-		
SOCGEN 4.677 06/15/27	-	89,628	-	-	-	-	-	6,719	-	96,347		
BNP 3.5 11/16/27	-	85,909	-	-	-	-	-	7,370	-	93,279		
HSBC 5.625 03/17/25	-	61,487	-	-	-	-	-	(61,487)	-	-		
CREDIT AGRICOLE 5.301 07.12/28	-	60,964	-	-	-	-	-	4,167	-	65,131		
SOCGEN 4.677 06/15/27	-	59,390	-	-	-	-	-	4,703	-	64,093		
BNP 3.5 11/16/27	-	85,016	-	-	-	-	-	7,480	-	92,496		
WSTPNZ 4.902 02/15/28	-	153,675	-	-	-	-	-	10,230	-	163,905		
ANZ 5.355 08/14/28	-	157,120	-	-	-	-	-	9,751	-	166,871		
HSBC 4.95 03/31/30	-	-	-	154,674	-	-	-	7,998	-	162,672		
SUMIBK 5.8 07/13/28	-	-	-	162,181	-	-	-	6,219	-	168,400		
SUMIBK 5.71 01/13/30	-	-	-	97,309	-	-	-	3,889	-	101,198		
SUMIBK 5.71 01/13/30	-	-	-	64,935	-	-	-	2,597	-	67,532		
P13 Cathay Life Insurance 1A	-	-	-	1,500,000	-	-	-	-	-	1,500,000		
C 3.7 01/12/26	-	-	-	156,975	-	-	-	4,277	-	161,252		
HSBC 4.95 03/31/30	-	-	-	95,241	-	-	-	2,131	-	97,372		
WSTPNZ 5.195 02/28/29	-	-	-	161,720	-	-	-	3,391	-	165,111		
SUMIBK 5.71 01/13/30	-	-	-	98,996	-	-	-	1,880	-	100,876		
WSTPNZ 4.902 02/15/28	-	-	-	95,929	-	-	-	2,095	-	98,024		

(Continued)

Name	Beginning Balance		Addition		Deductions		Others (Note)		Ending Balance		Pledged as Collateral	Remark
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount		
ANZNZ 2.55 02/13/30	-	-	-	84,783	-	-	-	2,717	-	87,500		
SUMIBK 5.52 01/13/28	-	-	-	65,440	-	-	-	867	-	66,307		
SUMIBK 5.8 07/13/28	-	-	-	99,080	-	-	-	1,234	-	100,314		
SUMIBK 5.424 07/09/31	-	-	-	98,160	-	-	-	1,433	-	99,593		
DB 5.414 05/10/29	-	-	-	162,466	-	-	-	4,934	-	167,400		
INTNED 4.05 04/09/29	-	-	-	155,152	-	-	-	4,964	-	160,116		
SUMIBK 5.316 07/09/29	-	-	-	162,896	-	-	-	4,977	-	167,873		
MUFG 3.195 07/18/29	-	-	-	148,935	-	-	-	4,898	-	153,833		
		<u>\$ 4,211,756</u>		<u>3,564,872</u>		<u>-</u>		<u>(522,600)</u>		<u>7,254,028</u>		

Note: Others include amortization, translation adjustments and reclassification from non-current assets to current assets.

(Continued)

ACER INCORPORATED
Statement of Changes in Investments Accounted for Using The Equity Method
For the year ended December 31, 2024
(Expressed in Thousands of New Taiwan Dollars / Thousands of Shares)

Name of Investee	Beginning Balance		Addition		Decrease		Others	Investment Profit (Loss)	Foreign Currency Translation Differences	Ending balance			Market Value or Net Assets Value		Collateral
	Shares	Amount	Shares	Amount	Shares	Amount (note)				Shares	Percentage of Ownership	Amount	Unit Price (In Dollars)	Total Amount	
ADSC	66,215	\$ 2,076,855	-	-	-	(74,029)	(32,456)	50,090	98	66,215	100.00 %	2,020,558	30.52	2,020,558	-
Boardwalk	1,263,432	28,544,108	-	-	-	-	-	183,254	1,769,894	1,263,432	92.02 %	30,497,256	24.14	30,497,256	-
AEH	147	\$ 19,502,238	-	-	-	-	(145,775)	639,086	230,209	147	100.00 %	20,225,758	137,590.00	20,225,758	-
AHI	191,155	15,750,003	-	-	-	-	(1,505)	(243,993)	813,151	191,155	100.00 %	16,317,656	85.36	16,317,656	-
Bluechip	1,421	91,453	-	-	-	-	(4,573)	(4,470)	(2,580)	1,421	20.48 %	79,830	56	79,830	-
CCI	850	3,535,915	-	-	-	(130,080)	(9,119)	7,277	(838)	850	100.00 %	3,403,155	4,003.17	3,403,155	-
ACSI	13,296	774,963	2,266	453,278	-	(69,153)	261,648	135,673	-	15,562	51.67 %	1,556,409	206.50	3,213,553	-
WLII	48,073	1,279,494	-	-	-	(168,256)	(16,487)	197,547	5,677	48,073	58.93	1,297,975	59.90	2,879,573	-
AGT	39,308	2,268,145	-	-	-	(64,859)	14,632	66,847	1,962	39,308	63.54 %	2,286,727	29.10	1,143,863	-
ABH	130,308	1,958,997	-	-	-	(222,569)	(113,279)	332,393	3,251	130,308	100.00 %	1,958,793	15.03	1,958,793	-
ASBZ	441	7,587	219	6,721	-	-	1,138	8,279	-	660	99.99 %	23,725	35.95	23,725	-
AOI	34,264	619,887	-	-	-	(68,529)	5,781	130,483	(934)	34,264	43.68 %	686,688	48.65	1,666,944	-
SEB	-	9,012	-	-	-	-	-	145	338	-	100.00 %	9,495	-	9,495	-
SFT	24,000	91,105	-	-	(14,890)	-	-	(4,242)	-	9,110	100.00 %	86,863	9.53	86,863	-
HSNC	10,242	128,051	-	-	-	(11,266)	2,600	20,902	10,101	10,242	63.18 %	150,388	60.00	614,520	-
ADSBH	12,640	507,035	-	-	-	(25,280)	743	10,529	2,209	12,640	56.94 %	495,236	56.30	711,632	-
API	14,984	189,206	-	-	(751)	(29,955)	13,001	15,029	(325)	14,233	56.93	186,956	38.95	554,375	-
AGM	24,449	824,548	-	-	-	(29,338)	(36,989)	33,211	20,695	24,449	69.85 %	812,127	60.88	1,488,455	-
AAM	107,719	1,066,869	-	-	-	-	-	(6,546)	-	107,719	100.00 %	1,060,323	9.84	1,060,323	-
AHC	1,000	2,489	-	-	(1,000)	(2,500)	11	-	-	-	- %	-	-	-	-
ASSB	30,969	1,397,953	-	-	-	-	-	(72,035)	122,501	30,969	100.00 %	1,448,419	46.77	1,448,419	-
ACS	3,985	237,770	-	-	-	-	-	11,716	5,787	3,985	100.00 %	255,273	64.06	255,273	-
ATBD	1	(578)	39	934	-	-	-	(293)	3	40	100.00 %	66	1.65	66	-
HYE	-	-	21,000	210,000	-	-	(105)	20	-	21,000	70.00 %	209,915	10.00	209,915	-
CHC	5,000	45,306	-	-	-	-	5,630	(2,873)	-	5,000	21.28	48,063	9.61	48,063	-
HRC	30,000	300,081	138,000	1,380,000	-	-	-	(1,714)	-	168,000	60.00 %	1,678,367	9.99	1,678,367	-
ERI	-	-	2,900	1,176,911	-	-	1,818	242,754	-	2,900	74.35 %	1,421,483	490.17	1,421,483	-
Haosheng	-	-	30,338	303,383	-	-	40	(140)	-	30,338	35.00 %	303,283	10.00	303,283	-
Haosheng No.3	-	-	40,357	403,572	(10,850)	(116,095)	7,566	209	-	29,507	25.00 %	295,252	10.01	295,252	-
SGE	-	-	12,068	217,224	-	-	(6,805)	(1,857)	-	12,068	22.84 %	208,562	17.28	208,562	-
Chaoming Electric	-	-	46,158	461,580	(12,600)	(133,560)	7,441	323	-	33,558	25.00 %	335,784	10.01	335,784	-
AMT	-	-	11,928	671,167	-	(37,573)	470	2,810	561	11,928	9.27 %	637,435	44.80	534,374	-
CCP	-	-	6,750	337,500	-	-	-	684	-	6,750	20.03 %	338,184	50.10	338,184	-
Others	-	13,795	-	-	-	-	5,482	(734)	(1,442)	-	-	17,101	-	-	-
Subtotal		81,222,287		5,622,270		(1,183,042)	(39,092)	1,750,364	2,980,318			90,353,105			
Less: Treasury stock held by subsidiaries		(2,712,774)		-		-	-	-	-			(2,712,774)			
Adjustments of unrealized profits or losses resulting from transactions with subsidiaries and associates		(473,155)		-		(36,402)	-	-	-			(509,557)			
		<u>\$ 78,036,358</u>		<u>5,622,270</u>		<u>(1,219,444)</u>	<u>(39,092)</u>	<u>1,750,364</u>	<u>2,980,318</u>			<u>87,130,774</u>			

Note: The amount included cash dividend \$908,425 distributed from the investees.

(Continued)

ACER INCORPORATED

Statement of Changes in Financial Assets Measured at Fair Value through Other Comprehensive Income
— Non-current

For the year ended December 31, 2024

(Expressed in Thousands of New Taiwan Dollars / Thousands of Shares)

Name of Financial Instrument	Beginning balance		Addition		Decrease		Unrealized Gain (Loss)	Ending Balance		Collateral
	Shares	Amount	Shares	Amount	Shares	Amount		Shares	Amount	
Stock: Qisda	89,516	\$ 4,296,753	-	-	(7,800)	(291,224)	(1,259,882)	81,716	2,745,647	-
Stock: Wistron	19,109	1,884,147	-	-	-	-	103,188	19,109	1,987,335	-
Stock: WPG Holdings	4,012	327,343	-	-	(4,012)	(301,304)	(26,039)	-	-	-
Stock: FocalTech	8,733	982,427	-	-	-	-	(205,218)	8,733	777,209	-
Stock: Apacer Technology	11,710	724,849	218	12,510	(11,928)	(671,167)	(66,192)	-	-	-
Stock: Welldone	10,000	542,000	1,717	83,914	(5)	(239)	(62,913)	11,712	562,762	-
Stock: Pell Bio-med Technology Co., Ltd.	2,400	120,000	-	-	-	-	76,080	2,400	196,080	-
Preferred stock B: SKFH	6,830	195,679	-	-	(80)	(2,956)	45,890	6,750	238,613	-
Preferred stock B: CTBC	855	50,787	-	-	-	-	2,651	855	53,438	-
Preferred stock A: CTFH	260	15,496	-	-	-	-	364	260	15,860	-
Preferred stock B: CTFH	1,177	70,268	-	-	-	-	470	1,177	70,738	-
Preferred stock A: FBFH	254	15,520	-	-	-	-	533	254	16,053	-
Preferred stock B: FBFH	991	59,360	-	-	-	-	595	991	59,955	-
Preferred stock C:f FBFH	7,000	385,000	-	-	-	-	(12,600)	7,000	372,400	-
Preferred stock A: UBOT	30	1,539	-	-	-	-	66	30	1,605	-
Preferred stock E: TSFH	335	17,118	-	-	-	-	168	335	17,286	-
Stock: CT Ambi Investment and Consulting Inc.	2,000	16,972	-	-	-	-	(2,807)	2,000	14,165	-
Stock: Fortune Electric Value Company Limited	2,500	27,401	-	-	-	-	(4,980)	2,500	22,421	-
Stock: Starbit Innovation Co., Ltd.	2,920	-	4,002	6,083	-	-	-	6,922	6,083	-
Stock: GreenHarvest Co., Ltd.	1,111	49,995	-	-	-	-	-	1,111	49,995	-
Stock: C-LiFe Technologies, Inc.	11,000	330,000	-	-	-	-	(100,000)	11,000	230,000	-
Stock: Carota Corporation	-	-	3,905	250,500	-	-	-	3,905	250,500	-
Stock: Porrima Inc.	-	-	4,000	40,000	-	-	(1,660)	4,000	38,340	-
Stock: Taiwan Cell Manufacturing Company Ltd.	-	-	500	6,000	-	-	-	500	6,000	-
Stock: Chih He Low Carbon Co., Ltd.	-	-	910	9,100	-	-	-	910	9,100	-
Stock: Sheng He Energy Co., Ltd.	-	-	9,990	113,187	-	-	-	9,990	113,187	-
Stock: Aurosi Precision Co., Ltd.	-	-	3,200	32,000	-	-	-	3,200	32,000	-
		<u>\$10,112,654</u>		<u>553,294</u>		<u>(1,266,890)</u>	<u>(1,512,286)</u>		<u>7,886,772</u>	

(Continued)

ACER INCORPORATED
Statement of Accounts Payable
December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

<u>Vendor Name</u>	<u>Amount</u>
Vendor A	\$ 4,595,843
Vendor B	2,626,753
Vendor C	2,438,250
Vendor D	1,837,655
Vendor E	1,208,948
Others (the amount of individual vendor does not exceed 5% of the account balance)	<u>10,153,234</u>
	<u>\$ 22,860,683</u>

Statement of Other Payable

<u>Item</u>	<u>Amount</u>
Royalty payable	\$ 4,217,730
Accrued for price difference	7,941,093
Accrued product development costs	5,386,355
Salaries and bonus payable	1,901,496
Others (the amount of individual item does not exceed 5% of the account balance)	<u>4,744,618</u>
	<u>\$ 24,191,292</u>

(Continued)

ACER INCORPORATED
Statement of Other Non-Current Liabilities
December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

Item	Amount
Defined benefit liabilities	\$ 188,020
Guarantee deposits	8,318
	\$ 196,338

Statement of Lease Liabilities

Item	Description	Lease terms	Discount rate	Ending balance
Lease liabilities	Buildings	2022/01~2029/11	1.14%~2.85%	\$ 126,374
Lease liabilities	Other equipments	2023/10~2027/05	2.24%~2.85%	4,078
				\$ 130,452
Lease liabilities—current				\$ 45,079
Lease liabilities—non-current				\$ 85,373

(Continued)

ACER INCORPORATED
Statement of Cost of Revenue
For the year ended December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount</u>	
	<u>Subtotal</u>	<u>Total</u>
Cost of goods sold from purchase		\$ 151,190,734
Beginning inventory	\$ 14,968,259	
Net purchase for the period	135,842,869	
Ending inventory	(13,595,566)	
Reclassified to property, plant and equipment	(1,942)	
Royalty for software and technology	12,898,901	
Write-downs of inventories	265,112	
ODM stock provision	126,061	
Others	687,040	
Cost of product development and repair and maintenance		<u>259,825</u>
Cost of revenue		<u>\$ 151,450,559</u>

(Continued)

ACER INCORPORATED
Statement of Operating Expenses
For the year ended December 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

<u>Item</u>	<u>Selling expenses</u>	<u>Administrative expenses</u>	<u>Research and development expenses</u>
Salaries	\$ 1,377,410	546,027	753,254
Depreciation	87,643	45,153	25,161
Amortization	98	25,853	802
NRE and test inspection expense	-	-	659,345
Professional service expense	178,103	512,855	-
Others	440,111	176,352	260,209
	<u>\$ 2,083,365</u>	<u>1,306,240</u>	<u>1,698,771</u>

Statement of Financial Assets Measured at Fair Value through Profit or Loss – Current: Note 6(b).
Statement of Receivable from Related Parties and Other Receivable from Related Parties: Note 7.
Statement of Other Receivables: Note 6(d).
Statement of Changes in Property, Plant and Equipment: Note 6(i).
Statement of Changes in Right-of-use Assets: Note 6(j).
Statement of Changes in Investment Property: Note 6(k).
Statement of Changes in Intangible Assets: Note 6(l).
Statement of Financial Liabilities Measured at Fair Value through Profit or Loss – Current: Note 6(b).
Statement of Long-term debt: Note 6(m).
Statement of Payables to Related Parties and Other Payables to Related Parties: Note 7.
Statement of Bonds Payable: Note 6(n).
Statement of Provisions – Current: Note 6(p).
Statement of Deferred Tax Assets/Liabilities: Note 6(s).
Statement of Revenue: Note 6(v).
Statement of Other Operating Income and Expenses: Note 6(x).
Statement of Other Income: Note 6(y).
Statement of Other Gains and Losses: Note 6(y).
Statement of Financial Costs: Note 6(y).