

Stock Code: 6811

ACER E-ENABLING SERVICE BUSINESS

INC. and Subsidiaries

Consolidated Financial Statements

With Independent Auditor's Review Report

For the Six Months Ended June 30, 2025 and 2024

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Independent Auditors' Review Report

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

Introduction

We have reviewed the accompanying consolidated balance sheets of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries (the “Group”) as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2025 and 2024, as well as the changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and the related notes to the consolidated financial statements, including a summary of significant accounting policies. The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard (“IASs”) 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

KPMG

Taipei, Taiwan (Republic of China)
August 5, 2025

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Balance Sheet

June 30, 2025, December 31, 2024, and June 30, 2024

Unit: NTD thousand

		June 30, 2025		December 31, 2024		June 30, 2024	
Assets		Amount	%	Amount	%	Amount	%
Current assets:							
1100	Cash and cash equivalents (Note 6(1))	\$ 1,177,052	19	965,983	16	923,428	15
1140	Contract assets - current (Note 6(17) and 7)	112,745	2	77,752	1	108,266	2
1170	Notes and accounts receivable, net (Note 6(4) and (17))	2,608,217	41	2,497,192	41	2,756,559	44
1180	Accounts receivable - Related parties (Note 6(4), (17) and 7)	29,671	-	29,045	1	26,345	-
1206	Other receivables – Others	23	-	99	-	33	-
1210	Other receivables - Related parties (Note 7)	77	-	14	-	-	-
1300	Inventories (Note 6(5))	353,364	6	450,390	7	384,484	6
1410	Prepayments and other current assets	5,157	-	4,966	-	6,474	-
	Total current assets	4,286,306	68	4,025,441	66	4,205,589	67
Non-current assets:							
1517	Financial liabilities measured at fair value through profit or loss - non-current (Note 6(3))	27,310	-	24,725	-	21,396	-
1550	Investment under equity method (Note 6(6))	9,751	-	10,308	-	8,898	-
1600	Property, plant and equipment (Note 6(7))	1,803,146	28	1,774,464	29	1,783,036	29
1755	Right-of-use assets (Note 6(8))	2,066	-	2,730	-	3,395	-
1780	Intangible assets (Note 6(9))	3,602	-	2,885	-	3,145	-
1840	Deferred income tax assets	40,301	1	40,301	1	42,502	1
1920	Refundable deposits	159,267	3	188,321	3	161,399	3
1990	Other non-current assets (Note 6(10) and 9)	13,085	-	28,252	1	9,811	-
	Total non-current assets	2,058,528	32	2,071,986	34	2,033,582	33
	Total assets:	\$ 6,344,834	100	6,097,427	100	6,239,171	100

(continued next page)

(Please refer to the attached notes to the Consolidated Financial Statements)

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Balance Sheet

June 30, 2025, December 31, 2024, and June 30, 2024

Unit: NTD thousand

		<u>June 30, 2025</u>		<u>December 31, 2024</u>		<u>June 30, 2024</u>	
Liabilities and equity		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Current liabilities:							
2124	Financial liabilities measured at fair value through						
	profit or loss - current (Note 6(2))	\$ -	-	2,103	-	-	-
2100	Short-term borrowing (Note 6(11))	-	-	250,000	4	-	-
2130	Contract liabilities (Note 6(17) and 7)	1,661,339	26	1,769,869	29	1,652,390	26
2170	Notes and accounts payable	1,465,772	23	1,188,375	20	1,527,395	25
2180	Accounts payable - Related parties (Note 7)	72,827	1	93,616	2	117,909	2
2200	Other payables (Note 6(15) and (18))	763,220	12	354,146	6	751,302	12
2220	Other payables - Related parties (Note 7)	3,488	-	4,033	-	2,597	-
2230	Current income tax liabilities	83,826	1	65,495	1	71,967	1
2280	Lease liabilities - current (Note 6(12) and 7)	1,338	-	1,328	-	1,318	-
2399	Other current liabilities	87,026	2	74,358	1	60,687	1
	Total of current liabilities	<u>4,138,836</u>	<u>65</u>	<u>3,803,323</u>	<u>63</u>	<u>4,185,565</u>	<u>67</u>
Non-current liabilities:							
2580	Lease liabilities - non-current (Note 6(12))	750	-	1,422	-	2,088	-
2640	Net defined benefit liabilities	122,919	2	129,912	2	138,810	2
2645	Guarantee deposits	4,424	-	3,668	-	3,855	-
	Total non-current liabilities	<u>128,093</u>	<u>2</u>	<u>135,002</u>	<u>2</u>	<u>144,753</u>	<u>2</u>
	Total liabilities	<u>4,266,929</u>	<u>67</u>	<u>3,938,325</u>	<u>65</u>	<u>4,330,318</u>	<u>69</u>
Equity (Note 6(15)):							
3110	Common stock	414,490	6	414,490	7	414,490	7
3200	Capital reserve	628,098	10	628,098	10	628,098	10
	Retained earnings:						
3310	Legal reserve	230,514	4	176,618	3	176,618	3
3320	Special reserves	36,433	1	46,395	1	46,395	1
3350	Undistributed earnings	811,659	13	929,934	15	686,754	11
3400	Other equity	(43,289)	(1)	(36,433)	(1)	(43,502)	(1)
	Total equity	<u>2,077,905</u>	<u>33</u>	<u>2,159,102</u>	<u>35</u>	<u>1,908,853</u>	<u>31</u>
	Total liabilities and equity	<u>\$ 6,344,834</u>	<u>100</u>	<u>6,097,427</u>	<u>100</u>	<u>6,239,171</u>	<u>100</u>

(Please refer to the attached notes to the Consolidated Financial Statements)

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Consolidated Statement of Comprehensive Income
For the six months ended June 30, 2025 and 2024

Unit: NTD thousand

		For the three months ended June 30,				For the six months ended June 30,			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net revenue (Notes 6(17), 7 and 14)	\$ 2,577,945	100	2,355,728	100	5,103,222	100	4,525,973	100
5000	Cost of revenue (Notes 6(5), (9) , (13), (18) , 7, and 12)	(2,254,265)	(87)	(2,048,092)	(87)	(4,473,584)	(88)	(3,936,142)	(87)
	Gross profit	323,680	13	307,636	13	629,638	12	589,831	13
	Operating expenses (Notes 6(4), (7), (8), (9), (12), (13), (18), 7 and 12)								
6100	Selling expenses	(76,961)	(3)	(86,158)	(3)	(138,258)	(3)	(161,794)	(3)
6200	Research and development expenses	(21,185)	(1)	(26,454)	(1)	(45,459)	(1)	(45,856)	(1)
6300	Research and development expenses	(16,884)	(1)	(13,949)	(1)	(32,524)	-	(28,989)	(1)
6450	Impairment loss (impairment gain and reversal of impairment loss)	(4,118)	-	(2,240)	-	(542)	-	129	-
	Total operating expenses	(119,148)	(5)	(128,801)	(5)	(216,783)	(4)	(236,510)	(5)
	Net operating profit	204,532	8	178,835	8	412,855	8	353,321	8
	Non-operating income and expenses (Note 6(6), (12), (19) and 7):								
7100	Interest revenue	3,327	-	4,585	-	4,327	-	6,807	-
7010	Other income	163	-	-	-	348	-	-	-
7020	Other gains and losses	(13,416)	(1)	2,032	-	(12,538)	-	4,481	-
7050	Financial cost	(388)	-	(392)	-	(1,602)	-	(407)	-
7770	Share of profit of affiliated companies under equity method	388	-	(604)	-	(557)	-	(840)	-
	Total non-operating income and expenses	(9,926)	(1)	5,621	-	(10,022)	-	10,041	-
	Net income before tax	194,606	7	184,456	8	402,833	8	363,362	8
7950	Less: Income tax expenses (Note 6(14))	(41,440)	(1)	(31,797)	(1)	(83,408)	(2)	(67,578)	(1)
	Net income for the period	153,166	6	152,659	7	319,425	6	295,784	7
	Other comprehensive income (Note 6(15)):								
8310	Items not reclassified into profit or loss								
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(753)	-	2,819	-	1,145	-	1,296	-
8349	Income tax related to item that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total of items not reclassified into profit or loss	(753)	-	2,819	-	1,145	-	1,296	-
8360	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences on translation of foreign operations	(9,207)	-	433	-	(8,001)	-	1,597	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	(9,207)	-	433	-	(8,001)	-	1,597	-
	Other comprehensive income in the current period	(9,960)	-	3,252	-	(6,856)	-	2,893	-
	Total comprehensive income for the period	\$ 143,206	6	155,911	7	312,569	6	298,677	7
	Earnings per share (Unit: NTD, Note 6(16))								
9750	Basic earnings per share	\$ 3.70		3.68		7.71		7.14	
9850	Diluted earnings per share	\$ 3.68		3.67		7.65		7.09	

(Please refer to the attached notes to the Consolidated Financial Statements)

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Consolidated Statement of Changes in Equity
For the six months ended June 30, 2025 and 2024

Unit: NTD thousand

	Equity attributable to owners of the parent company										
	Retained earnings						Other equity				
							Exchange differences on translation of financial statements of foreign operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Re-measure-ment of defined benefit plan	Total	Total equity
	Common stock Share capital	Capital reserve	Legal Reserves	Special Reserves	Unallocated Earnings	Total					
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
Net income for the period	-	-	-	-	295,784	295,784	-	-	-	-	295,784
Other comprehensive income in the current period	-	-	-	-	-	-	1,597	1,296	-	2,893	2,893
Total comprehensive income for the period	-	-	-	-	295,784	295,784	1,597	1,296	-	2,893	298,677
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	50,133	-	(50,133)	-	-	-	-	-	-
Special reserve	-	-	-	8,528	(8,528)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(352,316)	(352,316)	-	-	-	-	(352,316)
Balance as of June 30, 2024	\$ 414,490	628,098	176,618	46,395	686,754	909,767	1,626	(10,374)	(34,754)	(43,502)	1,908,853
Balance as of January 1, 2025	\$ 414,490	628,098	176,618	46,395	929,934	1,152,947	1,798	(7,045)	(31,186)	(36,433)	2,159,102
Net income for the period	-	-	-	-	319,425	319,425	-	-	-	-	319,425
Other comprehensive income in the current period	-	-	-	-	-	-	(8,001)	1,145	-	(6,856)	(6,856)
Total comprehensive income for the period	-	-	-	-	319,425	319,425	(8,001)	1,145	-	(6,856)	312,569
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	53,896	-	(53,896)	-	-	-	-	-	-
Special reserve	-	-	-	(9,962)	9,962	-	-	-	-	-	-
Cash dividends	-	-	-	-	(393,766)	(393,766)	-	-	-	-	(393,766)
Balance as of June 30, 2025	\$ 414,490	628,098	230,514	36,433	811,659	1,078,606	(6,203)	(5,900)	(31,186)	(43,289)	2,077,905

(Please refer to the attached notes to the Consolidated Financial Statements)

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to June 30, 2025 and 2024

Unit: NTD thousand

	For the six months ended June 30,	
	2025	2024
Cash flow from operating activities:		
Net income before tax for the period	\$ 402,833	363,362
Adjustments:		
Income and expenses		
Depreciation expense	11,107	6,630
Amortization expense	2,435	3,064
Expected credit impairment (reversed gain) loss	542	(129)
Interest expense	1,602	407
Interest revenue	(4,327)	(6,807)
Share of loss (profit) of affiliated companies under equity method	557	840
Net loss from financial liabilities measured at fair value through profit or loss	(2,103)	-
Total income and expense	9,813	4,005
Changes in assets and liabilities related to operating activities:		
Net changes in assets related to operating activities:		
Contract assets	(34,993)	(14,057)
Notes and accounts receivable	(111,562)	(596,762)
Accounts receivable - Related parties	(626)	16,957
Other receivables - Related parties	(63)	-
Inventory	97,026	(89,735)
Prepayments and other current assets	(191)	(1,507)
Total net changes in assets related to operating activities	(50,409)	(685,104)
Net changes in liabilities related to operating activities:		
Accounts payable	277,397	453,033
Accounts payable - Related parties	(20,789)	537
Other payables	15,450	(35,773)
Other payables - Related parties	(545)	(5,364)
Contract liabilities	(108,530)	(124,127)
Other current liabilities	12,668	28,246
Net defined benefit liability	(6,993)	76
Total net changes in liabilities related to operating activities	168,658	316,628
Total net changes in assets and liabilities related to operating activities	118,249	(368,476)
Total adjustment items	128,062	(364,471)
Cash inflow (outflow) from operations	530,895	(1,109)
Interest received	4,403	7,522
Interest paid	(1,744)	(407)
Income tax refunded (paid)	(65,077)	(69,399)
Net cash inflow (outflow) from operating activities	468,477	(63,393)

(continued on next page)

(Please refer to the attached notes to the Consolidated Financial Statements)

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Consolidated Statements of Cash Flows (continued from previous page)
January 1 to June 30, 2025 and 2024

Unit: NTD thousand

	For the six months ended June 30,	
	2025	2024
Cash flow from investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	(1,440)	-
Acquisition of property, plant and equipment	(21,250)	(1,784,628)
Acquisition of intangible assets	(3,152)	(3,676)
Decrease in refundable deposits	29,054	26,028
Increased other non-current assets	(2,713)	(9,811)
Net cash inflows (outflows) from investing activities	499	(1,772,087)
Cash flow from financing activities:		
Decreased short-term borrowings	(250,000)	-
Lease principal repayment	(662)	(644)
Increase in guarantee deposits received	756	1,009
Net cash (outflow) inflow from financing activities	(249,906)	365
Effect of exchange rate changes on cash and cash equivalents	(8,001)	1,595
Increase (decrease) in cash and cash equivalents in the current period	211,069	(1,833,520)
Cash and cash equivalents at beginning of period	965,983	2,756,948
Cash and cash equivalents at end of period	\$ 1,177,052	923,428

(Please refer to the attached notes to the Consolidated Financial Statements)

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
INC. and subsidiaries (continued)**

**ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Notes to the Consolidated Financial Statements
June 30, 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 9F., No. 6, Section 4, Xinyi Road, Daan District, Taipei City. The Group is positioned as "the cloud company that best comprehends on-premise requirements, a generator of generative AI for enterprises." Having assisted more than 2,000 corporate clients, the Group 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 the needs of large organizations. These services include creating software information system infrastructure, developing custom software and project strategies, creating applications with added value, and providing recommendations for system maintenance and backup contingencies. Generative AI, Copilot applications, cloud applications and managed services, and data governance and optimization are among the AI-driven products and services that we integrate. These initiatives accelerate the adoption of digital and cloud technologies by enterprise users, thereby bolstering their operational resilience in the midst of uncertainty. The Company is under the ultimate parent company, ACER INCORPORATED.

II. Date and procedure for approving the financial statements

This consolidated financial statement was approved by the Board of Directors on August 5, 2025.

III. Application of new, amended and revised standards and interpretations

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

The Group has initially adopted the following new amendments, which do not have a significant impact on the consolidated financial statements, from January 1, 2025:

- Amendments to IAS 21 "Lack of Exchangeability"

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

The Group has assessed the potential impact of the following newly issued or amended International Financial Reporting Standards (IFRSs), which will be effective starting from January 1, 2026, and concluded that they will not have a material impact on the consolidated financial statements:

- Amendments IFRS 17 Insurance Contracts and Amendments to IFRS 17
- Amendments to IFRS 9 and IFRS 7 — Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 — Contracts Involving Energy from Renewable Sources

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

IASB has issued and amended several standards and interpretations that have not yet been endorsed by the FSC. The following may be relevant to the Group:

New or amended standards	Main amendments	Effective Date Announced by IASB
IFRS 18 "Presentation and Disclosure of Financial Statements"	The new standards introduce three types of income and expenses, two subtotals in the income statement, and a single note on management performance measures. These three amendments and enhancements provide guidance on how to disaggregate information in financial statements, laying the foundation for	2027/1/1

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
INC. and subsidiaries (continued)**

	better and more consistent information for users, and will affect all companies.	
IFRS 18 "Presentation and Disclosure of Financial Statements"	<ul style="list-style-type: none"> • A more structured income statement: Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standards adopt a more structured income statement, introducing a newly defined "operating profit" subtotal and requiring that all income and expenses be categorized into three new distinct types according to the company's main business activities. • Management Performance Measures (MPM): The new standards introduce the definition of management performance measures and require companies to include a single note in the financial statements explaining why each measure provides useful information, how it is calculated, and how it reconciles with amounts recognized in accordance with IFRS. • Disaggregated Information: The new standards include guidance on how companies should enhance the grouping of information in financial statements. This includes guidelines on whether information should be included in the main financial statements or further disaggregated in the notes. 	2027/1/1

The Group is currently evaluating the impact of the aforementioned standards and interpretations on its financial situation and operating results. The related effects will be disclosed upon the completion of this assessment.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 - "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

IV. Summary of significant accounting policies

(I) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by the FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC International and SIC Interpretations endorse and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following account policies mentioned below, the significant accounting policies

Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS INC. and subsidiaries (continued)

adopted in the consolidated financial statements are the same as those in consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4 of consolidated financial statements for the year ended December 31, 2024.

(II) Basis of consolidation

The principles for the preparation of consolidated financial statements are the same as those in consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4(2) of consolidated financial statements for the year ended December 31, 2024.

1. Subsidiaries included in the consolidated financial statements

<u>Name of Investment Company</u>	<u>Name of subsidiary</u>	<u>Nature of business</u>	<u>Percentage of equity held</u>			<u>Description</u>
			<u>2025.6.30</u>	<u>2024.12.31</u>	<u>2024.6.30</u>	
The Company	Acer e-Enabling Service Business (Shang-Hai) Ltd (EBSH)	Sales of Information Software and Information Consulting Services	100.00%	100.00%	100.00%	
The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED(EBVN)	Sales of Information Software and Information Consulting Services	100.00%	100.00%	-	(Note)

Note : EBVN was established in September 2024, and funded in Q4, 2024.

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

(III) Employee benefits

The pension cost in the consolidated interim financial statements was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(IV) Income tax

The income tax expenses have been prepared and disclosed in accordance with Paragraph B12 of IAS 34, Interim Financial Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expenses for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

V. Critical accounting judgment, estimates, and assumptions uncertainty

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 5 of consolidated financial statements for the year ended December 31, 2024.

VI. Description of significant accounting items

Except the following disclosures, there was no material differences in the disclosures of significant accounting disclosures between the interim financial statements for the current period and the consolidated financial statements for the year ended December 31, 2024. Please refer to note 6 of consolidated financial statements for the year ended December 31, 2024.

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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(I) Cash and cash equivalent

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Cash	\$ 23	-	-
Demand deposits and checking deposits	1,130,759	854,150	840,667
Time deposits with original maturity date of less than three months	<u>46,270</u>	<u>111,833</u>	<u>82,761</u>
	<u>\$ 1,177,052</u>	<u>965,983</u>	<u>923,428</u>

(II) Financial liabilities measured at fair value through profit or loss

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial liabilities measured at fair value through profit or loss :			
Non-hedging derivative instrument			
Foreign exchange forward contracts	<u>\$ -</u>	<u>2,103</u>	<u>-</u>

Please refer to Note 6(19) 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

<u>2024. 12. 31</u>		
<u>Contract amount (NT\$ thousand)</u>	<u>Currency</u>	<u>Maturity Date</u>
USD <u>4,600</u>	USD sold/ NTD bought	2025.02. 27

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Equity instruments measured at fair value through other comprehensive income:			
Listed (OTC) company stocks	\$ 25,208	23,543	20,246
Unlisted (OTC) company stock	<u>2,102</u>	<u>1,182</u>	<u>1,150</u>
	<u>\$ 27,310</u>	<u>24,725</u>	<u>21,396</u>

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Notes receivable	\$ 4,758	21,535	33,001
Accounts receivable	2,610,758	2,482,419	2,733,990
Less: Loss allowance	<u>(7,299)</u>	<u>(6,762)</u>	<u>(10,432)</u>
	2,608,217	2,497,192	2,756,559
Accounts receivable - related parties	<u>29,671</u>	<u>29,045</u>	<u>26,345</u>
	<u>\$ 2,637,888</u>	<u>2,526,237</u>	<u>2,782,904</u>

In addition to estimating a 100% credit loss for individual accounts receivable with a potential default, the Group estimates the expected credit loss for all notes and accounts receivable using a simplified approach, which entails using the expected credit loss over the entire duration. Forward-

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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looking information has been incorporated into this estimation. The expected credit loss of the Group's notes and accounts receivable is analyzed as follows:

	June 30, 2025		
	Gross carrying amount	Weighted average loss rate	Loss allowance
Current	\$ 2,491,151	0.05%	1,267
Past due 1 to 30 days	75,065	0.90%	679
Past due 31 to 60 days	33,779	3.60%	1,217
Past due 61 to 90 days	5,632	8.82%	497
Past due for 91 to 180 days	8,515	26.60%	2,265
Past due for more than 181 days	1,374	100.00%	1,374
	\$ 2,615,516		7,299

	December 31, 2024		
	Gross carrying amount	Weighted average loss rate	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 for 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

	June 30, 2024		
	Gross carrying amount	Weighted average loss rate	Loss allowance
Current	\$ 2,583,194	0.04%	1,105
Past due 1 to 30 days	138,799	0.43%	602
Past due 31 to 60 days	24,447	2.16%	527
Past due 61 to 90 days	5,991	2.92%	175
Past due for 91 to 180 days	6,593	17.61%	1,161
Past due for more than 181 days	7,967	86.13%	6,862
	\$ 2,766,991		10,432

The Group's accounts receivables from related parties in the June 30, 2025, December 31, 2024 and June 30, 2024 had no expected credit loss and is analyzed as follows:

	2025.6.30	2024.12.31	2024.6.30
Current	\$ 27,862	28,607	20,268
Past due 1 to 30 days	1,809	438	5,110
Past due 31 to 60 days	-	-	967
	\$ 29,671	29,045	26,345

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
INC. and subsidiaries (continued)**

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

	For the six months ended June 30,	
	2025	2024
Opening balance	\$ 6,762	10,561
Recognized impairment loss (reversed gain)	542	(129)
Effect of exchange rate changes	(5)	-
Closing balance	\$ 7,299	10,432

(V) Inventory

	June 30, 2025	December 31, 2024	June 30, 2024
Merchandise inventory	\$ 353,364	450,390	384,484

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

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Cost of sold inventories	\$ 2,176,555	1,967,898	4,328,870	3,780,194
Inventory valuation losses (recovered gain)	1,097	194	(727)	(5,251)
	\$ 2,177,652	1,968,092	4,328,143	3,774,943

The inventory valuation losses are recognized as inventory write-downs to net realizable value at the end of the period.

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

	June 30, 2025	December 31, 2024	June 30, 2024
Book value of equity in affiliated companies at the ending	\$ 9,751	10,308	8,898

	For the six months ended June 30,	
	2025	2024
Attributable to the Group:		
Net profit (loss) for the period	\$ (557)	(840)
Other comprehensive income	-	-
Total comprehensive income/loss	\$ (557)	(840)

(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:

Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS

INC. and subsidiaries (continued)

	<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Other equipment</u>	<u>Total</u>
Cost:						
Balance on January 1, 2025	\$ 1,031,866	747,963	658	15,291	7,670	1,803,448
Additions	-	13,914	-	1,571	5,765	21,250
Disposals	-	-	-	-	(522)	(522)
Effect of other reclassifications and exchange rate changes	-	17,880	-	(11)	-	17,869
Balance as of June 30, 2025	<u>\$ 1,031,866</u>	<u>779,757</u>	<u>658</u>	<u>16,851</u>	<u>12,913</u>	<u>1,842,045</u>
Balance as of January 1, 2024	\$ -	-	658	12,273	4,983	17,914
Additions	1,031,866	747,963	-	2,361	2,438	1,784,628
Effect of other reclassifications and exchange rate changes	-	-	-	3	-	3
Balance as of June 30, 2024	<u>\$ 1,031,866</u>	<u>747,963</u>	<u>658</u>	<u>14,637</u>	<u>7,421</u>	<u>1,802,545</u>
Accumulated depreciation:						
Balance on January 1, 2025	\$ -	12,693	658	10,372	5,261	28,984
Current depreciation	-	8,287	-	1,513	643	10,443
Disposals	-	-	-	-	(522)	(522)
Effect of other reclassifications and exchange rate changes	-	-	-	(6)	-	(6)
Balance as of June 30, 2025	<u>\$ -</u>	<u>20,980</u>	<u>658</u>	<u>11,879</u>	<u>5,382</u>	<u>38,899</u>
Balance as of January 1, 2024	\$ -	-	621	8,271	4,641	13,533
Current depreciation	\$ -	4,611	37	1,036	291	5,975
Effect of other reclassifications and exchange rate changes	-	-	-	1	-	1
Balance as of June 30, 2024	<u>\$ -</u>	<u>4,611</u>	<u>658</u>	<u>9,308</u>	<u>4,932</u>	<u>19,509</u>
Carrying amounts:						
June 30, 2025	<u>\$ 1,031,866</u>	<u>758,777</u>	<u>-</u>	<u>4,972</u>	<u>7,531</u>	<u>1,803,146</u>
January 1, 2025	<u>\$ 1,031,866</u>	<u>735,270</u>	<u>-</u>	<u>4,919</u>	<u>2,409</u>	<u>1,774,464</u>
June 30, 2024	<u>\$ 1,031,866</u>	<u>743,352</u>	<u>-</u>	<u>5,329</u>	<u>2,489</u>	<u>1,783,036</u>

For operational needs, the Group acquired land valued at NTD1,031,866 thousand and buildings and structures valued at NTD747,963 thousand on March 21, 2024, for use as its office building. As of June 30, 2024, all related payments have been fully paid.

(VIII) Right-of-use assets

	<u>Buildings and structures</u>
Cost of right-of-use assets:	
Balance as of January 1, 2025 (i.e. balance on June 30, 2025)	<u>\$ 3,987</u>
Balance as of January 1, 2024	\$ 47,991
Additions	3,987
Decrease	(47,991)
Balance as of June 30, 2024	<u>\$ 3,987</u>
Accumulated depreciation of right-of-use assets:	
Balance on January 1, 2025	\$ 1,257
Depreciation	664
Balance as of June 30, 2025	<u>\$ 1,921</u>
Balance as of January 1, 2024	\$ 47,928

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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Depreciation	655
Decrease	(47,991)
Balance as of June 30, 2024	<u>\$ 592</u>
Carrying amounts:	
June 30, 2025	<u>\$ 2,066</u>
January 1, 2025	<u>\$ 2,730</u>
June 30, 2024	<u>\$ 3,395</u>

(IX) Intangible assets

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

	<u>Computer software</u>
Cost:	
Balance on January 1, 2025	\$ 30,308
Additions	3,152
Written off	(10,295)
Balance as of June 30, 2025	<u>\$ 23,165</u>
Balance as of January 1, 2024	\$ 24,313
Additions	3,676
Balance as of June 30, 2024	<u>\$ 27,989</u>
Accumulated amortization:	
Balance on January 1, 2025	\$ 27,423
Amortization	2,435
Written off	(10,295)
Balance as of June 30, 2025	<u>\$ 19,563</u>
Balance as of January 1, 2024	\$ 21,780
Amortization	3,064
Balance as of June 30, 2024	<u>\$ 24,844</u>
Carrying amounts:	
June 30, 2025	<u>\$ 3,602</u>
January 1, 2025	<u>\$ 2,885</u>
June 30, 2024	<u>\$ 3,145</u>

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

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Operating cost	\$ 9	-	9	-
Operating expenses	1,151	1,532	2,426	3,064
	\$ 1,160	1,532	2,435	3,064

(X) Other non-current assets

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

<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
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**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
INC. and subsidiaries (continued)**

Prepayment for interior decoration equipment	\$ 2,712	17,880	-
Prepayment for buildings and land	10,372	10,372	9,811
Other	<u>1</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,085</u>	<u>28,252</u>	<u>9,811</u>

(XI) Short-term borrowings

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Unsecured bank borrowings	<u>\$ -</u>	<u>250,000</u>	<u>-</u>
Unused facilities	<u>\$ 2,200,000</u>	<u>1,250,000</u>	<u>1,500,000</u>
Interest rate interval	<u>-</u>	<u>1.92%</u>	<u>-</u>

(XII) Lease liabilities

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current	<u>\$ 1,338</u>	<u>\$ 1,328</u>	<u>\$ 1,318</u>
Non-current	<u>\$ 750</u>	<u>\$ 1,422</u>	<u>\$ 2,088</u>

Please refer to Note 6(21) Financial Risk Management for maturity analysis.

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

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Interest expense on lease liabilities	<u>\$ 9</u>	<u>15</u>	<u>19</u>	<u>26</u>
Expenses relating to leases of low-value assets	<u>\$ 54</u>	<u>(84)</u>	<u>140</u>	<u>230</u>
Expenses relating to short-term leases	<u>\$ 115</u>	<u>1,030</u>	<u>548</u>	<u>6,141</u>

3. The amounts recognized in the statement of cash flows for the Group were as follows:

	<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Total cash outflow for leases	<u>\$ 1,369</u>	<u>7,041</u>

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

The Group believes that there was no material volatility in the market, no material

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024.

The pension expenses recognized in profit or loss for the Group were as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating cost	\$ 222	242	495	486
Operating expenses	<u>530</u>	<u>499</u>	<u>1,007</u>	<u>994</u>
	<u>\$ 752</u>	<u>741</u>	<u>1,502</u>	<u>1,480</u>

2. Definite contribution plan

The pension expenses recognized by the Group under the defined contribution plan are as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating cost	\$ 1,337	1,346	2,780	2,680
Operating expenses	<u>2,612</u>	<u>2,643</u>	<u>5,174</u>	<u>5,343</u>
	<u>\$ 3,949</u>	<u>3,989</u>	<u>7,954</u>	<u>8,023</u>

(XIV) Income tax

1. The tax expense of the Group was as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current tax expense	<u>\$ 41,440</u>	<u>31,797</u>	<u>83,408</u>	<u>65,578</u>

2. For the six months ended June 30, 2025 and 2024, there were no income tax recognized in equity and other comprehensive income.
3. The company's income tax returns for the years through 2023 were assessed by tax authority.

(XV) Capital and other equity

1. Common stock capital

The Company's authorized capital amounted to NTD600,000 thousand at NTD10 par value per share on June 30, 2025, December 31, 2024 and June 30, 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 thousands of shares):

	<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Opening balance (Closing balance)	<u>41,449</u>	<u>41,449</u>

2. Capital reserve

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Issued stock premium	\$ 621,725	621,725	621,725
Employee share warrants	<u>6,373</u>	<u>6,373</u>	<u>6,373</u>
	<u>\$ 628,098</u>	<u>628,098</u>	<u>628,098</u>

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

3. Retained earnings and dividend policy

(1) Earnings distribution

Pursuant to the Company's Articles of Incorporation, if there is a profit in the final accounting, the tax should be paid first, the past losses should be covered, and then 10% of the legal reserve should be appropriated. However, when the legal reserve amounts to the total paid-in capital, no this limit. For 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 previous year may be submitted to the shareholders' meeting for a resolution on the distribution of an earnings appropriation.

(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 made into special reserve; if the other shareholders' equity deduction amount is accumulated in the prior period, 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 is appropriated. Shareholders' bonus may be distributed in the form of shares or cash. In order to achieve a balanced and stable dividend policy, the cash dividends of the Company when dividends are distributed shall not be less than 10% of the total dividends, except for the resolution of the board of directors not to distribute the dividends and the approval of 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.

The amounts of dividends for the distribution of earnings for the fiscal years 2024 and 2023 were approved by the Annual General Meeting of shareholders on June 4, 2025 and June 5, 2024, respectively, as follows:

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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	2024		2023	
	Dividends per share (NTD)	Amount	Dividends per share (NTD)	Amount
Dividends distributed to common stock shareholders:				
Cash	\$ 9.50	<u>393,766</u>	8.50	<u>352,316</u>
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 on 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	1,145	-	-	1,145
Exchange differences on translation of foreign operations	-	(8,001)	-	(8,001)
Balance as of June 30, 2025	<u>\$ (5,900)</u>	<u>(6,203)</u>	<u>(31,186)</u>	<u>(43,289)</u>
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	1,296	-	-	1,296
Exchange differences on translation of foreign operations	-	1,597	-	1,597
Balance as of June 30, 2024	<u>\$ (10,374)</u>	<u>1,626</u>	<u>(34,754)</u>	<u>(43,502)</u>

(XVI) Earnings per share

1. Basic earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Net profit attributable to the Company's common stock shareholders	<u>\$ 153,166</u>	<u>152,659</u>	<u>319,425</u>	<u>295,784</u>
Weighted average number of outstanding common stock (shares in thousands)	<u>41,449</u>	<u>41,449</u>	<u>41,449</u>	<u>41,449</u>
Basic earnings per share (NTD)	<u>\$ 3.70</u>	<u>3.68</u>	<u>7.71</u>	<u>7.14</u>

2. Diluted earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Net profit attributable to the Company's common stock equity holders	<u>\$ 153,166</u>	<u>152,659</u>	<u>319,425</u>	<u>295,784</u>
Weighted average number of outstanding common stock (basic) (shares in thousands)	41,449	41,449	41,449	41,449
Effect of potential dilutive ordinary shares (shares in				

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thousands):				
The effect of employees' remuneration	172	158	285	260
Weighted average number of common shares outstanding (diluted) (thousand shares)	<u>41,621</u>	<u>41,607</u>	<u>41,734</u>	<u>41,709</u>
Diluted earnings per share (NTD)	<u>\$ 3.68</u>	<u>3.67</u>	<u>7.65</u>	<u>7.09</u>

(XVII) Revenue from customer contracts

1. Breakdown of revenue

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Main product/service lines:				
Cloud services and a large number of software services	\$ 1,790,103	1,751,835	3,467,255	3,256,002
Application development and other software services	424,049	348,696	897,074	751,255
Value-added products	<u>363,793</u>	<u>255,197</u>	<u>738,893</u>	<u>518,716</u>
	<u>\$ 2,577,945</u>	<u>2,355,728</u>	<u>5,103,222</u>	<u>4,525,973</u>

2. Contract balance

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Notes and accounts receivable (including related parties)	\$ 2,645,187	2,532,999	2,793,336
Less: Loss allowance	(7,299)	(6,762)	(10,432)
	<u>\$ 2,637,888</u>	<u>2,526,237</u>	<u>2,782,904</u>
Contract assets	<u>\$ 112,745</u>	<u>77,752</u>	<u>108,266</u>
Contract liabilities	<u>\$ 1,661,339</u>	<u>1,769,869</u>	<u>1,652,390</u>

Please refer to Note 6(4) 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, if the Company makes a profit in the year, after the amount of the profit is retained to offset the accumulated losses, no less than 2% of the balance shall be set aside as employee's remuneration, and no more than 50% of the total profit may be set aside no more than 0.8% as remuneration to directors. The employee compensation in the preceding paragraph may be paid in cash or shares, and the recipients of the remuneration include the employees of the controlling or subordinate companies who meet certain criteria.

The amounts of employee compensation for the periods from April 1 to June 30 and January 1 to June 30, 2025, and 2024, were NTD 16,091 thousand, NTD 23,040 thousand, NTD 41,423 thousand and NTD 44,939 thousand, respectively; the amounts of directors' remuneration were both NT\$0 thousand. These amounts are based on the pre-tax net profit for each period, before deducting

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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the remuneration of employees and remuneration of directors and multiplied by the percentage of the remuneration of employees and directors proposed to be distributed by the Company, and are reported as operating expenses for each period. If there is a discrepancy between the actual distributed amount and the estimated figure in the following year, it shall be treated as a change in accounting estimates and recognized as profit or loss of the following year.

The amounts of employee compensation for 2024, and 2023, were NTD 81,000 thousand and NTD 78,000 thousand, respectively; the amounts of directors' remuneration were NTD 880 thousand and NTD 800 thousand, respectively. 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 are paid in cash. Relevant information is available on the Market Observation Post System.

(XIX) Non-operating income and expenses

1. Interest revenue

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Interest on bank deposits	\$ 3,325	4,585	4,325	6,807
Other interest income	2	-	2	-
	<u>\$ 3,327</u>	<u>4,585</u>	<u>4,327</u>	<u>6,807</u>

2. Other income

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Rent income(Note 7)	<u>\$ 163</u>	<u>-</u>	<u>348</u>	<u>-</u>

3. Other gains and losses

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Net foreign exchange gains (losses)	\$ (13,453)	1,985	(14,997)	4,384
Net loss from financial liabilities measured at fair value through profit or loss	-	-	2,103	-
Others	37	47	356	97
	<u>\$ (13,416)</u>	<u>2,032</u>	<u>(12,538)</u>	<u>4,481</u>

4. Financial costs

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Interest on bank borrowings	\$ 325	377	1,499	381
Interest on lease liabilities	9	15	19	26
Other financial expenses(Note 7)	54	-	84	-
	<u>\$ 388</u>	<u>392</u>	<u>1,602</u>	<u>407</u>

(XX) Fair value of financial instruments

1. Types of financial instruments

(1) Financial assets

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial liabilities measured at fair value through profit or loss	\$ 27,310	24,725	21,396
Financial assets measured at amortized cost:			
Cash and cash equivalents	1,177,052	965,983	923,428
Notes and accounts receivable (including related party)	2,637,888	2,526,237	2,782,904
Other receivables (including related parties)	100	113	33
Refundable deposits	159,267	188,321	161,399
	<u>\$ 4,001,617</u>	<u>3,705,379</u>	<u>3,889,160</u>

(2) Financial liabilities

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial liabilities measured at fair value through profit or loss	\$ -	2,103	-
Financial liabilities measured at amortized cost:			
Short-term borrowings	-	250,000	-
Notes and accounts payable (including related parties)	1,538,599	1,281,991	1,645,304
Other payables (including related parties)	766,708	358,179	753,899
Lease liabilities (including current and non-current)	2,088	2,750	3,406
Guarantee deposits	4,424	3,668	3,855
	<u>\$ 2,311,819</u>	<u>1,898,691</u>	<u>2,406,464</u>

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).

	<u>2025.6.30</u>			
	<u>Fair value</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Class III</u>	<u>Total</u>
Financial liabilities measured at fair value through profit or loss:				
Stocks of domestic (OTC) companies	\$ 25,208	-	-	25,208
Unlisted (OTC) company stock	-	-	2,102	2,102
	<u>\$ 25,208</u>	<u>-</u>	<u>2,102</u>	<u>27,310</u>

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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2024.12.31				
Fair value				
	Level 1	Level 2	Class III	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

2024.6.30				
Fair value				
	Level 1	Level 2	Class III	Total
Financial liabilities measured at fair value through profit or loss:				
Stocks of domestic (OTC) companies	\$ 20,246	-	-	20,246
Unlisted (OTC) company stock	-	-	1,150	1,150
	\$ 20,246	-	1,150	21,396

There were no transfers among fair value hierarchies for the six months ended June 30, 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
			For the six months ended June 30,
			2025 2024
Opening balance	\$	1,182	1,019
Total loss of profit:			
Recognized in other comprehensive income		(520)	131
Increased this period		1,440	-
Closing balance	\$	2,102	1,150

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 June 30, 2025 and 2024 are as follows:

			For the six months ended June 30,
			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")	\$	(520)	131

(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. The fair value of derivative financial instruments is estimated using valuation techniques. The estimates and assumptions applied are consistent with the information that market participants would use in pricing the financial instruments and are available to the consolidated company. The fair value of forward foreign exchange contracts is determined using valuation techniques, with each contract valued separately based on

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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its respective maturity date.

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 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 June 30, 2025, December 31, 2024 and June 30, 2024, 42%, 34% and 47% of the balance of accounts receivable, respectively, were mainly attributed to the five companies. 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 6(4). 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 consolidated company determines the low credit risk, please refer to Note 4(7) of the consolidated financial statements). The other receivables as of June 30, 2025, December 31, 2024 and June 30, 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 June 30, 2025, December 31, 2024 and June 30, 2024, the balance of unused financing facilities was NT\$2,200,000, NT\$1,250,000 and NT\$1,500,000 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.

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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	<u>Contract Cash flow</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-5 years</u>
June 30, 2025				
Non-derivative financial liabilities:				
Accounts payable (including related parties)	\$ 1,538,599	1,538,599	-	-
Other payables (including related parties)	766,708	766,708	-	-
Lease liabilities (including current and non-current)	2,114	1,360	754	-
Guarantee deposits	4,424	2,408	1,205	811
	\$ 2,311,845	2,309,075	1,959	811
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
Derivative instruments				
Foreign exchange forward contracts - gross settlement				
Inflow	\$ (145,879)	(145,879)	-	-
Outflow	147,982	147,982	-	-
	\$ 2,103	2,103	-	-
June 30, 2024				
Non-derivative financial liabilities:				
Accounts payable (including related parties)	\$ 1,645,304	1,645,304	-	-
Other payables (including related parties)	753,899	753,899	-	-
Lease liabilities (including current and non-current)	3,474	1,360	1,360	754
Guarantee deposits	3,855	2,484	122	1,249
	\$ 2,406,532	2,403,047	1,482	2,003

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.

Exchange rate risk

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

(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:

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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	2025.6.30				2024.12.31			2024.6.30		
	Foreign currency	Exchange rate	NTD		Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>										
<u>Monetary items</u>										
USD	\$	3,528	29.300	103,370	7,435	32.781	243,727	2,994	32.450	97,155
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD		841	29.300	24,641	1,332	32.781	43,664	168	32.450	5,452

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. For the six months ended June 30, 2025 and 2024, when the NTD depreciated/appreciated 1% against USD, and all other factors The pre-tax net profit for the year would have increased/decreased by NTD 787 thousand and NTD 917 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 the 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.

The following sensitivity analysis is based on the interest rate exposure of the bank borrowings with floating interest rates on the reporting date, and the analysis method assumes that the outstanding amount of borrowing on the reporting date is outstanding throughout the year. Interest rate sensitivity analyses are reported to the management by applying a variance of 1% above and below. This variance conforms with the management's expectation about the possible and reasonable range of interest rate variation.

If the annual interest rate increased/decreased by 1%, with all other variables held constant, the Group's net income before tax for the three months ended June 30, 2025 and 2024 had no bank deposits or borrowings subject to interest rate risk.

- (3) Other market price risk:** the Group holds the equity securities investment in TWSE/TPEX listed companies and has the risk of fluctuation in equity price. 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 NT\$1,366 thousand and NT\$1,070 thousand for the three months ended June 30, 2025 and 2024, respectively.

(XXII) Capital management

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6 (22) of the consolidated financial statements for the year ended December 31, 2024 for further details.

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

1. Please refer to Note 6(8) for the right-of-use assets acquired by lease the six months ended June 30, 2025 and 2024.
2. The adjustment of liabilities from financing activities is as follows:

	2025.1.1	Cash flow	Non-cash lease liabilities movement	2025.06.30
Short-term borrowings	\$ 250,000	(250,000)	-	-
Lease liabilities	2,750	(662)	-	2,088
Guarantee deposits	3,668	756	-	4,424
Total liabilities from financing activities	\$ 256,418	(249,906)	-	6,512

	2024.1.1	Cash flow	Non-cash lease liabilities movement	2024.06.30
Lease liabilities	\$ 63	(644)	3,987	3,406
Guarantee deposits	2,846	1,009	-	3,855
Total liabilities from financing activities	\$ 2,909	365	3,987	7,261

VII. Related party transactions

(I) Parent company and ultimate controller

The parent company of the Company is Acer BeingWare Holding Inc., which held 63.46% of the outstanding common shares of the Company as of June 30, 2025, December 31, 2024 and June 30, 2024. In addition, Acer Incorporated (AI) is the ultimate controller of the Group. AI 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 Group
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) 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. (AOI)	Other related party (a subsidiary of AI)
Acer AI Cloud Inc. (AIC)	Other related party (a subsidiary of AI)

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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Acer Cyber Security Incorporated (ACSI)	Other related party (a subsidiary of AI)
Chao-Chi Property Management Consulting Co.,	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 Incorporated (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)
Ecom Software Inc.	Other related party (associates of AI)
Portwell Inc.	Other related party (associates of AI)

(III) Significant transactions with related parties:

1. Operating revenue

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

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
The ultimate controller \$	35,035	14,337	111,505	46,465
Associates	1,644	332	1,783	354
Other related party	9,621	10,145	23,125	18,506
\$	46,300	24,814	136,413	65,325

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:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
The ultimate controller \$	2,451	1,108	3,450	2,754
Associates	22,875	28,117	32,463	37,606
Other related party	92,603	79,715	194,812	174,989
\$	117,929	108,940	230,725	215,349

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 because of the related parties providing management services, project manpower support, system maintenance and system development and design services are as follows:

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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Account	Category of related party	For the three months ended June 30,		For the six months ended June 30,	
		2025	2024	2025	2024
Operating cost	The ultimate controller	\$ 62	70	89	105
Operating cost	Other related party	2,344	2,045	4,952	4,328
Operating expenses	The ultimate controller	2,170	1,695	4,249	1,914
Operating expenses	Other related party	124	472	702	1,083
		\$ 4,700	4,282	9,992	7,430

4. Borrowings from Related Parties

For the three months ended March 31 2025, the Group borrowed NTD 150,000 thousand from its ultimate parent company, Acer Inc., at a fixed interest rate of 1.85%. Interest expense for the period from April 1 to June 30, 2025 and January 1 to June 30, 2025, amounted to NTD 54 thousand and NTD 84 thousand. As of June 30, 2025, the related amounts had been fully repaid.

5. Leases

The Group leases offices and other assets from ACER. These leases are short-term leases or low-value lease assets, and the Company chooses to waive the recognition requirements and does not recognize its related right-of-use assets and lease liabilities. The rent expense for the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024 was NTD 36 thousand, NTD 1,100 thousand, NTD 390 thousand and NTD 6,261 thousand, respectively. As of June 30, 2025, the relevant payables had been fully repaid. As of June 30, 2024, the related payables are listed under other payables.

The Group leased office space to other related parties. Rental income for the periods from April 1 to June 30, 2025 and from January 1 to June 30, 2025 amounted to \$132 thousand and \$264 thousand, respectively. As of June 30, 2025, the related receivables are listed under other receivables.

6. Receivables from related parties

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

Account	Category of related party	2025.06.30	2024.12.31	2024.06.30
Accounts receivable - Related parties	The ultimate controller	\$ 26,487	22,283	18,404
Accounts receivable - Related parties	Associates	34	-	135
Accounts receivable - Related parties	Other related party	3,150	6,762	7,806
Other accounts receivable - Related parties	Other related party	77	14	-
Contract assets	The ultimate controller	2,800	-	-
Contract assets	Other related party	227	870	485
		\$ 32,775	29,929	26,830

7. Payables to related parties

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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In summary, the Group's payables to related parties are as follows:

Account	Category of related party	2025.06.30	2024.12.31	2024.06.30
Accounts payable - related parties	The ultimate controller	\$ 2,701	1,468	1,474
Accounts payable - related parties	Associates	10,839	29,128	28,784
Accounts payable - related parties	Other related party	59,287	63,020	87,651
Other payables - related parties	The ultimate controller	3,233	3,796	2,128
Other payables - related parties	Other related party	255	237	469
		\$ 76,315	97,649	120,506

8. 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:

Account	Category of related party	2025.06.30	2024.12.31	2024.06.30
Contract liabilities	The ultimate controller	\$ 26,338	21,919	21,578
Contract liabilities	Other related party	6,485	6,288	9,100
		\$ 32,823	28,207	30,678

(IV) Remuneration to key management personnel

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 6,975	7,025	15,316	14,742
Post-employment benefits	132	126	263	251
	\$ 7,107	7,151	15,579	14,993

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 NTD 33,920 thousand. As of June 30, 2025, NTD 10,372 thousand has been paid and is recognized under other non-current assets, and the delivery date is expected in 2031.

X. Significant loss from disaster: None.

XI. Significant subsequent events: None.

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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XII. Others

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

By function By nature	For the three months ended June 30, 2025			For the three months ended June 30, 2024		
	Attributed to operation cost	Attributed to operation expenses	Total	Attributed to operation cost	Attributed to operation expenses	Total
Employee benefit expense						
Salaries	37,331	75,032	112,363	39,838	79,538	119,376
Insurance	2,488	4,861	7,349	2,386	4,671	7,057
Pension	1,559	3,142	4,701	1,588	3,142	4,730
Remuneration to directors	-	635	635	-	635	635
Others	1,212	4,891	6,103	1,948	5,860	7,808
Depreciation expense	-	5,755	5,755	-	5,157	5,157
Amortization expense	9	1,151	1,160	-	1,532	1,532

By function By nature	For the six months ended June 30, 2025			For the six months ended June 30, 2024		
	Attributed to operation cost	Attributed to operation expenses	Total	Attributed to operation cost	Attributed to operation expenses	Total
Employee benefit expense						
Salaries	78,620	150,860	229,480	77,312	156,503	233,815
Insurance	5,466	10,196	15,662	5,082	10,193	15,275
Pension	3,275	6,181	9,456	3,166	6,337	9,503
Remuneration to directors	-	1,270	1,270	-	1,270	1,270
Others	2,715	8,068	10,783	3,449	9,304	12,753
Depreciation expense	-	11,107	11,107	-	6,630	6,630
Amortization expense	9	2,426	2,435	-	3,064	3,064

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 for the three months ended June 30, 2025:

- 1.Loaning of funds to others: None.
- 2.Endorsements/guarantees for others: None.
- 3.Marketable securities held at reporting date (excluding investments in subsidiaries, associates, and jointly controlled entities):

Unit: NTD Thousand/Thousand shares

Companies in possession	Type and name of marketable securities	Relationship with the securities issuer	Account	Ending balance				Note
				Number of shares	Carrying value	Shareholding ratio	Fair value/net value	
The Company	Preferred Stock B of SKFH	-	Financial liabilities measured at fair value through profit or loss - non-current	666	25,208	0.30%	25,208	-

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

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
INC. and subsidiaries (continued)**

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)	Payment Terms	Unit price	Payment Terms	Ending Balance	% of total	
The Company	ACER	Parent and subsidiary	Sales	(111,505)	(2.18)%	EM 30	(Note 1)	(Note 3)	26,487	1.00%	-
The Company	WLII	Other related party	Purchases	177,311	4.19%	EM 60	(Note 2)	(Note 3)	(52,364)	(3.40)%	-

(Note 1): The Company's sold to other related party 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 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 NTD100 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)	Company Name	Counterparty	Intercompany Relationship	Transactions				Percentage of Consolidated Net Revenue or Total Assets (Note 3)
				Account (Note 2)	Amount	Transaction terms		
0	The Company	Acer e-Enabling Service Business (Shang-Hai) Ltd.	Parent/Subsidiary	Sales	32,640	Collect payment within 90 days of monthly settlement		0.64%
0	The Company	ACER E ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Parent/Subsidiary	Sales	856	Collect payment within 90 days of monthly settlement		0.02%
0	The Company	Acer e-Enabling Service Business (Shang-Hai) Ltd.	Parent/Subsidiary	Accounts receivable	24,267	Collect payment within 90 days of monthly settlement		0.38%
0	The Company	ACER E ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Parent/Subsidiary	Accounts receivable	846	Collect payment within 90 days of monthly settlement		0.01%

(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 above transactions were eliminated in the preparation of the consolidated financial statements.

(II) Information on investees:

Unit: Thousand shares/NTD thousand

Name of Investment Company	Investee	Location	Main business and products	Initial investment amount		Balance at end of period			Investee profit or loss for the period	Investment gains and losses recognized in the current period	Note
				End of current period	End of last year	Number of shares	Shareholding ratio	Carrying value			
The Company	Datasitter Information Service Inc.	Taiwan	Wholesale of computer software packages	10,125	10,125	675	20.00%	9,751	(2,785)	(557)	
The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Vietnam	Sales of Information Software and Information Consulting Services	16,285	16,285	-	100.00%	14,352	108	108	

(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 company	Main business and products	Total paid-up capital	Investment method	Accumulated Outflow of Investment from Taiwan as of the beginning of period	Investment Flows		Accumulated Outflow of Investment from Taiwan as of the beginning of period	Investee's current profit or loss	% of Ownership of Direct or Indirect Investment	Investment gains and losses recognized in the current period (Note 1)	Carrying value of investment at the end of the period	Accumulated Inward Remittance of Earnings as of the end of period
					Outflow	Inflow						
Acer e-Enabling Service Business (Shang-Hai) Ltd.	Sales of Information Software and Information Consulting Services	43,950 (USD 1,500)	(Note 2)	43,950 (USD1,500)	-	-	43,950 (USD1,500)	10,640 (USD 363)	100.00%	10,640 (USD 363)	61,792 (USD 2,109)	-

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
INC. and subsidiaries (continued)**

(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 = 1:29.300 on June 30, 2025.
 (Note 4): As the entity is a limited liability company, no share quantity information is available.

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
43,950 (USD 1,500)	87,900 (USD 3,000)	1,246,743

Note: Based on the exchange rate USD:NTD = 1:29.300 on June 30, 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 for the six months ended June 30, 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:

For the three months ended June 30,				
2025				
	Information Software and Application Development Department	Others Business departments	Adjustments and write-offs	Total
Revenue from external customers	\$ 2,545,484	32,461	-	2,577,945
For the three months ended June 30,				
2024				
	Information Software and Application Development Department	Others Business departments	Adjustments and write-offs	Total
Revenue from external customers	\$ 2,325,347	30,381	-	2,355,728
For the six months ended June 30,				
2025				
	Information Software and Application Development Department	Others Business departments	Adjustments and write-offs	Total
Revenue from external customers	\$ 5,042,226	60,996	-	5,103,222

**Notes to the consolidated financial statements of ACER E-ENABLING SERVICE BUSINESS
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For the six months ended June 30,				
2024				
	Information Software and Application Development Department	Others Business departments	Adjustments and write- offs	Total
Revenue from external customers	\$ 4,473,342	52,631	-	4,525,973

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.