Stock Code: 6811

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Financial Statements With Independent Auditor's Report

For the Years Ended December 31, 2025 and 2024

Company Address: 18F., No. 9, Sec. 3, Nangang Rd., Nangang Dist., Taipei City.

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Declaration Form

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are the same as the companies required to be included in the consolidated financial statements of the parent company and its subsidiaries as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has been disclosed in the consolidated financial statements of the parent company and its subsidiaries. Hence, we have not prepared a separate set of consolidated financial statements.

Hereby declared

Company name: ACER E-ENABLING

SERVICE BUSINESS INC.

Chairman: Jason Chen

Date: March 10, 2026

Independent Auditors' Report

To the Board of Directors of ACER E-ENABLING SERVICE BUSINESS INC.:

Opinion

We have audited the consolidated balance sheets, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the years ended December 31, 2025 and 2024, and the notes to the consolidated financial statements (including a summary of significant accounting policies), of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries. In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries as of December 31, 2025 and 2024, and their financial performance and cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretations Announcements endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for the audit opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants. Our responsibilities under those regulations are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We were independent of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries in accordance with the Norms of Professional Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 2025 consolidated financial statements of the Company and its subsidiaries. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. The key audit matters to be communicated in the audit report are as follows:

I. Revenue recognition

For the accounting policy for revenue recognition, please refer to Note IV (XIV), “Revenue from contracts with customers,” in the consolidated financial statements; for the description of the judgment involved in the timing of revenue recognition, please refer to Note V.

Description of Key Audit Matters:

Sales of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries are recognized as sales revenue when control of the product is transferred to the customer. According to the needs of individual customers, the products agreed upon and the trading conditions are different, resulting in different timing of fulfilling the performance obligations, which often requires individual evaluation to determine the appropriate timing of revenue recognition. As revenue recognized near the balance sheet date may not be properly recorded in the correct period, there is a risk that revenue may be recognized in an inappropriate period. Therefore, whether revenue is recognized in the appropriate period is important to our audit of the financial statements.

The corresponding audit procedures:

Our main audit procedures for the above key audit matters include testing the sales and collection cycle and internal controls over financial reporting; performing revenue item tests, reading the relevant sales contracts or purchase orders, and checking various documents to ensure that performance obligations are satisfied and the timing of revenue recognition is correct; and selecting samples of sales transactions in a period around the balance sheet date to assess whether the timing of revenue recognition is appropriate.

Other matters

We have audited the parent-company-only financial statements of ACER E-ENABLING SERVICE BUSINESS INC. for the years 2025 and 2024, for which we have issued an unqualified opinion.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretations Announcements endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is also responsible for assessing the ability of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries 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 ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries or to cease operations, or has no realistic alternative but to do so. Those charged with governance (including the Audit Committee) are responsible for overseeing the financial reporting process of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries.

Auditors' responsibilities for auditing the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 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 consolidated financial statements. We exercise professional judgment and professional skepticism during an audit in accordance with the Standards on Auditing. We also perform the following tasks:

I. We identify and evaluate the risks of material misstatements in the consolidated financial statements due to fraud or error, design and implement applicable responses to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our audit 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.

II. Obtain an understanding of internal control relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the internal control of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries.

III. We evaluated the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and relevant disclosures made by the management.

IV. We draw a conclusion about the appropriateness of management's use of the going concern basis of accounting and whether events or circumstances exist that may cast significant doubt on ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries' ability to continue as a going concern. If we believe that there is a material uncertainty in such events or circumstances, we shall remind users of the consolidated financial statements to pay attention to the related disclosures in the consolidated financial statements in our audit report, or modify our audit opinion if such disclosures are inadequate. Our conclusion is based on the audit evidence obtained as of the date of this audit report. However, future events or conditions may cause ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries to no longer continue as a going concern.

V. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the relevant notes) and whether or not the consolidated financial statements represent the relevant transactions and events in a fair manner.

VI. Obtain sufficient and appropriate audit evidence for the financial information of entities within the Group in order to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising and performing the audit of the Group and for forming an audit opinion for the Group.

The matters about which we communicated with the governance unit include the planned audit scope and timing, as well as major audit findings (including the significant deficiencies of internal control identified during the audit).

We also provided a declaration of independence to the governance unit, which assures that we complied with the requirements related to independence in the Norm of Professional Ethics for Certified Public Accountant, and communicated all relationships and other matters (including relevant protective measures) which we deemed to be likely to impact the independence of CPAs to the governance unit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 2025 consolidated financial statements and are therefore the key audit matters. Unless public disclosure of certain matters were prohibited by related laws or regulations or if, in very exceptional circumstances, we determine not to include such matters in the audit report, as we could reasonably expect that the negative impact of the disclosure would be greater than the public interest brought thereby, we specify such matters in the audit report.

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

KPMG

Taipei, Taiwan (Republic of China)
March 10, 2026

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024

Unit: NTD thousand

		2025.12.31		2024.12.31	
	Assets	**Amount**	%	**Amount**	%
	Current assets:				
1100	Cash and cash equivalents (Note VI (I))	$ 916,290	15	965,983	16
1140	Contract assets - current (Note VI (XVII) and VII)	65,270	1	77,752	1
1170	Notes and accounts receivable, net (Note VI (IV) and (XVII))	2,658,712	42	2,497,192	41
1180	Accounts receivable - Related parties (Note VI (IV), (XVII) and VII)	27,873	1	29,045	1
1206	Other receivables - Other	66	-	99	-
1210	Other receivables - Related parties (Note VII)	88	-	14	-
1300	Inventories (Note VI (V))	524,446	8	450,390	7
1410	Prepayments and other current assets	5,245	-	4,966	-
	Total current assets	4,197,990	67	4,025,441	66
	Non-current assets:				
1517	Financial assets measured at fair value through profit or loss - non-current (Note VI (III))	28,567	-	24,725	-
1550	Investment under equity method (Note VI (VI))	13,432	-	10,308	-
1600	Property, plant and equipment (Note VI (VII) and VII)	1,797,304	29	1,774,464	29
1755	Right-of-use assets (Note VI (VIII))	1,401	-	2,730	-
1780	Intangible assets (Note VI (IX))	2,435	-	2,885	-
1840	Deferred income tax assets (Note VI (XIV))	42,177	1	40,301	1
1920	Refundable deposits	162,300	3	188,321	3
1990	Other non-current assets (Note VI (X) and IX)	12,058	-	28,252	1
	Total non-current assets	2,059,674	33	2,071,986	34
	Total assets	**$ 6,257,664**	**100**	**6,097,427**	**100**

(continued on next page)

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Balance Sheet (Continued)

December 31, 2025 and 2024

Unit: NTD thousand

		2025.12.31		2024.12.31	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2124	Financial liabilities at fair value through profit or loss - current (Note VI (II))	$ -	-	2,103	-
2100	Short-term borrowing (Note VI (XI))	-	-	250,000	4
2130	Contract liabilities (Note VI (XVII) and VII)	1,761,344	28	1,769,869	29
2170	Accounts payable	1,361,741	22	1,188,375	20
2180	Accounts payable - Related parties (Note VII)	104,584	2	93,616	2
2200	Other payables (Note VI (XVII))	386,619	6	354,146	6
2220	Other payables - Related parties (Note VII)	13,109	-	4,033	-
2230	Current income tax liabilities	85,125	1	65,495	1
2280	Lease liabilities - current (Note VI (XII))	1,348	-	1,328	-
2399	Other current liabilities	56,949	1	74,358	1
	Total of current liabilities	3,770,819	60	3,803,323	63
	Non-current liabilities:				
2580	Lease liabilities - non-current (Note VI (XII))	74	-	1,422	-
2640	Net defined benefit liabilities (Note VI (XIII))	125,227	2	129,912	2
2645	Guarantee deposits	4,480	-	3,668	-
	Total non-current liabilities	129,781	2	135,002	2
	Total liabilities	3,900,600	62	3,938,325	65
	Equity (Note VI **(**XV**)):**				
3110	Common stock	414,490	7	414,490	7
3200	Capital reserve	628,098	10	628,098	10
	Retained earnings:				
3310	Legal reserve	230,514	4	176,618	3
3320	Special reserves	36,433	1	46,395	1
3350	Undistributed earnings	1,087,368	17	929,934	15
3400	Other equity	(39,839)	(1)	(36,433)	(1)
	Total equity	2,357,064	38	2,159,102	35
	Total liabilities and equity	**$ 6,257,664**	**100**	**6,097,427**	**100**

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2025 and 2024

Unit: NTD thousand

		2025		2024	
		Amount	%	Amount	%
4000	**Operating revenues (Notes VI (XVII), VII and XIV)**	$ 9,661,000	100	8,687,665	100
5000	**Operating costs (Notes VI (V), (IX), (XIII), (XVIII), VII, and XII)**	(8,458,040)	(88)	(7,565,890)	(87)
	Gross profit	1,202,960	12	1,121,775	13
5920	Unrealized gross profit from sales	(492)	-	-	-
	Realized gross profit	1,202,468	12	1,121,775	13
	Operating expenses (Notes VI (IV), (VII), (VIII), (IX), (XII), (XIII), (XVII), VII and XII)				
6100	Sales promotion expenses	(295,295)	(3)	(312,245)	(4)
6200	Administrative expenses	(98,314)	(1)	(98,163)	(1)
6300	R&D expenses	(68,121)	-	(60,208)	(1)
6450	Expected credit (impairment loss) reversal gains	(97)	-	3,799	-
	Total operating expenses	(461,827)	(4)	(466,817)	(6)
	Operating profit	740,641	8	654,958	7
	Non-operating income and expenses (Note VI (VI), (XII) and (XIX) and VII):				
7100	Interest income	7,226	-	10,016	-
7010	Other income	1,882	-	260	-
7020	Other gains and losses	(189)	-	6,367	-
7050	Financial costs	(4,317)	-	(7,996)	-
7770	Share of profit or loss of associates and joint ventures accounted for using the equity method	(126)	-	1,677	-
	Total non-operating income and expenses	4,476	-	10,324	-
	Net income before tax	745,117	8	665,282	7
7950	**Less: Income tax expenses (Note VI (XIV))**	(149,983)	(2)	(126,318)	(1)
	Net income for the period	595,134	6	538,964	6
	Other comprehensive income (Note VI (XIV) and (XV)):				
8310	**Items not reclassified into profit or loss**				
8311	Re-measurement of defined benefit plan	(7,899)	-	4,460	-
8316	Unrealized valuation profit/loss from investment in equity instruments measured at fair value through other comprehensive income	2,402	-	4,625	-
8349	Income tax related to items not subject to reclassification	1,580	-	(892)	-
	Total of items not reclassified into profit or loss	(3,917)	-	8,193	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of financial statements of foreign operations	511	-	1,769	-
8399	Income tax related to items that may be reclassified	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	511	-	1,769	-
	Other comprehensive income in the current period	(3,406)	-	9,962	-
	Total comprehensive income for the period	**$ 591,728**	**6**	**548,926**	**6**
	Earnings per share (Unit: NTD, Note VI (XVI))				
9750	**Basic earnings per share**	**$**	**14.36**		**13.00**
9850	**Diluted earnings per share**	**$**	**14.20**		**12.90**

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to December 31, 2025 and 2024

Unit: NTD thousand

	Equity attributable to owners of the parent company										
			Retained earnings:				Other equity				
	Common stock	Capital reserve	Legal reserve	Special reserves	Undistributed earnings	Total	Exchanges differences on translation of financial statements of foreign operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Re-measurement of defined benefit plan	Total	Total equity
Balance as of January 1, 2024	$ 414,490	628,098	126,485	37,867	801,947	966,299	29	(11,670)	(34,754)	(46,395)	1,962,492
Profit for the period	-	-	-	-	538,964	538,964	-	-	-	-	538,964
Other comprehensive income for the period	-	-	-	-	-	-	1,769	4,625	3,568	9,962	9,962
Total comprehensive income for the period	-	-	-	-	538,964	538,964	1,769	4,625	3,568	9,962	548,926
Appropriation and distribution of earnings:											
Appropriation of legal reserve	-	-	50,133	-	(50,133)	-	-	-	-	-	-
Provision of special reserve	-	-	-	8,528	(8,528)	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(352,316)	(352,316)	-	-	-	-	(352,316)
Balance as of December 31, 2024	414,490	628,098	176,618	46,395	929,934	1,152,947	1,798	(7,045)	(31,186)	(36,433)	2,159,102
Profit for the period	-	-	-	-	595,134	595,134	-	-	-	-	595,134
Other comprehensive income for the period	-	-	-	-	-	-	511	2,402	(6,319)	(3,406)	(3,406)
Total comprehensive income for the period	-	-	-	-	595,134	595,134	511	2,402	(6,319)	(3,406)	591,728
Appropriation and distribution of earnings:											
Appropriation of legal reserve	-	-	53,896	-	(53,896)	-	-	-	-	-	-
Reversal of special reserves	-	-	-	(9,962)	9,962	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(393,766)	(393,766)	-	-	-	-	(393,766)
Balance as of December 31, 2025	**$ 414,490**	**628,098**	**230,514**	**36,433**	**1,087,368**	**1,354,315**	**2,309**	**(4,643)**	**(37,505)**	**(39,839)**	**2,357,064**

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Statements of Cash Flows

January 1 to December 31, 2025 and 2024

Unit: NTD thousand

	2025	2024
Cash flow from operating activities:		
Profit before tax for the period	$ 745,117	665,282
Adjustments:		
Income and expenses		
Depreciation expense	23,550	16,923
Amortization expense	4,667	5,931
Expected credit loss (reversal)	97	(3,799)
Interest expense	4,317	7,996
Interest income	(7,226)	(10,016)
Dividend income	(1,199)	-
Gains (losses) from investment under equity method	126	(1,677)
Unrealized sales profit	492	-
Net loss (gain) from financial liabilities measured at fair value through profit or loss	(2,103)	2,103
Total income and expense	22,721	17,461
Changes in assets and liabilities related to operating activities:		
Net changes in assets related to operating activities:		
Contract assets	12,482	16,457
Notes and accounts receivable	(161,679)	(333,725)
Accounts receivable - related parties	1,172	14,257
Other receivables	(63)	-
Other receivables - Related parties	(74)	(14)
Inventory	(74,056)	(155,641)
Prepayments and other current assets	(279)	1
Total net changes in assets related to operating activities	(222,497)	(458,665)
Net changes in liabilities related to operating activities:		
Notes and accounts payable	173,366	114,013
Accounts payable - related parties	10,968	(23,756)
Other payables	32,615	(80,755)
Other payables - Related parties	1,988	(3,928)
Contract liabilities	(8,525)	(6,648)
Other current liabilities	(17,409)	41,917
Net defined benefit liability	(5,496)	(4,362)
Total net changes in liabilities related to operating activities	187,507	36,481
Total net changes in assets and liabilities related to operating activities	(34,990)	(422,184)
Total adjustment items	(12,269)	(404,723)
Cash inflow from operations	732,848	260,559
Interest received	7,322	10,665
Interest paid	(4,459)	(7,854)
Income tax paid	(130,649)	(133,302)
Net cash inflow from operating activities	605,062	130,068

(continued on next page)

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Consolidated Statements of Cash Flows (continued)
January 1 to December 31, 2025 and 2024
Unit: NTD thousand

	2025	2024
Cash flow from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(1,440)	-
Acquisition of investments under equity method	(4,080)	-
Acquisition of property, plant and equipment	(27,174)	(1,785,683)
Acquisition of intangible assets	(4,217)	(6,283)
Increased refundable deposits	-	(894)
Decrease in refundable deposits	26,021	-
Increased other non-current assets:	(1,686)	(28,252)
Dividends received	1,537	1,107
Net cash outflow from investing activities	(11,039)	(1,820,005)
Cash flow from financing activities:		
Increased short-term borrowings	-	250,000
Decreased in short-term borrowings	(250,000)	-
Lease principal repayment	(1,328)	(1,300)
Increase in guarantee deposits	812	822
Distribution of cash dividends	(393,766)	(352,316)
Net cash outflow from financing activities	(644,282)	(102,794)
Effect of exchange rate changes on cash and cash equivalents	566	1,766
Decrease in cash and cash equivalents in the current period	(49,693)	(1,790,965)
Cash and cash equivalents at beginning of period	965,983	2,756,948
Cash and cash equivalents at end of period	**$ 916,290**	**965,983**

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Notes to the Consolidated Financial Statements
2025 and 2024
(Unless otherwise stated, all amounts are in NTD thousand)

I. Company history

ACER E-ENABLING SERVICE BUSINESS INC. (hereinafter referred to as the “Company”) was established on February 22, 2012 with the approval of the Ministry of Economic Affairs. The registered address is 18F., No. 9, Sec. 3, Nangang Rd., Nangang Dist., Taipei City. The Group positions itself as “the cloud company that best comprehends on-premise requirements, an accelerator of generative AI for enterprises.” Having assisted more than 2,000 corporate clients, the Company has an extensive track record of working closely with organizations in the high-tech, government, finance, and manufacturing sectors. The Group provides a range of services that adhere to global benchmarks and meet enterprise-level requirements. These services include the construction of information system infrastructure, customized software development, project planning, application value-added services, and the provision of system maintenance and backup solutions. Generative AI, Copilot applications, cloud applications and managed services, and data governance and optimization are among the AI-driven products and services that the Group integrates. These initiatives accelerate the adoption of digital and cloud technologies by enterprise users, thereby enhancing enterprise customers’ operational resilience in the midst of uncertainty. The Company is ultimately controlled by ACER INCORPORATED.

II. Date and procedure for approving the financial statements

The consolidated financial statements were approved by the Board of Directors for release on March 10, 2026.

III. Application of new and revised standards and interpretations

(I) The impact of the International Financial Reporting Standards (“IFRS”) endorsed by the Financial Supervisory Commission (hereinafter referred to as the "FSC") which have already been adopted.

The Group began to apply the following newly amended IFRSs on January 1, 2025, and there was no significant impact on the parent-company-only financial statements.

・Amendment to IAS 21 "Lack of Exchangeability"

(II) The impacts of IFRS endorsed by the FSC but not yet effective

The Group has assessed that the adoption of the following newly amended IFRSs effective on January 1, 2026 will not have a significant impact on the consolidated financial statements.

IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"

- Amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments"

Annual improvement of IFRS

- Amendments to IFRS 9 and IFRS 7, “Contracts Referencing Nature-dependent Electricity”

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

The standards and interpretations that have been issued and revised by the International Accounting Standards Board (IASB) but have not yet been endorsed by the FSC and may be relevant to the Group are as follows:

Application of new and revised standards and interpretations	Description of main amendment	Effective date announced by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two subtotals of income statement, and one single note about the management performance measurement (MPM). These three amendments and enhancements provide a guide for how to disaggregate information in financial statements, and lay a foundation to provide users with better and more consistent information, and will affect all companies. • The more structured income statement: pursuant to the current standard, a company uses different formats to present its operating results, so that investors cannot easily compare the financial performance of different companies. The new standard uses a more structured income statement, and introduces the subtotal "operating profits" newly defined, while specifying all income and expenses are classified into three new categories based on the Company's main business	January 1, 2027 Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will align with IFRS 18 starting from the 2028 fiscal year. If a company has a need for early adoption, it may elect to adopt IFRS 18 early upon obtaining the FSC’s approval.

activities.

- Management Performance Measurement (MPMs): The new standard introduces the definition of management performance measurement, and requires companies to provide the information on each measurement indicator in a single note to the financial statements, explaining why the indicator provides useful information, how to calculate, and how to reconcile between the MPMs and the amount recognized by the IFRS accounting standards.
- More disaggregated information: the new standard includes the guidance to enhance the information grouping in the financial statements. This include whether information should be included in the main financial statements or further disaggregated in the notes.

The Group is currently evaluating the impact of the above standards and interpretations on its financial position and operating performance and will disclose relevant impacts when completing the evaluation.

The Group expects the other following new and amended standards that have not yet been approved by the FSC to have no significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 regarding “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and Amendments to IFRS 19
- Amendments to IAS 21, “Translation to a Hyperinflationary Presentation Currency”

IV. Summary of material accounting policies

(I) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the " Regulations Governing the Preparation of Financial Reports by Securities Issuers" (the " Regulations") and the IFRSs, IASs, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (collectively referred to as "Taiwan-IFRSs").

(II) Basis of consolidation

1. Principles of preparation of consolidated financial statements

The accompanying consolidated financial statements incorporate the financial statements of the Company and its controlled entities (the subsidiaries) in which the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition of control over the subsidiaries until the date of loss of control. The non-controlling interest attributable to the subsidiaries are the non-controlling interests, even if the non-controlling interests become a deficit balance.

The financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition of control over the subsidiaries until the date of loss of control. All intra-company transactions, balances and unrealized gains and losses in consolidated financial statements have been eliminated when preparing the consolidated financial statements. The total comprehensive income of the subsidiaries is attributed to the shareholders of the Company and the non-controlling interests, even if the non-controlling interests become a deficit balance.

When necessary, financial statements of subsidiaries are adjusted to align with the accounting policies adopted by the Company. Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions with the shareholders of the Company.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control are treated as equity transactions with the owners.

2. Subsidiaries included in the consolidated financial statements

Name of Investment Company	Name of subsidiary	Nature of business	Percentage of equity held 2025.12. 31	Percentage of equity held 2024.12. 31	Description
The Company	Acer e-Enabling Service Business (Shang-Hai) Ltd (EBSH)	An AI application service provider offering integrated cloud and digital application solutions.	100.00%	100.00%	
The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED(EBVN)	An AI application service provider offering integrated cloud and digital application solutions.	100.00%	100.00%	

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

(III) Basis of preparation

1. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for the following items:

(1) Financial liabilities measured at FVTPL;

(2) Financial assets measured at fair value through other comprehensive income;

(3) Net defined benefit liabilities measured at present value of defined benefit obligation less the fair value of plan assets.

2. Functional currency and presentation currency

Each entity of the Group uses the currency of the primary economic environment as its functional currency. The Group’s 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.

(IV) Foreign currency

1. 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 transaction. At the end of each subsequent reporting period (hereinafter referred to as the reporting date), monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that day. The non-monetary items denominated in foreign currencies measured at fair value are translated into the functional currencies using the exchange rate at the date that fair value was denominated. The non-monetary items denominated in foreign currencies measured at historical cost are translated using the exchange rate at the date of the transaction.

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

2. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated into NTD (the presentation currency used in the consolidated financial statements) using the exchange rates of the reporting date; the income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated into the presentation currency of the Group's consolidated financial statements using 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 or significant influence is lost, the accumulated exchange differences related to that foreign operation are reclassified to profit or loss. In the case of a partial disposal that does not result in the Group 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 Group' 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.

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

An asset is classified as current by the Group when one of the following criteria is met; all other assets are classified as non-current assets:

1. It is expected to be realized, or intended to be sold or consumed, during the normal operating cycle;
2. It is held mainly for the purpose of trading;
3. It is expected to be realized within 12 months after the end of the reporting period; or
4. The asset is cash or cash equivalents (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.

A liability is classified as current by the Group when one of the following criteria is met; all other liabilities are classified as non-current liabilities:

1. It is expected to be settled in the normal operating cycle;
2. It is held for the purpose of trading;
3. It is due to be settled within 12 months after the reporting period; or
4. The liability has no right to defer the liability settlement to at least 12 months after the reporting period on the end date of the reporting period.

(VI) Cash and cash equivalent

Cash includes cash on hand, checking deposits, demand deposits and time deposits. Cash equivalents are short-term investments with high liquidity that is readily convertible to known amounts of cash with insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of fulfilling short-term cash commitments rather than investment or other purposes are reported as cash equivalents.

(VII) Financial instruments

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are recognized when the Group becomes a party to the terms of a financial instrument contract. Financial assets that are not measured at fair value through profit or loss (except accounts receivable that do not contain significant financial components) or financial liabilities are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance. Accounts receivable that do not contain significant financial components are initially measured at transaction prices.

1. Financial assets

The financial assets of the Group are classified into the following categories at the initial recognition: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss. When financial assets are purchased or sold in accordance with trading practices, the accounting treatment of the transaction date is adopted. The Group only reclassifies all affected financial assets from the first day of the next reporting period when the business model for managing financial assets is changed.

(1) Financial assets measured at amortized cost

Financial assets that meet the following conditions and are not designated to be measured at fair value through profit or loss are measured at amortized cost:

- The financial asset is held under the business model for the purpose of collecting contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, such financial assets are measured at amortized cost using the effective interest rate method, less impairment losses. Interest income, foreign currency exchange gains and losses, and impairment losses are recognized in gain or loss. Upon derecognition, the profit or loss is recognized in profit or loss.

(2) Financial assets measured at fair value through other comprehensive income

Debt instrument investments that meet the following conditions and are not designated to be measured at fair value through profit or loss are measured at fair value through other comprehensive income:

- The financial asset is held under the business model for the purpose of collecting contractual cash flows and selling the financial asset.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group may make an irrevocable choice at the time of initial recognition to present the subsequent fair value changes of the equity instrument investments not held for trading in other comprehensive income. The aforementioned choice is made on an instrument-by-instrument basis.

Financial assets measured at fair value through other comprehensive income are subsequently measured at fair value, except for foreign currency exchange gains and losses of debt instrument investments, interest income and impairment losses calculated under the effective interest method, and dividend income of equity instrument investments (unless it clearly represents a recovery of part of the cost of the investment) recognized in profit or loss, and changes in the remaining carrying amount are recognized in other comprehensive income, and accumulated in equity under the unrealized gain or loss on financial assets measured at fair value through other comprehensive income. At the time of derecognition, a debt instrument investment reclassifies the accumulated gain or loss in equity to profit or loss; an equity instrument investment reclassifies the accumulated gain or loss in equity to retained earnings and is not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date on which the Group is entitled to receive dividends (usually the ex-dividend date).

(3) Financial assets measured at fair value through profit or loss

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income and losses are measured at fair value through profit and losses, including derivative financial assets. At the time of initial recognition, the Group may irrevocably designate financial assets that meet the conditions for measurement at amortized cost or at fair value through other comprehensive income, as financial assets measured at fair value through profit or loss. This designation is made to eliminate or significantly reduce any accounting mismatches.

The initial recognition is measured at fair value and the transaction costs are recognized as profit or loss when incurred; subsequently, the assets are measured at fair value, the gain or loss (including related dividend income and interest income) generated by re-measurement is recognized as profit or loss.

(4) Impairment of financial assets

The Group recognizes the allowance for expected credit losses of financial assets measured at amortized cost (including cash and cash equivalents, notes receivable and accounts receivable, other receivables, and refundable deposits) and contract assets.

The loss allowance for accounts receivable and contract assets is measured at lifetime expected credit losses. Other financial assets are measured at lifetime expected credit losses, except for the following financial assets, which are measured at 12-month expected credit losses:

The credit risk of other debt securities and bank deposits (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The lifetime expected credit loss refers to the expected credit loss generated by all possible defaults during the expected life of the financial instrument; the 12-month expected credit loss refers to the expected credit loss generated by the possible default of the financial instrument within 12 months after the reporting date (or a shorter period if the expected life of the financial instrument is less than 12 months).

The longest period over which expected credit losses are measured is the longest contract period in which the Group is exposed to credit risk.

In determining whether the credit risk has increased significantly since the initial recognition, the Group considers reasonable and supportable information

(which can be obtained without excessive cost or effort)), including qualitative and quantitative information and analysis based on the Group's historical experience, credit assessment and analysis of forward-looking information.

The expected credit losses are the probability-weighted estimate of the credit loss during the expected life of a financial instrument. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows that the Group can collect in accordance with the contract and the cash flows that the Group expects to collect. Expected credit losses are discounted at the effective interest rate of the financial assets.

The loss allowance of financial assets measured at amortized cost is deducted from the carrying amount of the assets. The amount of the provision or reversal of the loss allowance is recognized in profit or loss.

When the Group cannot reasonably expect the recovery of financial assets in whole or in part, it directly reduces the total carrying amount of its financial assets directly. The Group analyzes the timing and amount of write-off separately based on whether the recovery is reasonably expected. The Group expects that the written-off amount will not be reversed significantly. However, the written-off financial assets can still be enforced compulsorily to meet the procedures for the Group to recover the overdue amount. Based on the Group's experience, the overdue amount cannot be collected after 180 days.

(5) Derecognition of financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group 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.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equities

The Group's debt and equity instruments are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

(2) Equity transactions

Equity instruments refers to any contract that represents the residual equity of the Group after deducting all liabilities from assets. The equity instruments issued by the Group are recognized at the proceeds received net of direct issuance costs.

(3) Financial liabilities

The Group’s financial liabilities are classified as measured at amortized cost or at fair value through profit or loss. Financial liabilities are carried at fair value through profit or loss if they are held for trading, are derivatives, or designated to be so at initial recognition. Financial liabilities at fair value through profit or loss are carried at fair value with net gains and losses, including any interest expense, recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and exchange gains and losses are recognized in profit or loss. Any gain or loss is recognized in profit or loss at the time of derecognition.

(4) Derecognition of financial liabilities

The Group derecognizes financial liabilities when contractual obligations are fulfilled, canceled, or expired. When the terms of a financial liability are amended and there is a significant difference in the cash flows of the liability after the amendment, the original financial liability is derecognized, and a new financial liability is recognized at the fair value based on the amended terms. When derecognizing financial liabilities, the difference between the carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(5) Offsetting of financial assets and liabilities

Financial assets and financial 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.

(VIII) Inventories

Inventories are measured at the lower of cost or 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.

(IX) Investment in associates

Affiliated enterprises are those over which the Group has significant influence on their financial and operating policies, but does not control or jointly control them.

The Group's investment in associates is accounted for using the equity method. Under the equity method, investment is initially recognized at cost. Investment cost includes transaction costs. The carrying amount of an investment in an associate includes the goodwill identified at the time of the initial investment, less any accumulated impairment losses.

From the date of significant influence to the date of loss of significant influence, the Group recognizes the profit or loss and other comprehensive income of each associate in proportion to its equity. When there is a change in equity other than profit and loss and other comprehensive income in an associate that does not affect the Group's shareholding ratio, the Group shall recognize all the changes in equity as capital reserve in proportion to the shareholding ratio.

The unrealized gains arising from the transactions between the Group and its associates are eliminated in accordance with the Group's equity in the invested company. Unrealized losses are eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment.

The financial statements of associates have been appropriately adjusted to bring their accounting policies into line with the Group's accounting policies.

When the Group's share of losses from an associates to be recognized on a pro rata basis equals or exceeds its equity in the associates, the Company stops recognizing its losses. The Group only recognizes additional losses and related liabilities when a legal obligation, constructive obligation, or payment on behalf of the investee is made. additional loss and related liabilities are recognized.

When the associate issues new shares, if the Group fails to subscribe in proportion to its shareholding, resulting in a change in the shareholding ratio and thus causing an increase or decrease in the net equity value of the investment, the increase or decrease is adjusted against the capital reserve and the investment under the equity method; If the adjustment is written against capital reserve, but the balance of capital reserve arising from investments under the equity method is

insufficient, the difference is debited to retained earnings. However, if the Group fails to subscribe in proportion to its shareholding, resulting in a decrease in its ownership interest in an associate, the amount related to the associate previously recognized in other comprehensive income is reclassified proportionally to the decrease, and its accounting treatment basis is the same as that which the associate must observe of the relevant assets or liabilities.

(X) Property, plant and equipment

1. Recognition and measurement

Property, plant and equipment are measured at cost (including capitalized borrowing costs) less accumulated depreciation and any accumulated impairment losses.

Where the useful lives of the material components of any property, plant, or equipment differ, they are treated as a separate item under the property, plant, or equipment

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

2. Subsequent costs

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

3. Depreciation

Depreciation is calculated based on the cost of the asset less its residual value and recognized in profit or loss using the straight-line method over the estimated useful life of each component. The useful lives estimated for the current and comparative periods are as follows: houses and buildings: 3-50 years; transportation equipment: 6 years; office equipment: 3-4 years, other equipment: 3-10 years.

The depreciation method, useful life and residual value are reviewed at each reporting date, and the effect of any change in estimate is recognized prospectively.

(XI) Lease (lessee)

The Group assesses whether the contract is or contains a lease on the date of establishment of the contract. If the contract transfers control over the use of an identified asset for a period of time in exchange for consideration, the contract is or contains a lease.

The Group recognizes right-of-use assets and lease liabilities on the lease commencement date. Right-of-use assets are initially measured at cost, which includes the initial measurement of lease liabilities, adjusted for any lease payments

paid on or before the lease commencement date and including any initial direct costs and an estimate of the costs of dismantling and removing the underlying asset and restoring the site or the asset, while deducting any lease incentives received.

The subsequent right-of-use assets are depreciated using the straight-line method from the lease start date to the end of their useful lives or the expiration of the lease term, whichever is earlier. In addition, the Group regularly assesses whether right-of-use assets are impaired and recognizes any impairment losses that have occurred, and adjusts the right-of-use assets if the lease liabilities are remeasured.

Lease liabilities are initially measured at the present value of the unpaid lease payments on the lease starting date. If the interest rate implicit in the lease is readily determinable, the discount rate is the interest rate; if it is not easy to determine, the Group's incremental borrowing rate is used. Generally, the Group uses its incremental borrowing interest rate as the discount rate.

Lease payments included in the measurement of lease liabilities include:

1. Fixed payments, including substantive fixed payments;
2. For the variable lease payment depending on a certain index or rate, the index or the rate on the lease commencement date is used as the initial measurement;
3. The residual guarantee amount expected to be paid; and
4. The exercise price or penalty when the purchase option or lease termination option is reasonably determined to be exercised.

Subsequent interest on lease liabilities is accrued using the effective interest method, and the amount is re-measured when:

1. Changes in future lease payments resulting from changes in an index or a rate used to determine lease payments;
2. Changes in the amounts expected to be payable under residual value guarantees;
3. Changes in the assessment of an option to purchase the underlying asset;
4. Changes in the assessment of whether an extension or termination option will be exercised, resulting in a revised assessment of the lease term;
5. Modifications to the underlying asset, scope of the lease, or other terms.

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 recognized 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 Group

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 recognizes the difference in profit or loss for any gain or loss relating to the partial or full termination of the lease.

The Group presents the right-of-use assets and lease liabilities that do not meet the definition of investment property as separate line items in the consolidated balance sheet.

If the agreement includes lease and non-lease components, the Group 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 Group 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.

The Group 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 Group recognizes the lease payments associated with these leases as an expense on the straight-line basis over the lease term.

(XII) Intangible assets

The purchased software acquired by the Group is measured at cost less accumulated amortization and accumulated impairment losses. The amortization amount is recognized using the straight-line method over its useful life (1 to 3 years), and is recognized in profit or loss.

The Group reviews the residual value, useful life and amortization method of intangible assets at each reporting date, and makes appropriate adjustments if necessary.

(XIII) Impairment of non-financial assets

The Group assesses at the end of each reporting date whether there is any indication that the carrying amounts of non-financial assets (other than inventories, contract assets, 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, the group of assets whose cash inflow is mostly independent of other individual assets or groups of asset is recognized as the smallest identifiable asset group. The goodwill acquired in a business combination is allocated to each cash-generating unit or cash-generating unit group that is expected to benefit from the synergies of the combination.

The recoverable amount is the fair value of an individual asset or cash-generating unit less the cost of disposal and its value in use, whichever is

higher. In assessing value in use, the estimated future cash flows are converted to the present value using a discount rate that reflects the current market's assessment of the time value of money and the risks specific to the asset or cash-generating unit.

If the recoverable amount of an individual asset or cash-generating unit is lower than the carrying amount, it is recognized as impairment loss. The impairment loss is immediately recognized in profit or loss, and the carrying amount of goodwill allocated to the cash-generating unit is reduced first, and then the carrying amount of each asset is reduced in proportion to the carrying amount of other assets in the unit.

The impairment loss of goodwill shall not be reversed. The non-financial assets other than goodwill are only reversed within the carrying amount (less depreciation or amortization) of the asset if no impairment loss was recognized in previous years.

(XIV) Revenue from customer contracts

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group 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 Group's main types of revenue are explained below.

1. Sale of products

The Group recognizes revenue when the control of the product is transferred. The transfer of control of the product means that the product has been delivered to the customer, the customer can fully determine the right to use the product, the risk of obsolescence and loss of the product have been transferred to the customer and there is no outstanding obligation that will affect the customer's acceptance of the product. The Group recognizes revenue and accounts receivable at that time. The advance payment according to the sales contract are recognized as a contract liability before the product is delivered.

2. Revenue from service rendered

The Group provides project 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.

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 to the management.

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

3. Financial components

The Group expects the period between the transfer of goods or services and customer payment does not exceed one year. Therefore, the Group does not adjust the transaction price for the time value of money.

(XV) Employee benefits

1. Defined contribution plan

The contribution obligation of the defined contribution plan is expensed during the period in which employees render services.

2. Defined benefit plan

The net obligation under the defined benefit pension plan is the present value of the future benefit amount earned by the employees in the current period or in the past less the fair value of any plan assets. The discount rate is based on the market yield of government bonds with maturities close to the net obligation duration of the Group and denominated in the same currency as the expected benefit payment. The net obligation of the defined benefit plan is calculated annually by a qualified actuary using the projected unit benefit method.

When the benefits under the plan are improved, the related expenses are recognized in profit or loss immediately due to the employees' past services.

The remeasurement of net defined benefit liabilities (assets) includes (1) actuarial gains and losses; (2) the return on plan assets, but excluding the amount of net interest included in net defined benefit liabilities (assets); and (3) the impact of the asset ceiling , but excluding the amount of net interest on net defined benefit liabilities (assets). The remeasurement of net defined benefit liabilities (assets) is recognized in other comprehensive income and transferred to other equity in the current period.

When a curtailment or settlement occurs, the Group recognizes the curtailment or settlement gain or loss of the defined benefit plan. Curtailment or

settlement gains and losses include any changes in the fair value of plan assets and changes in the present value of defined benefit obligations.

3. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as expenses when the related services are rendered. For the short-term cash bonus or the amount expected to be paid under the bonus plan, if the Group has a present legal or constructive obligation to pay for the services rendered by employees in the past and such obligation can be estimated reliably, the amount is recognized as a liability.

(XVI) Income tax

Income tax includes current income tax and deferred income tax. Except for those related to business combinations and recognized directly in equity or other comprehensive income, current income tax and deferred income tax are recognized in profit or loss.

The interest or penalties related to income tax determined by the Group (including the uncertain tax treatment) do not meet the definition of income tax, and therefore the accounting treatment of IAS 37 is applied.

The current income tax includes the expected income tax payable or tax refund receivable calculated based on the taxable income (loss) of the current year, and any adjustment to the income tax payable or tax refund receivable from prior years. The amount reflects income tax-related uncertainty (if any) related to income tax, and is the best estimate of the expected payment or receipt at the statutory tax rate or tax rate substantively enacted on the reporting date.

Deferred income tax is measured and recognized on the temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. Temporary differences arising from the following circumstances shall not be recognized as deferred income tax:

1. Assets or liabilities originally recognized in a transaction that is not a business combination and, at the time of the transaction, (i) affect neither accounting profit nor taxable profit (loss) and (ii) does not give rise to equal taxable and deductible temporary differences;
2. Temporary differences arising from investments in subsidiaries, associates and joint ventures, of which the Group can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
3. The taxable temporary difference arising from the initial recognition of goodwill.

Unused tax losses and unused tax credits carried forward and deductible temporary differences are recognized as deferred tax assets to the extent that it is

probable that future taxable income will be available for use, and are reassessed on each reporting date, and are reduced to the extent that it is no longer probable to be realized; or reversed when it becomes probable that sufficient taxable income will be available.

Deferred income tax is measured at the tax rate at which the temporary difference is expected to be reversed, using the statutory tax rate or the substantively enacted tax rate on the reporting date and has reflected income tax-related uncertainty (if any).

The Group will offset the deferred income tax assets and liabilities when all of the following conditions are met:

1. It has the legally enforceable right to offset current income tax assets and current income tax liabilities; and
2. Deferred income tax assets and deferred income tax liabilities are related to one of the following taxable entities subject to income taxes levied by the same taxation authority::
   (1) The same taxable entity; or
   (2) Different taxable entities which intend to settle current tax assets and settle the 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.

(XVII) Earnings per share

The basic and diluted EPS attributable to shareholders of the Parent are disclosed in the consolidated financial statements. Basic EPS is calculated by dividing net income attributable to shareholders of the Parent by the weighted-average number of common shares outstanding during the year. In calculating diluted EPS, the attributable to shareholders of the Parent and the weighted-average number of common shares outstanding during the year are adjusted for the effects of dilutive potential common shares. The Group’s dilutive potential common shares include employee compensation to be settled in the form of common shares.

(XVIII) Operating segments

Operating segments are the constituent units of the Group that are engaged in business activities that may earn revenues and incur expenses (including revenues and expenses related to transactions between other units within the Group). The operating results of each operating segment are regularly reviewed by the Company's chief operating decision-maker, in order to make decisions on the allocation of resources to the segment and to evaluate its performance. Each operating segment has its own financial information.

V. Critical accounting judgment, estimates, and assumptions uncertainty

When preparing the consolidated financial statements, the management is required to make judgments and estimates for the future (including climate-related risks and opportunities). These judgments, estimates, and assumptions may affect the application of accounting policies adopted and amounts of assets, liabilities, income, and expense reported. Actual results may differ from these estimates.

The management examines its estimates and underlying assumptions on an ongoing basis, to ensure they are consistent with the Group's risk management and climate-related commitments. Impacts from changes in accounting estimates are recognized in the period when the changes take place and in future periods when impacts materialize.

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:

Revenue recognition:

Revenue from sale of goods and services is recognized when the control of the goods or services is transferred to the customer to satisfy the performance obligation, and the conditions are as described in Note IV (XIV).

Management believes that there are no significant assumptions or estimation uncertainties that would result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

VI. Description of significant accounting items

(I) Cash and cash equivalents

	2025.12. 31	2024.12. 31
Cash	$ 24	-
Demand deposits and checking deposits	875,859	854,150
Time deposits with original maturity date of less than three months	40,407	111,833
	$ 916,290	**965,983**

Financial liabilities measured at fair value through profit or loss

	2025.12. 31	2024.12. 31
Financial liabilities measured at fair value through profit or loss		
Non-hedging derivative instrument		
Foreign exchange forward contracts	**$ -**	**2,103**

Please refer to Note VI (XIX) for the amount of remeasurement recognized in profit or loss at fair value.

The Group engages in derivative financial instrument trading to hedge the exchange rate risk exposure due to business activities. The transactions are reported as financial assets or liabilities measured at fair value through profit or loss because the hedge accounting is not applicable. The Group's outstanding derivatives at the reporting date are as follows:

Foreign exchange forward contracts：

2024.12. 31		
Contract amount (NT$ thousand)	**Currency**	**Due Date**
USD **4,600**	USD sold/ NTD bought	2025.02. 27

(III) Financial liabilities measured at fair value through profit or loss - non-current

	2025.12. 31	2024.12. 31
Equity instruments measured at fair value through other comprehensive income:		
Listed (OTC) company stocks	$ 26,174	23,543
Unlisted (OTC) company stock	2,393	1,182
	$ 28,567	**24,725**

The above equity instrument investments held by the Group are not held for trading purposes and have been designated as financial assets at fair value through other comprehensive income.

(IV) Notes and accounts receivable - measured at amortized cost

	2025.12. 31	2024.12. 31
Notes receivable	$ 4,232	21,535
Accounts receivable	2,661,401	2,482,419
Less: Loss allowance	(6,921)	(6,762)
	2,658,712	2,497,192
Accounts receivable - related parties	27,873	29,045
	$ 2,686,585	**2,526,237**

The Group applies the simplified approach to estimate expected credit losses for all notes and accounts receivable, i.e., using lifetime expected credit losses for measurement, and has incorporated forward-looking information. The expected credit loss of the Group's notes and accounts receivable is analyzed as follows:

	2025.12. 31		
	Book value of notes and accounts receivable	Weighted average ECL	ECL during the duration of loss allowance
Current	$ 2,548,177	0.03%	866
Past due 1 to 30 days	82,873	0.95%	791
Past due 31 to 60 days	10,511	2.97%	312
Past due 61 to 90 days	10,585	9.30%	984
Past due 91 to 180 days	11,999	21.07%	2,528
Past due for more than 181 days	1,488	96.77%	1,440
	$ 2,665,633		**6,921**

	2024.12. 31		
	Book value of notes and accounts receivable	Weighted average ECL	ECL during the duration of loss allowance
Current	$ 2,246,215	0.04%	881
Past due 1 to 30 days	165,751	0.67%	1,107
Past due 31 to 60 days	86,534	2.54%	2,202
Past due 61 to 90 days	1,105	4.89%	54
Past due 91 to 180 days	2,785	37.88%	1,055
Past due for more than 181 days	1,564	93.54%	1,463
	$ 2,503,954		**6,762**

The Group’s trade receivables from related parties in the December 31, 2025 and 2024 had no expected credit loss and is analyzed as follows:

	2025.12. 31	2024.12. 31
Current	$ 27,092	28,607
Past due 1 to 30 days	781	438
	$ 27,873	**29,045**

Movements of the allowance for notes and accounts receivable were as follows:

		2025	2024
Opening balance	$	6,762	10,561
Recognized impairment loss (reversal gains)		97	(3,799)
Foreign exchange gains or losses		62	-
Closing balance	**$**	**6,921**	**6,762**

(V) Inventory

	2025.12. 31	2024.12. 31
Merchandise inventory	**$ 524,446**	**450,390**

The inventory related expenses recognized in the current period recognized in the cost of goods sold are as follows:

		2025	2024
Cost of sold inventories	$	8,113,236	7,214,685
Gain on inventory reversal		(474)	(4,764)
	$	**8,112,762**	**7,209,921**

The gain on reversal of inventory valuation losses was due to the fact that the inventories for which an allowance for valuation losses had been provided at the beginning of the period was sold, resulting in a decrease in the amount of allowance for valuation losses recognized to be recognized.

(VI) Investment under equity method

	2025.12. 31	2024.12. 31
Book value of equity in affiliated companies at the ending	**$ 13,432**	**10,308**

The Group acquired a 20% equity interest in Asset Storage Co., Ltd. for NTD 10,125 thousand on October 20, 2022, and further participated in its cash capital increase in 2025 for NTD 4,080 thousand. As of December 31, 2025 and 2024, the Group held 19.16% and 20% of the equity interest, respectively, and has significant influence over the investee through its representation on the board of directors. The summarized financial information below represents the amounts included in the Company's financial statements.

		2025	2024
Share attributable to the Company:			
Current profit or loss	$	(126)	1,677
Other comprehensive income		-	-
Total comprehensive income/loss	**$**	**(126)**	**1,677**

(VII) Property, plant and equipment

The details of changes in the cost and accumulated depreciation of the Group's property, plant and equipment are as follows:

	Land	Houses and buildings	Transportation equipment	Office equipment	Other equipment	Total
Cost:						
Balance as of January 1, 2025	$ 1,031,866	747,963	658	15,291	7,670	1,803,448
Additions	-	19,747	-	1,662	5,765	27,174
Disposals	-	-	-	(201)	(522)	(723)
Effect of other reclassifications and exchange rate changes	-	17,880	-	9	-	17,889
Balance as of December 31, 2025	**$ 1,031,866**	**785,590**	**658**	**16,761**	**12,913**	**1,847,788**
Balance as of January 1, 2024	$ -	-	658	12,273	4,983	17,914
Additions	1,031,866	747,963	-	3,167	2,687	1,785,683
Disposals	-	-	-	(153)	-	(153)
Effect of other reclassifications and exchange rate changes	-	-	-	4	-	4
Balance as of December 31, 2024	**$ 1,031,866**	**747,963**	**658**	**15,291**	**7,670**	**1,803,448**

	Land	Houses and buildings	Transportation equipment	Office equipment	Other equipment	Total
Accumulated depreciation:						
Balance as of January 1, 2025	$ -	12,693	658	10,372	5,261	28,984
Current depreciation	-	17,691	-	3,066	1,464	22,221
Disposals	-	-	-	(201)	(522)	(723)
Effect of other reclassifications and exchange rate changes	-	-	-	2	-	2
Balance as of December 31, 2025	**$ -**	**30,384**	**658**	**13,239**	**6,203**	**50,484**
Balance as of January 1, 2024	$ -	-	621	8,271	4,641	13,533
Current depreciation	-	12,693	37	2,253	620	15,603
Disposals	-	-	-	(153)	-	(153)
Effect of other reclassifications and exchange rate changes	-	-	-	1	-	1
Balance as of December 31, 2024	**$ -**	**12,693**	**658**	**10,372**	**5,261**	**28,984**
Carrying amounts:						
December 31, 2025	**$ 1,031,866**	**755,206**	**-**	**3,522**	**6,710**	**1,797,304**
December 31, 2024	**$ 1,031,866**	**735,270**	**-**	**4,919**	**2,409**	**1,774,464**

In response to the operational needs, the Group acquired land at NTD 1,031,866 thousand and houses and buildings at NTD 747,963 thousand on March 21, 2024 as office buildings for use as its own office building. As of December 31, 2024, the related payments have been fully settled.

(VIII) Right-of-use assets

The details of changes in the cost and accumulated depreciation of the Group's leased houses and buildings are as follows:

	Houses and buildings
Cost of right-of-use assets:	
Balance as of January 1, 2025 (i.e. balance at December 31, 2025)	**$ 3,987**
Balance as of January 1, 2024	$ 47,991
Additions	3,987
Decrease	(47,991)
Balance as of September 30, 2024	**$ 3,987**
Accumulated depreciation of right-of-use assets:	
Balance as of January 1, 2025	$ 1,257
Depreciation	1,329
Balance as of December 31, 2025	**$ 2,586**
Balance as of January 1, 2024	$ 47,928
Depreciation	1,320
Decrease	(47,991)
Balance as of December 31, 2024	**$ 1,257**
Carrying amounts:	
December 31, 2025	**$ 1,401**
December 31, 2024	**$ 2,730**

(IX) Intangible assets

Changes in the cost and accumulated amortization of the Group's intangible assets are as follows:

	Computer software
Cost:	
Balance as of January 1, 2025	$ 30,308
Additions	4,217
Written off	(10,295)
Balance as of December 31, 2025	**$ 24,230**
Balance as of January 1, 2024	$ 24,313
Additions	6,283
Written off	(288)
Balance as of December 31, 2024	**$ 30,308**
Accumulated amortization:	
Balance as of January 1, 2025	$ 27,423
Amortization	4,667
Written off	(10,295)
Balance as of December 31, 2025	**$ 21,795**
Balance as of January 1, 2024	$ 21,780
Amortization	5,931
Written off	(288)
Balance as of December 31, 2024	**$ 27,423**
Carrying amounts:	
December 31, 2025	**$ 2,435**
December 31, 2024	**$ 2,885**

The amortization expense of intangible assets is presented in the following items in the statement of comprehensive income:

	2025	2024
Operating cost	$ 76	-
Operating expenses	4,591	5,931
	$ 4,667	**5,931**

(X) Other non-current assets:

The Group's other non-current assets are as follows:

	2025.12. 31	2024.12. 31
Prepayment for interior decoration equipment	$ -	17,880
Prepayment for buildings and land	12,058	10,372
	$ 12,058	**28,252**

(XI) Short-term borrowings

The Group's short-term borrowings are as follows:

	2025.12. 31	2024.12. 31
Unsecured bank borrowings	**$ -**	**250,000**
Unused facilities	**$ 2,200,000**	**1,250,000**
Interest rate interval	**-**	**1.92%**

(XII) Lease liabilities

1. The carrying amount of the Group's lease liabilities were as follows:

	2025.12. 31	2024.12. 31
Current	**$ 1,348**	**1,328**
Non-current	**$ 74**	**1,422**

Please refer to Note VI(XXI) Financial Risk Management for maturity analysis.

2. The amounts recognized in profit and loss are as follows:

	2025	2024
Interest on lease liabilities	**$ 32**	**49**
Expenses relating to leases of low-value assets	**$ 248**	**458**
Expenses relating to short-term leases	**$ 853**	**8,322**

3. The amounts recognized in the statement of cash flows are as follows:

	2025	2024
Total cash outflow for leases	**$ 2,461**	**10,129**

4. Important lease terms:

The Group leases buildings and structures for a period of 1 to 5 years. In addition, the Group leased some of the offices with a lease term of less than one year, and the leases were short-term leases; in addition, some of the offices and miscellaneous equipment rented were in line with low-value leases; therefore, these leases were exempted from recognition Its related right-of-use assets and lease liabilities.

(XIII) Employee benefits

1. Defined benefit plan

	2025.12. 31	2024.12. 31
Present value of defined benefit obligation	$ 125,298	129,967
Fair value of plan assets	(71)	(55)
Net defined benefit liability	**$ 125,227**	**129,912**

The retirement payment of each employee under the Labor Standards Act is calculated based on the bases earned for the years of service and the average salary six months prior to retirement.

(1) Changes in the present value of definite benefit obligations

	2025	2024
Defined benefit obligation as of January 1	$ 129,967	138,768
Current service cost	420	544
Interest cost	2,583	2,416
re-measurement of net defined benefit liabilities		
- Actuarial gains and losses due to changes in financial assumptions	2,708	(4,835)
- Actuarial gains and losses due to experience adjustments	5,195	377
Effect of employee transfer	(7,088)	-
Benefits paid by the Company	(8,487)	(7,303)
Defined benefit obligation as of December 31	**$ 125,298**	**129,967**

(2) Changes in the fair value of plan assets

Changes in the fair value of the Group's defined benefit plan assets are as follows:

	2025	2024
Fair value of the plan assets on January 1	$ 55	34
Remeasurement of net defined benefit liabilities - return on plan assets (excluding interest for the current period)	4	2
Employer's contribution	12	19
Fair value of the plan assets on December 31	**$ 71**	**55**

(3) Expenses recognized as loss (gain)

	2025	2024
Current service cost	$ 420	544
Net interest of net defined benefit liability	2,583	2,416
	$ 3,003	**2,960**

(4) Actuarial assumptions

The significant actuarial assumptions used by the Group to determine the present value of the defined benefit obligation at the end of the financial reporting date are as follows:

	2025.12. 31	2024.12. 31
Discount rate	1.750%	2.000%
Future salary growth	4.000%	4.000%

The Group expects to pay NTD 8 thousand to the defined benefit plan within one year after December 31, 2025. The weighted average duration of the defined benefit plan is 10.43 years.

(5) Sensitivity analysis

The impact of changes in the main actuarial assumptions adopted on the present value of defined benefit obligation is as follows:

	Effect on defined benefit obligations	
	Increase by 0.25%	Decrease by 0.25%
December 31, 2025		
Discount rate	(2,708)	2,781
Future salary	2,661	(2,595)
December 31, 2024		
Discount rate	(3,103)	3,192
Future salary	3,062	(2,994)

The above sensitivity analysis analyzes the impact of changes in a single assumption with other assumptions remaining unchanged. In practice, many changes in assumptions may be linked. The sensitivity analysis is consistent with the method used to calculate the net pension liabilities on the balance sheet. The methods and assumptions used in the preparation of the sensitivity analysis of the current period are the same as those used in the previous period.

2. Definite contribution plan

The Company's defined contribution plan is based on the Labor Pension Act. The contribution rate of 6% of the monthly salary is appropriated to the labor pension account of the Bureau of Labor Insurance. Under this plan, the Company fixed amount is appropriated as required, i.e. there is no legal or constructive obligation to make additional payments. The foreign subsidiaries contribute their pensions in accordance with the local laws and regulations.

The Group's pension expenses under the 2025 and 2024 defined contribution plan were NTD 16,537 thousand and NTD 16,477 thousand, respectively.

(XIV) Income tax

1. The details of income tax expenses of the Group are as follows:

	2025	2024
Occurred in the current period	$ 151,689	130,638
Adjustment of the current income tax of the previous period	(1,410)	(5,629)
	150,279	125,009
Occurrence and reversal of temporary difference	(296)	1,309
Current income tax expense	**$ 149,983**	**126,318**

The breakdown of income tax benefits (expenses) recognized in other comprehensive income is as follows:

	2025	2024
Re-measurement of defined benefit plan	**1,580**	**(892)**

The Group had no income tax expense recognized in equity in 2025 and 2024.

2. The relationship between income tax expenses and net income before tax is adjusted as follows:

	2025	2024
Net income before tax	**$ 745,117**	**665,282**
Income tax calculated based on the local tax rate of the Company	$ 149,023	133,056
Effects of difference in tax rates in foreign jurisdictions	801	535
Tax-exempt income	(240)	-
Imposition of 5% tax on undistributed earnings	3,711	-
Previous period income tax adjustment	(1,410)	(5,629)
Others	(1,902)	(1,644)
	$ 149,983	**126,318**

3. Deferred income tax assets and liabilities

Recognized deferred income tax assets:

	Allowance for losses from inventory valuation decline	Defined benefit liability	Bonus for unused paid leave payable	Others	Total
January 1, 2025	$ 474	27,235	4,009	8,583	40,301
Recognized in (losses) profit	(100)	(1,099)	8	1,487	296
Recognized in other comprehensive income (loss)	-	1,580	-	-	1,580
December 31, 2025	**$ 374**	**27,716**	**4,017**	**10,070**	**42,177**
January 1, 2024	$ 1,421	29,000	3,875	8,206	42,502
Recognized in (losses) profit	(947)	(873)	134	377	(1,309)
Recognized in other comprehensive income (loss)	-	(892)	-	-	(892)
December 31, 2024	**$ 474**	**27,235**	**4,009**	**8,583**	**40,301**

4. Status of income tax assessments

The income tax returns of the Company's profit-seeking business have been audited and approved by the tax authorities up to 2023.

(XV) Capital and other equity

1. Common stock capital

The Company's authorized capital amounted to NTD 600,000 thousand at NTD 10 par value per share on December 31, 2025 and 2024. The Company had 41,449 thousand shares issued, all of which were common shares.

The adjustment table for the outstanding common shares of the Company is as follows (expressed in thousand shares):

	2025	2024
Beginning balance (i.e. end balance)	**41,449**	**41,449**

2. Capital reserve

The balance of the Company's capital reserves is as follows:

	2025.12. 31	2024.12. 31
Issued stock premium	$ 621,725	621,725
Employee share warrants	6,373	6,373
	$ 628,098	**628,098**

Pursuant to the Company Act, capital reserves shall be first used to offset losses before issuing new shares or distributing cash in proportion to the original shareholding ratio from realized capital reserves. The realized capital reserve mentioned in the preceding paragraph includes share premium in excess of par value and amounts received from donations. According to the Regulations Governing the Offering and Issuance of Securities by Issuers, the total amount of

capital reserve for capitalized each year shall not exceed 10% of the Company's paid-in capital.

3. Retained earnings and dividend policy

(1) Earnings distribution

Pursuant to the Company's Articles of Incorporation, if there is a profit for the year, tax shall be paid first, prior losses shall be covered, and then 10% shall be appropriated as a legal reserve. However, when the legal reserve amounts to the total paid-in capital, this limitation shall not apply. After the appropriation or reversal of the special reserve in accordance with the laws or regulations or the requirements of the competent authority, the remaining retained earnings together with the undistributed earnings of the prior years shall be prepared by the Board of Directors as an earnings distribution proposal and may be submitted to the shareholders' meeting for approval.

(2) Legal reserve

Pursuant to the Company Act, when the Company has no losses, the Company may, upon resolution of the shareholders' meeting, distribute new shares or cash out of the legal reserve, provided that such reserve exceeds 25% of the paid-in capital.

(3) Special reserves

According to the regulations of the FSC, when the Company distributes the earnings available for distribution, for the net amount debited to other shareholders' equity in the current year, the net profit after tax of the current period plus the item other than the net profit of the current period is included in the undistributed earnings of the current period and the prior undistributed earnings are appropriated as special reserve. If the deduction in shareholders' equity is accumulated in the prior periods, the same amount of special reserve shall be appropriated from the prior undistributed earnings and shall not be distributed. If the amount debited to other shareholders' equity is reversed afterwards, the reversed amount may be distributed as earnings.

(4) Dividend policy

The Company's dividend policy is based on the current and future development plans, the investment environment, capital needs, domestic and international competition, and the interests of shareholders. Each year, no less than 10% of the distributable earnings shall be appropriated. Shareholders' bonus may be distributed in the form of shares or cash. In order to achieve a balanced and stable dividend policy, cash dividends shall not be less than 10% of the total dividends, unless the Board of Directors resolves not to distribute dividends and such resolution is approved by the shareholders' meeting.

When the Company has no earnings, it shall not distribute dividends and bonuses. However, based on the Company's financial, business, and operational considerations, all or part of the legal reserve and capital reserve may be distributed according to laws or regulations or as required by the competent authorities.

According to the amended Articles of Incorporation of the Company approved on June 4, 2025, where the Company distributes dividends and bonuses, or all or part of capital reserve or legal reserve, in cash, such distribution is authorized to be resolved by the Board of Directors with the attendance of at least two-thirds of the directors and the approval of a majority of the directors present, and shall be reported to the shareholders' meeting.

The Company's shareholders' meetings held on June 4, 2025 and June 5, 2024 respectively resolved the amount of dividends to be distributed from the earnings for 2024 and 2023 as follows:

	2024		2023	
	Dividends per share (NTD)	**Amount**	**Dividends per share (NTD)**	**Amount**
Dividends distributed to common stock shareholders:				
Cash	$ 9.5(	**393,76(**	8.5(	**352,31(**

In addition, the Board of Directors of the Company resolved on March 10, 2026 to distribute cash dividends of NTD 435,214 thousand at NTD 10.5 per share.

For information on earnings distribution, please refer to the Market Observation Post System.

4. Other equity (net amount after tax)

	Unrealized profit/loss from the financial assets measured at fair value through other comprehensive income	Exchange differences on translation of financial statements of foreign operations	Re-measurement of defined benefit plan	Total
Balance as of January 1, 2025	$ (7,045)	1,798	(31,186)	(36,433)
Changes in fair value of financial assets measured at fair value through other comprehensive income	2,402	-	-	2,402
Exchange differences on translation of foreign operations	-	511	-	511
Re-measurement of defined benefit plan	-	-	(6,319)	(6,319)
Balance as of December 31, 2025	**$ (4,643)**	**2,309**	**(37,505)**	**(39,839)**

	Unrealized profit/loss from the financial assets measured at fair value through other comprehensive income	Exchange differences on translation of financial statements of foreign operations	Re-measurement of defined benefit plan	Total
Balance as of January 1, 2024	$ (11,670)	29	(34,754)	(46,395)
Changes in fair value of financial assets measured at fair value through other comprehensive income	4,625	-	-	4,625
Exchange differences on translation of foreign operations	-	1,769	-	1,769
Re-measurement of defined benefit plan	-	-	3,568	3,568
Balance as of December 31, 2024	**$ (7,045)**	**1,798**	**(31,186)**	**(36,433)**

(XVI) Earnings per share

1. Basic earnings per share

	2025	2024
Net profit attributable to the Company's common stock shareholders	**$ 595,134**	**538,964**
Weighted average number of outstanding common stock (shares in thousands)	**41,449**	**41,449**
Basic earnings per share (NTD)	**$ 14.36**	**13.00**

2. Diluted earnings per share

	2025	2024
Net profit attributable to the Company's common stock equity holders	**$ 595,134**	**538,964**
Weighted average number of outstanding common stock (basic) (shares in thousands)	41,449	41,449
Effect of potential dilutive ordinary shares (shares in thousands):		
The effect of employees' remuneration	458	336
Weighted average number of common shares outstanding (diluted) (thousand shares)	**41,907**	**41,785**
Diluted earnings per share (NTD)	**$ 14.20**	**12.90**

(XVII) Revenue from customer contracts

1. Breakdown of revenue

	2025	2024
Main product/service lines:		
Cloud services and a large number of software services	$ 6,443,200	5,923,273
Application development and other software services	1,814,930	1,595,793
Value-added products	1,402,870	1,168,599
	$ 9,661,000	**8,687,665**

2. Contract balance

	2025.12. 31	2024.12. 31	2024.1. 1
Notes and accounts receivable (including related party)	$ 2,693,506	2,532,999	2,213,531
Less: Loss allowance	(6,921)	(6,762)	(10,561)
	$ 2,686,585	**2,526,237**	**2,202,970**
Contract assets	**$ 65,270**	**77,752**	**94,209**
Contract liabilities	**$ 1,761,344**	**1,769,869**	**1,776,517**

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

Changes in contract assets and contract liabilities are mainly due to the difference between the time when the Group transfers goods or services to

customers to meet performance obligations and when the customer makes payment.

(XVIII) Remuneration to employees and directors

According to the Company's Articles of Incorporation as amended on June 4, 2025, if the Company has profit for the year, after retaining an amount to offset accumulated losses, no less than 2% of the remaining balance shall be appropriated as employees' remuneration, of which no less than 1% shall be appropriated for entry-level employees, and no more than 0.8% may be appropriated as directors' remuneration. The employees' remuneration in the preceding paragraph may be paid in cash or shares, and the recipients may include the employees of the controlling or subordinate companies who meet certain criteria. Under the Articles of Incorporation prior to amendment, if the Company has annual profit, after setting aside a portion to offset accumulated losses, no less than 2% of the remaining amount shall be appropriated as employees' remuneration, and no more than 0.8% may be appropriated as directors' remuneration. The employees' remuneration in the preceding paragraph may be paid in cash or shares, and the recipients may include the employees of the controlling or subordinate companies who meet certain criteria.

The Company's 2025 and 2024 employees' remuneration amounts are estimated at NTD 85,000 thousand and NTD 81,000 thousand, respectively; the estimated amount of directors' remuneration is NTD 980 thousand and NTD 880 thousand, respectively, and are calculated based on the amount of pre-tax profit before deducting employees' and directors' remuneration, multiplied by the respective appropriation percentages proposed by the Company, and are reported as operating expenses for each period. If there is a discrepancy between the actual amount distribute and the estimated amount in the following year, it shall be treated as a change in accounting estimates and recognized as profit or loss in the following year.

There is no discrepancy between the estimated amount of the aforementioned remuneration and the amount resolved by the Company's board of directors, and all were paid in cash. Relevant information is available on the Market Observation Post System.

(XIX) Non-operating incomes and expenditures

1. Interest revenue

	2025	2024
Interest on bank deposits	$ 7,222	10,013
Other interest income	4	3
	$ 7,226	**10,016**

2. Other income

	2025	2024
Rent income (Note VII)	$ 683	260
Dividend income	1,199	-
	$ 1,882	**260**

3. Other gains and losses

	2025	2024
Net foreign exchange gains (losses)	$ (3,771)	8,216
Net gain (loss) from financial liabilities measured at fair value through profit or loss	2,103	(2,103)
Government grant income	378	163
Others	1,101	91
	$ (189)	**6,367**

4. Financial costs

	2025	2024
Interest on lease liabilities	$ 32	49
Interest on bank borrowings	4,004	7,947
Other financial expenses (Note VII)	281	-
	$ 4,317	**7,996**

(XX) Fair value of financial instruments

1. Types of financial instruments

(1) Financial assets

	2025.12. 31	2024.12. 31
Financial liabilities measured at fair value through profit or loss	$ 28,567	24,725
Financial assets measured at amortized cost:		
Cash and cash equivalents	916,290	965,983
Notes and accounts receivable (including related party)	2,686,585	2,526,237
Other receivables (including related parties)	154	113
Refundable deposits	162,300	188,321
	$ 3,793,896	**3,705,379**

(2) Financial liabilities

	2025.12. 31	2024.12. 31
Financial liabilities measured at fair value through profit or loss	$ -	2,103
Financial liabilities measured at amortized cost:		
Short-term borrowings	-	250,000
Accounts payable (including related parties)	1,466,325	1,281,991
Other payables (including related parties)	399,728	358,179
Lease liabilities (including current and non-current)	1,422	2,750
Guarantee deposits	4,480	3,668
	$ 1,871,955	**1,898,691**

2. Fair value information

(1) Financial instruments not measured at fair value

The management of the Group believes that the carrying amount of the financial assets and financial liabilities measured at amortized cost in the financial report approximates their fair value.

(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 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).

	2025.12. 31			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value through profit or loss:				
Stocks of domestic (OTC) companies	$ 26,174	-	-	26,174
Unlisted (OTC) company stock	-	-	2,393	2,393
	$ 26,174	**-**	**2,393**	**28,567**

	2024.12. 31			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value				

through profit or loss:				
Stocks of domestic (OTC) companies	$ 23,543	-	-	23,543
Unlisted (OTC) company stock	-	-	1,182	1,182
	$ 23,543	**-**	**1,182**	**24,725**
Financial liabilities measured at fair value through profit or loss				
Foreign exchange forward contracts	**$ -**	**2,103**	**-**	**2,103**

There was no transfer among fair value levels in 2025 and 2024.

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

	Financial liabilities measured at fair value through profit or loss	
	2025	**2024**
Opening balance	$ 1,182	1,019
Total loss of profit:		
Recognized in other comprehensive income	(229)	163
Increase in the current period	1,440	-
Closing balance	**$ 2,393**	**1,182**

The total profit or loss referred to above is reported in "Unrealized gain or loss on financial assets measured at fair value through other comprehensive income". The assets still held as of December 31, 2025 and 2024 are as follows:

	2025	**2024**
Total profit or loss		
Recognized in other comprehensive income (series reported under "Unrealized gain or loss on financial assets measured at fair value through other comprehensive income")	**$ (229)**	**163**

(4) Valuation techniques and inputs applied to financial instruments measured at fair value

A. For financial assets with standard terms and conditions that are traded in active markets, the fair value is determined by reference to market quotes, such as stocks of TWSE/TPEX listed companies.

B. Derivatives are estimated at fair value using the evaluation method. The estimates and assumptions used are similar to the information used by market participants for estimates and assumptions when pricing derivatives, and is available to the Group. The fair value of the foreign exchange forward contract is calculated separately in accordance with the evaluation method on the individual maturity dates of the contracts.

C. The fair value of the stocks of Level 3 unlisted companies is estimated by the market method, and the determination is based on recent fund-raising activities, the evaluation of companies of the same type, market conditions and other economic indicators. In addition, the significant unobservable input is mainly the liquidity discount. However, as the possible change of the liquidity discount will not result in significant potential financial impact, it is not intended to disclose its quantitative information.

(XXI). Financial risk management

The Group is exposed to credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk, and other price risk) due to its business activities. The Group's risk exposure information, the Group's policies and procedures for measuring and managing these risks, and the quantitative disclosure are disclosed in this note.

1. Credit risk

(1) Amount of maximum credit risk exposure

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

(2) Concentration of credit risk

The Group's cash is deposited in different financial institutions, and the credit risk exposed to each financial institution is controlled. As of December 31, 2025 and 2024, 33% and 34%, respectively, of the outstanding accounts receivable balances were concentrated in five major customers. The Group has established a credit policy, and analyzes the credit status of each customer individually to determine the credit limit according to the policy. It also regularly evaluates customers' financial status and uses insurance to reduce credit risks.

(3) Credit risk from receivables

For credit risk exposure information on notes receivable and accounts receivable, please refer to Note VI(IV). Other financial assets measured at amortized cost include other receivables and refundable deposits. The above are all financial assets with low credit risk. Therefore, the allowance loss for the period is measured by the 12-month expected credit loss amount (for the description of how the Group determines the low credit risk, please refer to Note IV (VII) of the consolidated financial statements of 2024. The other receivables

and refundable deposits as of December 31, 2025 and 2024 were assessed to have no expected credit losses.

2. Liquidity risk

Liquidity risk is the risk that the Group may not be able to deliver cash or other financial assets to settle financial liabilities and fail to fulfill related obligations. The Group regularly monitors current and expected mid-term and long-term funding requirements, and manages liquidity risk by maintaining sufficient cash and cash equivalents and bank financing facilities. As of December 31, 2025 and 2024, the Group had unused borrowing facilities amounting to NTD 2,200,000 thousand and NTD 1,250,000 thousand, respectively.

The following table explains the period analysis for the Group's financial liabilities with agreed repayment periods, which are based on the earliest date on which the Group may be required to repay and it is compiled based on the undiscounted cash flows.

	Contract cash flow	Within 1 year	1-2 years	2-5 years
December 31, 2025				
Non-derivative financial liabilities:				
Accounts payable (including related parties)	$ 1,466,325	1,466,325	-	-
Other payables (including related parties)	399,728	399,728	-	-
Lease liabilities (including current and non-current)	1,434	1,360	74	-
Guarantee deposits	4,480	2,670	1,000	810
	$ 1,871,967	**1,870,083**	**1,074**	**810**
December 31, 2024				
Non-derivative financial liabilities:				
Short-term borrowings	$ 251,181	251,181	-	-
Accounts payable (including related parties)	1,281,991	1,281,991	-	-
Other payables (including related parties)	358,179	358,179	-	-
Lease liabilities (including current and non-current)	2,794	1,360	1,360	74
Guarantee deposits	3,668	2,239	47	1,382
	$ 1,897,813	**1,894,950**	**1,407**	**1,456**

The Group does not expect the maturity analysis of cash flows will be significantly early or the actual amount will be significantly different.

3. Market risk

Market risk refers to the risk that changes in market prices, such as exchange rates, interest rates and equity instrument price changes, will affect the Group's income or the value of financial instruments. The objective of market risk

management is to control market risk exposure within the tolerable range and to optimize investment returns.

(1) Exchange rate risk

The Group is exposed to the exchange rate risk arising from the sales and purchase transactions denominated in non-functional currency.

A. Exchange rate risk exposure

The carrying amounts of the Group's monetary assets and liabilities that are not denominated in the functional currency on the reporting date are as follows:

	2025.12. 31			2024.12. 31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets						
Monetary items						
USD	$ 6,477	31.416	203,481	7,435	32.781	243,727
Financial liabilities						
Monetary items						
USD	633	31.416	19,886	1,332	32.781	43,664

B. Sensitivity analysis

The Group's exchange rate risk mainly comes from the cash, cash equivalents and accounts receivable (payable) (including related parties) which are denominated in foreign currencies, with the resulting foreign currency exchange gains and losses. In 2025 and 2024, when the NTD depreciated/appreciated 1% against USD, and all other factors The pre-tax net profit for the years would have increased/decreased by NTD 1,836 thousand and NTD 2,001 thousand, respectively. The analysis of two terms is based on the same basis.

(2) Interest rate risk

The bank borrowings of the Group are based on floating interest rates. The countermeasures of the Group to the risk of interest rate changes are mainly to regularly evaluate the interest rate of borrowings provided by bank and by currencies, and maintain good relationships with financial institutions to obtain lower financing costs. Meanwhile, the Group strengthens the management of working capital, to reduce the dependence on bank borrowings, and diversify the risk of interest rate changes. In addition, the Group’s borrowings from related parties bear interest at fixed interest rates.

The sensitivity analysis is determined based on the exposure to interest rates on bank borrowings calculated at floating interest rates at the reporting date. The analysis assumes that the outstanding borrowings at the reporting date remain outstanding throughout the entire year. The change in interest rates used by the Group in reporting to key management personnel is an increase or

decrease of 1% in annual interest rates, which also represents management's assessment of the reasonably possible range of changes in interest rates.

If the annual interest rate had increased/decreased by 1%, with all other variables held constant, the Group's profit before tax for the year ended December 31, 2024 would have decreased/increased by NTD 2,500 thousand.

(3) Other price risk

The Group is exposed to equity price risk arising from investments in equity securities of listed companies. The Group manages the investments based on fair value and actively monitors the investment performance. The equity securities of unlisted companies held by the Group are strategic investments, and the Group does not actively trade such investments. The sensitivity analysis of the price risk of equity instruments is based on the fair value changes on the reporting date. If the equity instrument price increased/decreased by 5%, other comprehensive income would increase/decrease by NTD 1,428 thousand and NTD 1,236 thousand in 2025 and 2024, respectively.

(XXII) Capital management

Based on the characteristics of the current operating industry and future development, the Group plans its working capital, capital expenditures, and dividend payment needs, taking into consideration changes in the external environment, so as to ensure the continued operation of the Group, provide returns to shareholders, and at the same time take into account the interests of other stakeholders and maintains an optimal capital structure to enhance shareholder value in the long run.

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

1. Please refer to Note VI(VIII) for the right-of-use assets acquired by lease in 2025 and 2024.
2. The adjustment of liabilities from financing activities is as follows:

	2024.1. 1	Cash flow	Non-cash changes: Increase/ decrease in lease liabilities	2025.12.31
Short-term borrowings	$ 250,000	(250,000)	-	-
liabilities	2,750	(1,328)	-	1,422
Guarantee deposits	3,668	812	-	4,480
Total liabilities from financing activities	**$ 256,418**	**(250,516)**	**-**	**5,902**

	2024.1. 1	Cash flow	Non-cash changes: Increase/ decrease in lease liabilities	2024.12.31
Short-term borrowings	$ -	250,000	-	250,000
liabilities	63	(1,300)	3,987	2,750
Guarantee deposits	2,846	822	-	3,668
Total liabilities from financing activities	**$ 2,909**	**249,522**	**3,987**	**256,418**

VII. Related party transactions

(I) Parent company and ultimate controller

The parent company of the Company is Acer Beingware Holding Inc. which held 61.99% and 63.46% of the outstanding common shares of the Company as of December 31, 2025 and 2024, respectively. In addition, ACER INCORPORATED is the ultimate controller of the Group. ACER has prepared consolidated financial statements for public use.

(II) Names of related parties and their relationships

The related parties who have transactions with the Group during the period of the consolidated financial statements are as follows:

Name of related party	Relationship with the Company
Acer Incorporated (AI)	The ultimate controller of the group to which the Company belongs
Acer Beingware Holding Inc. (ABH)	Parent company of the Company
Datasitter Information Service Inc.	Associates
Acer (Chongqing) Ltd. (ACCQ)	Other related party (a subsidiary of AI)
Acer Computer (Shanghai) Co., Ltd. (ACCN)	Other related party (a subsidiary of AI)
Acerpure Inc. (API)	Other related party (a subsidiary of AI)
Acer Medical Inc. (AMED)	Other related party (a subsidiary of AI)
Acer Gadget Inc. (AGT)	Other related party (a subsidiary of AI)
Aopen Inc. (AOPEN)	Other related party (a subsidiary of AI)
Acer AI Cloud Inc.(AIC)	Other related party (a subsidiary of AI)
Acer Cyber Security Inc. (ACSI)	Other related party (a subsidiary of AI)
ACSI Cyber Security Academy	Other related party (a subsidiary of AI)
Weblink International Inc. (WLII)	Other related party (a subsidiary of AI)
Acer Being Communication Inc. (ABC)	Other related party (a subsidiary of AI)
Acer ITS Inc. (ITS)	Other related party (a subsidiary of AI)
Acer Synergy Tech Corp. (AST)	Other related party (a subsidiary of AI)
Acer e-Enabling Data Center Inc. (EDC)	Other related party (a subsidiary of AI)
Acer Third Wave Software (Beijing) Co. Ltd	Other related party (a subsidiary of AI)
Highpoint Service Network Corporation (HSNC)	Other related party (a subsidiary of AI)
Acer Gaming Inc. (AGM)	Other related party (a subsidiary of AI)

Acer Healthcare Inc. (AHC)	Other related party (a subsidiary of AI)
Bluechip Infotech Incorporated	Other related party (a subsidiary of AI)
Acer Synergy Manpower Corp. (ASM)	Other related party (a subsidiary of AI)
Aspire Service & Development Inc. (ASDI)	Other related party (a subsidiary of AI)
Portwell, Inc.	Other related party (a subsidiary of AI) (Note 1)
Solming Green Energy Corp.	Other related party (related toAI)
Shine Passion Engineering Co., Ltd (SPE)	Other related party (related to AI) (Note 2)
Chao-Chi Property Management Consulting Co., Ltd. (formerly known as Chao-Chi Management Consulting Co., Ltd.)	Other related party (related to AI) (Note 3)
Angel Filtration Products Corp.	Other related party (related to AI)
ECOM Software Inc.	Other related party (related to AI)

Note 1: Originally an affiliate of AI, it became a subsidiary of AI on July 7, 2025.

Note 2: Originally a subsidiary of AI, it became an affiliate of AI on July 24, 2025.

Note 3: It became a subsidiary of AI on February 19, 2025, and then became an affiliate of AI on December 17, 2025.

(III) Significant transactions with related parties:

1. Operating revenue

The Group's sales amount to related parties is as follows:

	2025	2024
The ultimate controller	$ 330,423	164,536
Associates	2,150	1,449
Other related party	36,360	34,941
	$ 368,933	**200,926**

The Group's selling prices and transaction conditions to the above-mentioned related parties are not significantly different from ordinary transactions, except that there is no ordinary transaction price for comparison due to the different specifications of some products.

2. Purchases

The Group's purchase amount from the related party is as follows:

		2025	2024
The ultimate controller	$	6,496	4,255
Associates		68,691	88,437
Other related party		388,521	337,052
	$	**463,708**	**429,744**

Except that the specifications of some products are different and there is no general transaction price to compare the purchase prices of the Group to the related parties, the rest are subject to the general purchase conditions, and there is no significant difference from the general manufacturers.

3. Operating costs and expenses

The Group's operating costs and expenses incurred as a result of the related parties providing management services, project manpower support, and system maintenance services are as follows:

Items accounted for	Category of related party		2025	2024
Operating cost	The ultimate controller	$	169	148
Operating cost	Other related party		10,134	8,772
Operating expenses	The ultimate controller		8,683	5,429
Operating expenses	Other related party		1,321	1,900
		$	**20,307**	**16,249**

4. Borrowings from related parties

The Group borrowed NTD 150,000 thousand and NTD 100,000 thousand from the ultimate controlling party, ACER, in the first and third quarters of 2025, respectively, bearing interest at a fixed rate of 1.85%. Interest expense for the year ended December 31, 2025 was NTD 281 thousand. As of December 31, 2025, the relevant payments had been fully made.

5. Leases

The Group leases offices and other assets from ACER. These leases are short-term leases or low-value lease assets, and the Group chooses to waive the recognition requirements and does not recognize its related right-of-use assets and lease liabilities. The rent expense for 2025 and 2024 was NTD 406 thousand and NTD 8,496 thousand, respectively. As of December 31, 2025, the relevant payables are listed under other payables. As of December 31, 2024 and 2023, the relevant payments are fully made.

The Group leased office space to other related parties, and rental income for the year ended December 31, 2025 was NTD 528 thousand. As of December 31, 2025, the relevant receivables are listed under other receivables.

6. Receivables from related parties

In summary, the Group's receivables from related parties are as follows:

Items accounted for	Category of related party	2025.12. 31	2024.12. 31
Accounts receivable - Related parties	The ultimate controller	$ 22,433	22,283
Accounts receivable - Related parties	Other related party	5,440	6,762
Other receivables - Related parties	Other related party	88	14
Contract assets	Other related party	505	870
		$ 28,466	**29,929**

7. Payables to related parties

In summary, the Group's payables to related parties are as follows:

Items accounted for	Category of related party	2025.12. 31	2024.12. 31
Accounts payable - related parties	The ultimate controller	$ 1,228	1,468
Accounts payable - related parties	Associates	19,883	29,128
Accounts payable - related parties	Other related party	83,473	63,020
Other payables - related parties	The ultimate controller	5,750	3,796
Other payables - related parties (pension liabilities)	The ultimate controller	7,088	-
Other payables - related parties	Other related party	271	237
		$ 117,693	**97,649**

8. Transferred pension liabilities payable to employees

Because employees of the Group were transferred to ACER, the ultimate controlling party, in 2025, and the net defined benefit liability was transferred accordingly, the related payable was recorded under “Other payables - related parties.”

9. Contract liabilities

The Group has collected the contractual consideration from the related parties, but has not yet transferred the goods or services to the related parties. The contractual liabilities are as follows:

Items accounted for	Category of related party	2025.12. 31	2024.12. 31
Contract liabilities	The ultimate controller	$ 21,896	21,919
Contract liabilities	Other related party	5,521	6,288
		$ 27,417	**28,207**

10. Property transactions

The Group purchased building improvements and other equipment from other related parties in 2025 and 2024 for NTD 175 thousand and NTD 249 thousand, respectively. As of December 31, 2025 and 2024, the related payables had been fully settled.

(IV) Remuneration to key management personnel

	2025	2024
Short-term employee benefits	$ 29,872	28,171
Post-employment benefits	525	525
	$ 30,397	**28,696**

VIII. Pledged assets: None.

IX. Significant contingent liabilities and unrecognized contractual commitments

In response to the operating needs of the Group, the Group signed a purchase agreement with Lien Jade Construction Co., Ltd. on March 27, 2024, to purchase an office building in Taichung area, with a total amount of NT$33,920 thousand. As of December 31, 2025, NTD 12,058 thousand has been paid and recorded under other non-current assets, and the delivery date is expected to be in 2031.

X. Significant loss from disaster: None.

XI. Significant subsequent events: None.

XII. Others

(I) Employee benefits, depreciation and amortization expenses by function are summarized as follows:

By function	2025			2024		
By nature	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salaries	158,313	317,545	475,858	153,184	315,349	468,533
Insurance	10,625	20,541	31,166	10,445	20,899	31,344
Pension	6,479	13,061	19,540	6,517	12,920	19,437
Remuneration to directors	-	3,500	3,500	-	2,535	2,535
Others	5,763	19,439	25,202	6,482	17,711	24,193
Depreciation expense	-	23,550	23,550	-	16,923	16,923
Amortization expense	76	4,591	4,667	-	5,931	5,931

XIII. Additional disclosures

(I) Information on significant transactions

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the material transactions to be disclosed by the Group in 2025 are as follows:

1. Loaning of funds to others: None.
2. Endorsements/guarantees for others: None.
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, associates, and joint ventures):

Unit: NTD Thousand/Thousand shares

Types and names of securities of	companies held	Relationship with the securities issuer	Account	Ending balance				Maximum shareholding during the period		Note
				Number of shares	Carrying amount	Shareholding ratio	Fair value/net value	Number of shares	Shareholding ratio	
The Company	Taishin Financial Holding Co., Ltd. Class H Preferred Shares (formerly known as Shin Kong Financial Holding Co.,Ltd. Preferred Shares B)	-	Financial liabilities measured at fair value through profit or loss - non-current	666	26,174	0.30%	26,174	666	0.30%	Note 1

Note 1: Taishin Financial Holding Co., Ltd. (stock code:2887) issued Class H registered special shares 2 (stock code:2887H, hereinafter referred to as Special Shares H2) due to its merger with Shin Kong Financial Holding Co., Ltd. (hereinafter referred to as Shin Kong Financial Holding, stock code:2888). The issuance of Special Shares H2 was undertaken in exchange for Shin Kong Financial Holding's Class B special shares, and the related rights and obligations have been effective since September 1, 2020.

4. Total purchases from and sales to related parties which exceed NTD100 million or 20% of the paid-in capital:

Unit: NTD thousand

Company Name	Related Party	Relationship	Transaction status				Transactions with Terms Different from Others		Notes/Accounts Receivable (Payable)		Note
			Purchases (sales)	Amount	% in total purchases (sales)	Period of credit extension	Unit price	Period of credit extension	Balance	Percentage of total notes and accounts receivable (payable)	
The Company	ACER	Parent/ Subsidiary	Sales	(330,423)	(3.48) %	EM 30	(Note 1)	(Note 3)	22,433	0.85%	-
The Company	WLII	Other related party	Purchases	335,960	4.16 %	EM 60	(Note 2)	(Note 3)	(57,948)	(3.98)%	-

(Note 1): The price of the Company's sales to the related parties and the terms of the transaction are not significantly different from the general sale, except that there is no general transaction price comparison due to the different specifications of some products.

(Note 2): The Company's purchase price and transaction conditions from the related party are not significantly different from those of the general manufacturers, except that there is no general transaction price comparison due to the different specifications of some products.

(Note 3): No significant difference from general transactions.

5. Receivables from related parties reaching NTD 100 million or more than 20% of the paid-in capital: None.

6. Business relationships and significant transactions between the parent company and its subsidiaries:

Number (Note 1)	Name of counterparty	Counterparty	Relationship with the counterparty	Transaction status			
				Account (Note 2)	Amount	Transaction terms	Percentage of Consolidated Net Revenue or Total Assets (Note 3)
0	The Company	Acer Information Technology Co., Ltd.	Parent/Subsidiary	Sales	59,279	Collection within 90 days for OA	0.61%
0	The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Parent/Subsidiary	Sales	3,826	Collection within 90 days for OA	0.04%
0	The Company	Acer Information Technology Co., Ltd.	Parent/Subsidiary	Accounts receivable	10,699	Collection within 90 days for OA	0.17%
0	The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Parent/Subsidiary	Accounts receivable	2,954	Collection within 90 days for OA	0.05%

(Note 1): The method of filling in the serial number is as follows:

1. 0 for the parent company.
2. Subsidiaries are numbered sequentially starting from 1 according to the company.

(Note 2): The business relationship and important transactions between the parent company and its subsidiaries will not be repeated on the relative purchases and accounts payable.

(Note 3): It is calculated by dividing the transaction amount by the consolidated operating revenue or consolidated total assets.

(Note 4): The said transaction was already eliminated when the consolidated financial statements were prepared.

(II) Information on the reinvestment business:

Unit: Thousand shares/NTD thousand

Name of Investment Company	Name of Investee	Location	Main business	Initial investment amount		Holdings at end of period			Maximum shareholding during the period		Profit or loss of the investee for the period	Investment gains and losses recognized in the current period	Note
				End of current period	End of last year	Number of shares	Ratio	Carrying amount	Number of shares	Ratio			
The Company	Datasitter Information Service Inc.	Taiwan	Wholesale of computer software packages	14,205	10,125	1,366	19.16%	13,432	1,366	20.00%	(674)	(126)	
The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Vietnam	An AI application service provider offering integrated cloud and digital application solutions.	45,710	16,285	-	100.00%	49,034	-	100.00%	2,852	2,852	

(III) Information on investments in Mainland China:

1. The name and main business items of the invested company in Mainland China:

Unit: USD thousand/NTD thousand

Name of investee in Mainland China	Main business	Total paid-up capital	Investment method	Taiwan at the beginning of current period	Opening cumulative balance of investment capital invested from Taiwan		Closing cumulative balance of investment capital invested from Taiwan	Profit or loss of the investee for the period	The Company's shareholding ratio in direct or indirect investments	Maximum shareholding during the period		Investment gains and losses recognized in the current period (Note 1)	Carrying value of investment at the end of the period	Repatriated investment income up to the current period
					O/R	Collected				Number of shares	Shareholding ratio			
Acer Information Technology (Shanghai) Co., Ltd.	An AI application service provider offering integrated cloud and digital application solutions.	47,124 (USD 1,500)	(Note 2)	47,124 (USD1,500)	-	-	47,124 (USD1,500)	7,303 (USD 232)	100.00%	(Note 4)	100.00%	7,303 (USD 232)	64,303 (USD 2,047)	-

Note 1: Already eliminated when the consolidated financial statements were prepared.

Note 2: Direct investment in Mainland China companies.

Note 3: Based on the exchange rate USD:NTD = 1:31.416 on December 31, 2025.

Note 4: No information on number of shares as it is a limited company

Note 5: The investment income or loss was recognized based on the investee company's self-prepared financial statements that were not audited by independent auditors.

2. Limits on investment in Mainland China:

Unit: USD thousand/NTD thousand

Accumulated Investment in Mainland China as of the end of period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment Authorized by Investment Commission, MOEA
47,124 (USD 1,500)	94,248 (USD 3,000)	1,414,239

Note: Based on the exchange rate USD:NTD = 1:31.416 on December 31, 2025.

3. Significant transactions with investee companies in Mainland China:

Please refer to the description of "Information on Significant Transactions" for the significant transactions between the Group and the investee companies in Mainland China in 2025, directly or indirectly.

XIV. Segment information

(I) General information

The reportable segment of the Group is the IT software and application development segment. The IT software and application development department is mainly engaged in the sales of IT software and information consulting services. The Group also has other business departments that do not meet the quantitative threshold, mainly engaged in cloud ticketing, e-books and online payment trading platforms.

The operating segments of the Group and the adjustment information are as follows:

	2025			
	Information Software and Application Development Department	Other business departments	Adjustments and write-offs	Total
Revenue from external customers	$ 9,526,769	134,231	-	9,661,000

	2024			
	Information Software and Application Development Department	Other business departments	Adjustments and write-offs	Total
Revenue from external customers	$ 8,572,452	115,213	-	8,687,665

The Group does not allocate costs, expenses and non-recurring gains and losses to the IT software and application development department and other business segments, because the Group takes into account the long-term comprehensive development strategy, and the profit and loss of its operating segments is mainly measured by sales revenue and as a basis for evaluating performance, the reported amounts are consistent with the information used by the operating decision makers.

(II) Information by product and service

The Group's revenue from external customers is as follows:

Name of product and service	2025	2024
Cloud services and a large number of software services	$ 6,443,200	5,923,273
Application development and other software services	1,814,930	1,595,793
Value-added products	1,402,870	1,168,599
	$ 9,661,000	8,687,665

(III) Geographic information

The geographical information of the Group is as follows. Revenue is classified based on the geographical location of the customers, and non-current assets are classified based on the geographical location of the assets.

The Group's revenue from external customers is as follows:

By region	2025	2024
Taiwan	$ 9,184,170	8,163,365
China	301,357	429,800
Thailand	31,892	30,802
Germany	39,035	1
Vietnam	37,934	3,003
France	20,035	21,292
USA	19,810	15,615
Other countries	26,767	23,787
	$ 9,661,000	**8,687,665**

Non-current assets:

By region	2025.12. 31	2024.12. 31
Taiwan	$ 1,813,043	1,808,252
China	155	79
	$ 1,813,198	**1,808,331**

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and other non-current assets, but exclude financial instruments and deferred income tax assets.

(IV) Information on major customers

The Group does not have customers that account for more than 10% of revenue in the statement of comprehensive income.