Stock Code: 6811

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Report

2024 and 2023

Company Address: 7F-6, No. 369, Fuxing N. Rd., Songshan District, Taipei City
Tel: (02)2784-1000

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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, 2024 are all 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 all 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 declare

Company name: ACER E-ENABLING SERVICE

BUSINESS INC.

Chairman: Jason Chen

Date: March 11, 2025

Independent Auditor's Report

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

Audit Opinion

Our accounting professionals have audited and finalized the consolidated balance sheets, consolidated statements of comprehensive income, consolidated changes in equity, and consolidated cash flows statement for the period of January 1 to December 31 for 2024 and 2023, and 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 consolidated financial statements referred to above are, in all material respects, presented in conformity 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 and present fairly of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries on December 31, 2024 and 2023, its consolidated financial position as of January 1 to December 31, 2024 and 2023, and its consolidated cash flows.

Basis for the audit opinion

We conducted the audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section. 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 fulfilled all other responsibilities thereunder. We believe that sufficient and appropriate audit evidence has been obtained in order to be served as a basis for presenting our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2024 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 determined by our accountants to be communicated in the audit report are as follows:

I. Revenue recognition

For the accounting policy for the revenue recognition, please refer to the consolidated financial statement Note 4 (14) Revenue from contracts with customers; for the description of the judgment involved in the revenue recognition timing, please refer to the consolidated financial statement Note 5.

Description of Key Audit Matters:

Sales revenue of ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries is recognized as sales revenue when the control of the product is transferred to the customer. According to the needs of individual customers, the products agreed and the trading conditions are different, resulting in different timing of fulfilling the performance obligation, which often requires individual evaluation to determine the appropriate timing of revenue recognition. 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 control over financial reporting; performing revenue item tests, reading the relevant sales contracts or purchase orders, and checking various documents to determine whether or not it satisfies the performance obligation and whether or not the timing of sales revenue recognition is correct; and select a sample of sales transactions in a period around the balance sheet date to assess whether or not the timing of revenue recognition is appropriate.

Other matters

We have audited the parent company only financial statements of 2024 and 2023 for ACER E-ENABLING SERVICE BUSINESS INC., for which we have issued an unqualified opinion.

Responsibilities of the management and the governing body for the consolidated financial statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, interpretations and announcements endorsed and issued into effect by the Financial Supervisory Commission. The internal control system necessary for the preparation of the report shall ensure that the consolidated financial statements are free of material misstatements caused by fraud or error.

In preparing the consolidated financial statements, the management's responsibilities also include assessing ACER and its subsidiaries' ability to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting. Suspension of business, or no other practicable solution other than liquidation or suspension of business.

Those charged with governance (including the Audit Committee) are responsible for supervising 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 as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report. Reasonable assurance is a high level of assurance. However, the audit conducted in accordance with the Standards on Auditing cannot guarantee that material misstatements in the consolidated financial statements will be detected. Misstatements can arise from fraud or error. If the individual amount or the aggregate amount of the misstatement can be reasonably expected to affect the economic decision made by the user of the consolidated financial statements, the misstatement is considered material.

We exercise professional judgment and professional skepticism during an audit in accordance with the Standard on Auditing. We also performed the following tasks:

I. We identified and evaluated the risk of any misstatements in the consolidated financial statements due to fraud or errors, designed and implemented applicable response measures for the evaluated risks, and acquired sufficient and appropriate audit evidence to base our audit opinions. 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. Obtaining 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 rationality of the accounting estimates and relevant disclosures made by the management.

IV. We drew a conclusion about the appropriateness of application of the going concern basis of accounting by the management and whether the event or circumstance which might cause major doubts about ACER E-ENABLING SERVICE BUSINESS INC. and its subsidiaries' ability of going concern had a material uncertainty. If we believe that there is a material uncertainty in such events or circumstances, we shall remind the 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 when such disclosures are inappropriate. Our conclusion was drawn based on the audit evidence acquired 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 have the ability to continue to operate.

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

VI. Obtaining 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 forming an audit opinion for the Group.

The matters for which we communicated with the governance unit include the planned audit scope and time, 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 assured that we complied with the requirements related to independence in the Norm of Professional Ethics for Certified Public Accountants and communicated all relationships and other matters (including relevant protective measures) which we deemed to be likely to cause an impact on 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 2024 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 determined not to cover such matters in the audit report, as we could reasonably expect that the negative impact of the coverage was greater than the public interest brought thereby, we specified 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 11, 2025

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries

Consolidated Balance Sheet

December 31, 2024 and 2023

Unit: NTD thousand

		2024.12. 31		2023.12.31	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6(1))	$ 965,983	16	2,756,948	49
1140	Contract assets - current (Note 6(17) and 7)	77,752	1	94,209	2
1170	Notes and accounts receivable, net (Note 6(4) and (17))	2,497,192	41	2,159,668	38
1180	Accounts receivable - Related parties (Note 6(4), (17) and 7)	29,045	1	43,302	1
1206	Other receivables - Others	99	-	748	-
1210	Other receivables - Related parties (Note 7)	14	-	-	-
1300	Inventories (Note 6(5))	450,390	7	294,749	5
1410	Prepayments and other current assets	4,966	-	4,967	-
	Total current assets	4,025,441	66	5,354,591	95
	Non-current assets:				
1517	Financial liabilities measured at fair value through profit or loss - non-current (Note 6(3))	24,725	-	20,100	1
1550	Investment under equity method (Note 6(6))	10,308	-	9,738	-
1600	Property, plant and equipment (Note 6(7) and 7)	1,774,464	29	4,381	-
1755	Right-of-use assets (Note 6(8) and 7)	2,730	-	63	-
1780	Intangible assets (Note 6(9) and 7)	2,885	-	2,533	-
1840	Deferred income tax assets (Note 6(14))	40,301	1	42,502	1
1920	Refundable deposits	188,321	3	187,427	3
1990	Other non-current assets (Note 6(10) and 9)	28,252	1	-	-
	Total non-current assets	2,071,986	34	266,744	5
	Total assets	$ 6,097,427	100	5,621,335	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, 2024 and 2023

Unit: NTD thousand

	Liabilities and equity	2024.12. 31 Amount	%	2023.12.31 Amount	%
	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)	1,769,869	29	1,776,517	32
2170	Notes and accounts payable	1,188,375	20	1,074,362	19
2180	Accounts payable - Related parties (Note 7)	93,616	2	117,372	2
2200	Other payables (Note 6(18))	354,146	6	434,759	8
2220	Other payables - Related parties (Note 7)	4,033	-	7,961	-
2230	Current income tax liabilities	65,495	1	73,788	1
2280	Lease liabilities - current (Note 6(12) and 7)	1,328	-	63	-
2399	Other current liabilities	74,358	1	32,441	1
	Total of current liabilities	3,803,323	63	3,517,263	63
	Non-current liabilities:				
2580	Lease liabilities - non-current (Note 6(12) and 7)	1,422	-	-	-
2640	Net defined benefit liabilities (Note 6(13))	129,912	2	138,734	2
2645	Guarantee deposits	3,668	-	2,846	-
	Total non-current liabilities	135,002	2	141,580	2
	Total liabilities	3,938,325	65	3,658,843	65
	Equity (Note 6(15)):				
3110	Common stock capital	414,490	7	414,490	7
3200	Capital reserve	628,098	10	628,098	12
	Retained earnings:				
3310	Legal reserve	176,618	3	126,485	2
3320	Special reserves	46,395	1	37,867	1
3350	Undistributed earnings	929,934	15	801,947	14
3400	Other equity	(36,433)	(1)	(46,395)	(1)
	Total equity	2,159,102	35	1,962,492	35
	Total liabilities and equity	**$ 6,097,427**	**100**	**5,621,335**	**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, 2024 and 2023

Unit: NTD thousand

		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenue (Notes 6(17), 7 and 14)**	8,687,665	100	7,550,746	100
5000	**Operating costs (Notes 6(5), (9), (13), (18), 7, and 12)**	(7,565,890)	(87)	(6,514,974)	(86)
	Gross operating profit	1,121,775	13	1,035,772	14
	Operating expenses (Notes 6(4), (7), (8), (9), (12), (13), (18), 7 and 12)				
6100	Sales promotion expenses	(312,245)	(4)	(285,614)	(4)
6200	Administrative expenses	(98,163)	(1)	(80,314)	(1)
6300	R&D expenses	(60,208)	(1)	(60,107)	(1)
6450	Expected credit (impairment loss) reversal gains	3,799	-	(2,883)	-
	Total operating expenses	(466,817)	(6)	(428,918)	(6)
	Net operating profit	654,958	7	606,854	8
	Non-operating income and expenses (Note 6(6), (12) and (19) and 7):				
7100	Interest income	10,016	-	24,030	-
7010	Other income	260	-	-	-
7020	Other gains and losses	6,367	-	353	-
7050	Financial cost	(7,996)	-	(70)	-
7770	Share of profit of affiliated companies under the equity method	1,677	-	843	-
	Total non-operating income and expenses	10,324	-	25,156	-
	Net income before tax	665,282	7	632,010	8
7950	**Less: Income tax expenses (Note 6(14))**	(126,318)	(1)	(130,682)	(1)
	Net income for the period	538,964	6	501,328	7
	Other comprehensive income (Note 6(15)):				
8310	**Items not reclassified into profit or loss**				
8311	Re-measurement of defined benefit plan	4,460	-	(4,706)	-
8316	Unrealized valuation profit/loss from investment in equity instruments measured at fair value through other comprehensive income	4,625	-	(4,792)	-
8349	Income tax related to items not subject to reclassification	(892)	-	941	-
	Total of items not reclassified into profit or loss	8,193	-	(8,557)	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of financial statements of foreign operations	1,769	-	29	-
8399	Income tax related to items that may be reclassified	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	1,769	-	29	-
	Other comprehensive income in the current period	9,962	-	(8,528)	-
	Total comprehensive income for the period	**548,926**	**6**	**492,800**	**7**
	Earnings per share (Unit: NTD, Note 6(16))				
9750	**Basic earnings per share**		**13.00**		**12.10**
9850	**Diluted earnings per share**		**12.90**		**12.00**

(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, 2024 and 2023

Unit: NTD thousand

	Equity attributable to owners of the parent company										
			Retained earnings:				Other equity				
	Common share capital	**Capital reserve**	**Legal reserve**	**Special reserves**	**Undistributed earnings**	**Total**	**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-measurement of defined benefit plan**	**Total**	**Total equity**
Balance as of January 1, 2023	$ 414,490	628,098	82,807	52,846	640,186	775,839	-	(6,878)	(30,989)	(37,867)	1,780,560
Net income for the period	-	-	-	-	501,328	501,328	-	-	-	-	501,328
Other comprehensive income in the current period	-	-	-	-	-	-	29	(4,792)	(3,765)	(8,528)	(8,528)
Total comprehensive income for the period	-	-	-	-	501,328	501,328	29	(4,792)	(3,765)	(8,528)	492,800
Appropriation and distribution of earnings:											
Appropriation of legal reserve	-	-	43,678	-	(43,678)	-	-	-	-	-	-
Reversal of special reserves	-	-	-	(14,979)	14,979	-	-	-	-	-	-
Common stock cash dividends	-	-	-	-	(310,868)	(310,868)	-	-	-	-	(310,868)
Balance as of December 31, 2023	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	-	-	-	-	538,964	538,964	-	-	-	-	538,964
Other comprehensive income in the current 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**

(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, 2024 and 2023

Unit: NTD thousand

	2024	2023
Cash flow from operating activities:		
Net income before tax for the period	$ 665,282	632,010
Adjustments:		
Income and expenses		
Depreciation expense	16,923	20,411
Amortization expense	5,931	5,837
Expected credit impairment (reversal gains) loss	(3,799)	2,883
Interest expense	7,996	70
Interest income	(10,016)	(24,030)
Gains from investment under equity method	(1,677)	(843)
Net loss from financial liabilities measured at fair value through profit or loss	2,103	-
Total income and expense	17,461	4,328
Changes in assets and liabilities related to operating activities:		
Net changes in assets related to operating activities:		
Contract assets	16,457	(18,293)
Notes and accounts receivable	(333,725)	(224,800)
Accounts receivable - related parties	14,257	4,312
Other receivables - Related parties	(14)	4,500
Inventory	(155,641)	144,056
Prepayments and other current assets	1	(1,999)
Total net changes in assets related to operating activities	(458,665)	(92,224)
Net changes in liabilities related to operating activities:		
Notes and accounts payable	114,013	(137,525)
Accounts payable - related parties	(23,756)	13,652
Other payables	(80,755)	15,544
Other payables - Related parties	(3,928)	(2,653)
Contract liabilities	(6,648)	158,956
Other current liabilities	41,917	12,945
Net defined benefit liability	(4,362)	(8,229)
Total net changes in liabilities related to operating activities	36,481	52,690
Total net changes in assets and liabilities related to operating activities	(422,184)	(39,534)
Total adjustment items	(404,723)	(35,206)
Cash inflow from operations	260,559	596,804
Interest received	10,665	24,574
Interest paid	(7,854)	(70)
Income tax paid	(133,302)	(123,818)
Net cash inflow from operating activities	130,068	497,490

(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 from previous page)

January 1 to December 31, 2024 and 2023

Unit: NTD thousand

	2024	2023
Cash flow from investing activities:		
Acquisition of property, plant and equipment	(1,785,683)	(4,473)
Acquisition of intangible assets	(6,283)	(4,673)
Increased refundable deposits	(894)	(3,137)
Decrease of other financial assets	-	200,000
Increased other non-current assets:	(28,252)	-
Dividends received	1,107	1,890
Net cash (outflow) inflow from financing activities	(1,820,005)	189,607
Cash flow from financing activities:		
Increased short-term borrowings	250,000	-
Lease principal repayment	(1,300)	(18,938)
Increase in guarantee deposits	822	370
Distribution of cash dividends	(352,316)	(310,868)
Net cash outflow from financing activities	(102,794)	(329,436)
Effect of exchange rate changes on cash and cash equivalents	1,766	29
Increase (decrease) in cash and cash equivalents in the current period	(1,790,965)	357,690
Cash and cash equivalents at beginning of period	2,756,948	2,399,258
Cash and cash equivalents at end of period	$ 965,983	2,756,948

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

ACER E-ENABLING SERVICE BUSINESS INC. and Subsidiaries
Notes to the Consolidated Financial Statements
2024 and 2023
(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 7F-6, No. 369, Fuxing N. Rd., Songshan District, Taipei City. The Group markets itself 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

The consolidated financial statements were approved by the Board of Directors for release on March 11, 2025.

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, 2024, and there was no significant impact on the parent company only financial statements.

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

(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, 2025 will not have a significant impact on the consolidated financial statements.

·Amendment to IAS 21 "Lack of Exchangeability"

(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 the 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 for proviving 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, specifies that all incomes and expenses are classified into three new categories based on the Company's main business activities. · Management Performance Measurement (MPM): 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 the MPM and the amount recognized by the IFRS accounting standards. · More disaggregated information: the new standard includes the guides to enhance the information grouping in the financial statement. This includes whether information shall be included in the main financial statements or further disaggregated in the notes.	January 1, 2027

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 does not expect that other new and revised standards that have not yet been endorsed will have a material 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 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"

·IFRS 19 "Subsidiaries without Public Accountability: Disclosures”

·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”

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 “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 right, 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 on 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 with those 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 owners.

2. Subsidiaries included in the consolidated financial statements

Name of Investment Company	Name of subsidiary	Nature of business	Percentage of equity held 2024.12. 31	2023.12.31	Description
The Company	Acer e-Enabling Service Business (Shang-Hai) Ltd (EBSH)	Sales of Information Software and Information Consulting Services	100.00 %	100.00 %	
The Company	ACER E-ENABLING SERVICE BUSINESS VIET NAM COMPANY LIMITED(EBVN)	Sales of Information Software and Information Consulting Services	100.00 %	-	(Note)

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

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 have been rounded to the nearest thousand.

(IV) Foreign currencies

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 on 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 item 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, 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. Assets that are expected to be realized, or intended to be sold or consumed, over the normal operating cycle;
2. Assets that are held mainly for the purpose of trading;
3. Assets that are expected to be realized within 12 months after the end of the reporting period; or
4. Cash or cash equivalents (defined as IAS 7), except those that will be swapped or used to repay liabilities at least 12 months from the reporting period, and those with restricted uses.

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. Expected to be settled in the normal operating cycle;
2. Mainly held for the purpose of trading;
3. Repayment due 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 equivalent is short-term investment 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 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 flow.

·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 revenue, foreign currency exchange gains and losses, and impairment losses are recognized in profit 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 them.

·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 investment not held for trading in other comprehensive income. The aforementioned selections are 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 loss calculated under the effective interest method, and dividend income (recovery of cost) recognized in profit or loss, and changes in the remaining carrying amount are recognized as other comprehensive income, and accumulated in equity under the unrealized gain or loss of financial assets measured at fair value through other comprehensive income. At the time of de-recognition, a debt instrument investor reclassifies the accumulated gain or loss under equity to gain or loss; an equity instrument investor reclassifies the accumulated gain or loss under equity to retained earnings and 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-dividends 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 gains and losses are measured at fair value through gains and losses, including derivative financial assets. At the time of initial recognition, the Group may irreversibly 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 gain or loss when incurred; subsequently, measured at fair value, the gain or loss (including related dividend income and interest income) generated by re-measurement is recognized as gain 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 contractual assets loss.

The loss allowance for accounts receivable and contractual assets is measured at the expected credit losses throughout the duration. Other financial assets are measured at the lifetime expected credit losses, except for the following financial assets, which are measured at the expected credit losses of 12 months after the reporting date:

The credit risk of bank deposits (i.e. the risk of default during the expected duration of a financial instrument) has not increased significantly since the initial recognition.

The expected credit loss during the duration refers to the expected credit loss generated by all possible defaults during the expected duration 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 duration of the financial instrument is less than 12 months).

The longest period of measurement of expected credit losses 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 provable information (which can be obtained without excessive cost or investment), including qualitative and quantitative information and based on the Group's historical experience, credit assessment and analysis of forward-looking information.

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

The loss allowance of financial assets measured at amortized cost is deducted from the book value of the assets. The amount of accrual or reversal of allowance for loss is recognized in profit or loss.

When the Group cannot reasonably expect the recovery of financial assets in whole or in part, it will reduce the total book value of its financial assets directly. The Group analyzes the timing and amount of write-off based on whether the recovery is reasonably expected. The Group expects that the written-off amount will not reverse 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 experience of the Group, 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 de-recognized.

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 instrument 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 acquisition price net of the direct issue cost.

(3) Financial liabilities

The Group's financial liabilities are classified as financial liabilities measured at amortized cost on initial recognition, and subsequently measured at amortized cost using the effective interest method. Interest expense and exchange gains and losses are recognized in profit or loss. Any profit or loss is recognized in profit or loss at the time of derecognition.

(4) Derecognition of financial liabilities

The Group de-recognizes 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 flow of the liability after the amendment, the original financial liability is derecognized, and a new financial liability at the fair value based on the amended terms is recognized. When derecognizing financial liabilities, the difference between the book value 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 Group 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.

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 cost. The book value of an investment in an affiliate includes the goodwill identified at the time of the initial investment, less any accumulated impairment loss.

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 affiliated enterprise in proportion to its equity. When there is a change in equity other than profit and loss and other comprehensive income in an affiliated enterprise 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 affiliates are eliminated in accordance with the Group's equity in the invested company. Unrealized loss is eliminated in the same manner as unrealized gain, but only to the extent that there is no evidence of impairment.

The financial statements of affiliated companies 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 affiliate to be recognized on a pro rata basis equals or exceeds its equity in the affiliate, the Company stops recognizing its losses. The Group only recognizes its losses when a legal obligation, constructive obligation, or payment on behalf of the investee is made. additional loss and related liabilities are recognized.

When the affiliated enterprise issues new shares, if the Group fails to subscribe in proportion to their 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 to adjust 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 affiliated enterprise, the amount related to the affiliated enterprise previously recognized in other comprehensive income is reclassified proportionally to the decrease, and its accounting treatment The basis is the same as that which the affiliated enterprise must observe if it directly disposes 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.

Where the useful lives of the material components of any property, plant, or equipment, it is 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 expenses is 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 at the cost of the asset less residual value and recognized in profit or loss using the straight-line method over the estimated useful life of each component. The useful life estimated for the current and comparative periods: houses and buildings: 15-50 years; transportation equipment: 6 years; office equipment: 1-4 years, other equipment: 1-5 years.

The depreciation method, useful life and residual value are reviewed at each reporting date, and the effect of any estimate change will be deferred.

(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 identified assets 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 added up the initial direct cost and the estimated cost of dismantling, removing the underlying asset and restoring the location or underlying 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 or not the right-of-use assets are impaired and settles 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 easy to determine, 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 the index or rate used to determine lease payments result in changes in future lease payments;
2. There is a change in the residual guarantee amount expected to be paid;
3. There is a change in the evaluation of the underlying asset purchase option;
4. There is a change in the estimate of whether to extend or terminate the option, and the evaluation on the lease period is changed;
5. There are any lease modifications in lease subject, 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 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 recognize 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 system acquired by the Group is measured at cost less accumulated amortization and accumulated impairment. The amortization amount is accrued using the straight-line method over its useful life (1 to 3 years), and the amortization amount is recognized in profit or loss.

The Group reviews the residual value, useful years and amortization method of intangible assets on 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 asset group is recognized as the smallest identifiable asset group. The goodwill acquired in a business merger is amortized to each cash-generating unit or cash-generating unit group that is expected to benefit from the synergy of the merger.

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 book value, it is recognized as impairment loss. The impairment loss is immediately recognized in profit or loss, and the book value of the amortized goodwill of the cash-generating unit is reduced first, and then the book value of each asset is reduced in proportion to the book value 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 book value (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. The Group's income is explained as follows:

1. Sale of products

The Group recognizes the 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 has been transferred to the customer and there is no outstanding obligation that will affect the customer's acceptance of the product. The Group recognizes revenues and accounts receivable at that time. The advance payment according to the sales contract is 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 by the management.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the accumulated revenue recognized by the 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 all customers to transfer goods or services to the customers and the time interval between the time when the customer pays for the goods or services is no more than one year. Therefore, the Group does not adjust the time value of money of the transaction price.

(XV) Employee benefits

1. Definite contribution plan

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

2. Defined benefit plan

The net obligation under the defined benefit pension plan is the discount 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 for each benefit plan. The discount rate is based on the market yield rate of government bonds with the maturity date close to the net obligation maturity 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 re-measurement of net defined benefit liabilities (assets) includes (1) actuarial gains and losses; (2) the return on plan assets, but does not include the amount of net interest included in net defined benefit liabilities (assets); and (3) the impact of asset ceilings , but does not include the amount of net interest on net defined benefit liabilities (assets). The re-measurement of net defined benefit liabilities (assets) is recognized in other comprehensive income and transferred to other equity in the current period.

When curtailment or settlement occurs, the Group should recognize 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 any 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 combination and recognized directly in equity or other comprehensive income, current income tax and deferred income tax shall be recognized in profit or loss.

The Group determines that the supplementary tax payable under the global minimum tax - Pillar 2 falls within the scope of IAS 12 "Income Tax" and the temporary mandatory exemption of the accounting treatment of deferred income tax related to the supplementary tax has been applied. The actually incurred supplementary tax is recognized as current income tax.

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 the 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 substantially enacted on the reporting date.

Deferred income tax is measured and recognized on the temporary difference 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 initially recognized in a transaction that is not a business merger, and at the time of the transaction (i) does not affect accounting profits and taxable income (loss) and (ii) does not generate equivalent taxable and deductible Temporary difference
2. For the temporary differences arising from investments in subsidiaries, affiliates and joint ventures, for which the Group can control the time point of the temporary difference reversal and is very likely not to be reversed 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 shall reevaluate it on each reporting date, and adjust the relevant income tax benefits to the extent that it is not very likely to be realized; or to reverse the amount of reduction in the range that it is very likely that there will be sufficient taxable income.

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 substantive 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. 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 levied by the same taxation authority:
   (1) the same taxable entity; or
   (2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(XVII) Earnings per share

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

(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 Company). The operating results of each operating department are regularly reviewed by the Company's chief operating decision-maker, in order to make decisions on the allocation of resources to the department 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 types of accounting policies adopted and amounts of asset, liability, income, and expense reported. Actual results may differ from these estimates.

The management examines its estimates and basic assumptions on an ongoing basis, whether they are consistent to the Group's risk management and climate-related commitments. Impacts from changes in accounting estimate are recognized in the year when the changes take place and in future years 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 are 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 4(14).

Information about assumptions and estimation uncertainties that there is no significant risk that would cause a significant adjustment to the book value of assets and liabilities within the next financial year.

VI. Description of significant accounting items

(I) Cash and cash equivalent

	2024.12. 31	2023.12.31
Demand deposits and checking deposits	$ 854,150	1,856,948
Time deposits with original maturity date of less than three months	111,833	900,000
	$ 965,983	**2,756,948**

Financial liabilities measured at fair value through profit or loss

		2024.12. 31	2023.12.31
Financial liabilities measured at fair value through profit or loss			
Non-hedging derivative instrument			
Foreign exchange forward contracts	$	2,103	-

Please refer to Note 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

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

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

		2024.12. 31	2023.12.31
Equity instruments measured at fair value through other comprehensive income:			
Listed (OTC) company stocks	$	23,543	19,081
Unlisted (OTC) company stock		1,182	1,019
	$	24,725	20,100

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

		2024.12. 31	2023.12.31
Notes receivable	$	21,535	9,916
Accounts receivable		2,482,419	2,160,313
Less: Loss allowance		(6,762)	(10,561)
		2,497,192	2,159,668
Accounts receivable - related parties		29,045	43,302
	$	2,526,237	2,202,970

In addition to estimating 100% credit loss for individual accounts receivable with possible default, the Group estimates the expected credit loss of all notes and accounts receivable in a simplified manner, that is, using the expected credit loss throughout the duration. Forward-looking information has been included. The expected credit loss of the Group's notes and accounts receivable is analyzed as follows:

	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
Individual assessor	-	100.00 %	-
	$ 2,503,954		6,762

	2023.12.31		
	Book value of notes and accounts receivable	**Weighted average ECL**	**ECL during the duration of loss allowance**
Current	$ 1,952,833	0.06 %	1,094
Past due 1 to 30 days	107,011	0.46 %	497
Past due 31 to 60 days	75,283	2.18 %	1,642
Past due 61 to 90 days	10,085	5.05 %	509
Past due 91 to 180 days	20,073	15.26 %	3,063
Past due for more than 181 days	4,944	75.97 %	3,756
	2,170,229		10,561
Individual assessor	-	100.00 %	-
	$ 2,170,229		10,561

The Group's trade receivables from related parties in the December 31, 2024 and 2023 had no expected credit loss and is analyzed as follows:

	2024.12. 31	**2023.12.31**
Current	$ 28,607	27,317
Past due 1 to 30 days	438	15,960
Past due 31 to 60 days	-	25
	$ 29,045	43,302

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

	2024	2023
Opening balance	$ 10,561	7,678
Recognized impairment loss (reversal gain)	(3,799)	2,883
Closing balance	$ 6,762	10,561

(V) Inventories

	2024.12. 31	2023.12.31
Merchandise inventory	$ 450,390	294,749

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

	2024	2023
Cost of sold inventories	$ 7,214,685	6,252,111
Gain on reversal of decline in value of inventories	(4,764)	(1,613)
	$ 7,209,921	6,250,498

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

	2024.12. 31	2023.12.31
Book value of equity in affiliated companies at the ending	$ 10,308	9,738

	2024	2023
Share attributable to the Company:		
Current profit or loss	$ 1,677	843
Other comprehensive income	-	-
Total comprehensive income/loss	$ 1,677	843

(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, 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
Balance on January 1, 2023	$ -	-	1,694	8,595	4,983	15,272
Additions	-	-	-	4,473	-	4,473
Disposals	-	-	(1,036)	(795)	-	(1,831)
Balance as of December 31, 2023	$ -	-	658	12,273	4,983	17,914

	Land	Houses and buildings	Transportation equipment	Office equipment	Other equipment	Total
Accumulated depreciation:						
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 exchange rate changes	-	-	-	1	-	1
Balance as of December 31, 2024	$ -	12,693	658	10,372	5,261	28,984
Balance on January 1, 2023	$ -	-	1,547	8,305	3,883	13,735
Current depreciation	-	-	110	761	758	1,629
Disposals	-	-	(1,036)	(795)	-	(1,831)
Balance as of December 31, 2023	$ -	-	621	8,271	4,641	13,533
Carrying amounts:						
December 31, 2024	$ 1,031,866	735,270	-	4,919	2,409	1,774,464
December 31, 2023	$ -	-	37	4,002	342	4,381

In response to the operating needs, the Group acquired land at NT$1,031,866 thousand and houses and buildings at NT$747,963 thousand on March 21, 2024 as office buildings for self-use. As of December 31, 2024 and 2023, the relevant payments are fully made.

(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, 2024	$ 47,991
Additions	3,987
Decrease	(47,991)
Balance as of December 31, 2024	$ 3,987
Balance as of January 1, 2023 (i.e. balance at December 31, 2023)	$ 47,991
Accumulated depreciation of right-of-use assets:	
Balance as of January 1, 2024	$ 47,928
Depreciation	1,320
Decrease	(47,991)
Balance as of December 31, 2024	$ 1,257
Balance on January 1, 2023	$ 29,146
Depreciation	18,782
Balance as of December 31, 2023	$ 47,928
Carrying amounts:	
December 31, 2024	$ 2,730
December 31, 2023	$ 63

(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, 2024	$	24,313
Additions		6,283
Written off		(288)
Balance as of December 31, 2024	$	30,308
Balance on January 1, 2023	$	22,243
Additions		4,673
Written off		(2,603)
Balance as of December 31, 2023	$	24,313
Accumulated amortization:		
Balance as of January 1, 2024	$	21,780
Amortization		5,931
Written off		(288)
Balance as of December 31, 2024	$	27,423
Balance on January 1, 2023	$	18,546
Amortization		5,837
Written off		(2,603)
Balance as of December 31, 2023	$	21,780
Carrying amounts:		
December 31, 2024	$	2,885
December 31, 2023	$	2,533

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

		2024	2023
Operating cost	$	-	33
Operating expenses		5,931	5,804
	$	5,931	5,837

(X) Other non-current assets:

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

		2024.12. 31	2023.12.31
Prepayment for interior decoration equipment	$	17,880	-
Prepayment for buildings and land		10,372	-
	$	28,252	-

(XI) Short-term borrowings

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

	2024.12. 31	2023.12.31
Unsecured bank borrowings	$ 250,000	-
Unused facilities	$ 1,250,000	1,000,000
Interest rate interval	1.92 %	

(XII) Lease liabilities

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

	2024.12. 31	2023.12.31
Current	$ 1,328	63
Non-current	$ 1,422	-

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

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

	2024	2023
Interest on lease liabilities	$ 49	70
Expenses relating to leases of low-value assets	$ 458	896
Expenses relating to short-term leases	$ 8,322	3,468

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

	2024	2023
Total cash outflow for leases	$ 10,129	23,372

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

	2024.12. 31	2023.12.31
Present value of defined benefit obligation	$ 129,967	138,768
Fair value of plan assets	(55)	(34)
Net defined benefit liability	$ 129,912	138,734

The retirement payment of each employee under the Labor Standards Act is calculated based on the basis 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

		2024	2023
Defined benefit obligation as of January 1	$	138,768	142,275
Current service cost		544	627
Interest cost		2,416	2,463
re-measurement of net defined benefit liabilities			
- Actuarial gains and losses due to changes in financial assumptions		(4,835)	1,833
- Actuarial gains and losses due to experience adjustments		377	2,874
Benefits paid by the Company		(7,303)	(11,304)
Defined benefit obligation as of December 31	**$**	**129,967**	**138,768**

(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:

		2024	2023
Fair value of the plan assets on January 1	$	34	18
Remeasurement of net defined benefit liabilities			
- return on plan assets (excluding interest for the current period)		2	1
Employer's contribution		19	15
Fair value of the plan assets on December 31	**$**	**55**	**34**

(3) Expenses recognized as loss (gain)

		2024	2023
Current service cost	$	544	627
Net interest of net defined benefit liability		2,416	2,463
	$	**2,960**	**3,090**

(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:

	2024.12. 31	2023.12.31
Discount rate	1.625 %	1.750 %
Future salary growth	4.000 %	4.000 %

The Group expects to pay NT$22 thousand to the defined benefit plan within one year after December 31, 2024. The weighted average duration of the defined benefit plan is 11.23 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, 2024		
Discount rate	(3,103)	3,192
Future salary	3,062	(2,994)
December 31, 2023		
Discount rate	(3,640)	3,752
Future salary	3,595	(3,505)

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 A 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 expense under the 2024 and 2023 defined contribution plan amounted to NT$16,477 thousand and NT$15,435 thousand, respectively.

(XIV) Income tax

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

		2024	2023
Occurred in the current period	$	130,638	132,442
Adjustment of the current income tax of the previous period		(5,629)	(1,173)
		125,009	131,269
Deferred income tax expenses (gains)			
Occurrence and reversal of temporary difference		1,309	(587)
Current income tax expense	**$**	**126,318**	**130,682**

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

		2024	2023
Re-measurement of defined benefit plan	**$**	**(892)**	**941**

The Group had no income tax expense recognized in equity in 2024 and 2023.

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

	2024	2023
Net income before tax	$ 665,282	632,010
Income tax calculated based on the local tax rate of the Company	$ 133,056	126,402
Effects of difference in tax rates in foreign jurisdictions	535	-
Imposition of 5% tax on undistributed earnings	-	4,860
Previous period income tax adjustment	(5,629)	(1,173)
Others	(1,644)	593
	$ 126,318	130,682

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, 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
January 1, 2023	$ 1,749	28,808	3,781	6,636	40,974
Recognized in (losses) profit	(328)	(749)	94	1,570	587
Recognized in other comprehensive income (loss)	-	941	-	-	941
December 31, 2023	$ 1,421	29,000	3,875	8,206	42,502

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 2022.

(XV) Capital and other equity

1. Common stock capital

The Company's authorized capital amounted to NT$600,000 thousand at NTD10 par value per share on December 31, 2024 and 2023. 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):

	2024	2023
Beginning balance (i.e. end balance)	41,449	41,449

2. Capital reserve

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

	2024.12. 31	2023.12.31
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 make up for losses before issuing new shares or cash based on realized capital reserve based on the original shareholding ratio. The realized capital reserve mentioned in the preceding paragraph includes the premium of shares issued in excess of the par value and the income from gifts received. According to the Regulations Governing the Offering and Issuance of Securities by Issuers, the total amount of capital reserve for capitalization each year shall not exceed 10% of the 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 Company's shareholders' meetings held on June 5, 2024 and June 9, 2023 respectively resolved the amount of dividends to be distributed from the earnings for 2023 and 2022 as follows:

	2023		**2022**	
	Dividends per share (NTD)	**Amount**	**Dividends per share (NTD)**	**Amount**
Dividends distributed to common stock shareholders:				
Cash	$ 8.50	352,316	7.50	310,868

On March 11, 2025, the Company's board of directors proposed a profit distribution plan for 2024. The plan includes provision of NT$53,896 thousand for the legal reserve and reversal of NT$9,962 thousand from the special reserve. Additionally, a cash dividend of NT$9.5 per share is proposed, totaling NT$393,766 thousand.

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, 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)
Balance on January 1, 2023	$	(6,878)	-	(30,989)	(37,867)
Changes in fair value of financial assets measured at fair value through other comprehensive income		(4,792)	-	-	(4,792)
Exchange differences on translation of foreign operations		-	29	-	29
Re-measurement of defined benefit plan		-	-	(3,765)	(3,765)
Balance as of December 31, 2023	$	(11,670)	29	(34,754)	(46,395)

(XVI) Earnings per share

1. Basic earnings per share

		2024	2023
Net profit attributable to the Company's common stock shareholders	$	538,964	501,328
Weighted average number of outstanding common stock (shares in thousands)		41,449	41,449
Basic earnings per share (NTD)	$	13.00	12.10

2. Diluted earnings per share

		2024	2023
Net profit attributable to the Company's common stock equity holders	$	538,964	501,328
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		336	332
Weighted average number of common shares outstanding (diluted) (thousand shares)		41,785	41,781
Diluted earnings per share (NTD)	$	12.90	12.00

(XVII) Revenue from customer contracts

1. Breakdown of revenue

		2024	2023
Main product/service lines:			
Cloud services and a large number of software services	$	5,923,273	4,706,299
Application development and other software services		1,595,793	1,790,042
Value-added products		1,168,599	1,054,405
	$	**8,687,665**	**7,550,746**

2. Contract balance

		2024.12. 31	2023.12.31	2023.1.1
Notes and accounts receivable (including related party)	$	2,532,999	2,213,531	1,993,043
Less: Loss allowance		(6,762)	(10,561)	(7,678)
	$	**2,526,237**	**2,202,970**	**1,985,365**
Contract assets	**$**	**77,752**	**94,209**	**75,916**
Contract liabilities	**$**	**1,769,869**	**1,776,517**	**1,617,561**

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 Company's 2024 and 2023 employees' remuneration is NT$81,000 thousand and NT$78,000 thousand, respectively; the estimated amount of directors' remuneration is NT$880 thousand and NT$800 thousand, respectively, and is based on the pre-tax The estimate is based on the amount before deducting 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 is 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.

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 incomes and expenditures

1. Interest revenue

		2024	2023
Interest on bank deposits	$	10,013	24,029
Other interest income		3	1
	$	10,016	24,030

2. Other income

		2024	2023
Rent income	$	260	-

3. Other gains and losses

		2024	2023
Net foreign exchange gains (losses)	$	8,216	(806)
Net loss from financial liabilities measured at fair value through profit or loss		(2,103)	-
Government grant income		163	647
Others		91	512
	$	6,367	353

4. Financial costs

		2024	2023
Interest on lease liabilities	$	49	70
Interest on bank borrowings		7,947	-
	$	7,996	70

(XX) Fair value of financial instruments

1. Types of financial instruments

(1) Financial assets

		2024.12. 31	2023.12.31
Financial liabilities measured at fair value through profit or loss	$	24,725	20,100
Financial assets measured at amortized cost:			
Cash and cash equivalents		965,983	2,756,948
Notes and accounts receivable (including related party)		2,526,237	2,202,970
Other receivables (including related parties)		113	748
Refundable deposits		188,321	187,427
	$	3,705,379	5,168,193

(2) Financial liabilities

	2024.12. 31	2023.12.31
Financial liabilities measured at fair value through profit or loss	$ 2,103	-
Financial liabilities measured at amortized cost:		
Short-term borrowings	250,000	-
Notes and accounts payable (including related parties)	1,281,991	1,191,734
Other payables (including related parties)	358,179	442,720
Lease liabilities (including current and non-current)	2,750	63
Guarantee deposits	3,668	2,846
	$ 1,898,691	1,637,363

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).

	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

	2023.12.31			
	Fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial liabilities measured at fair value through profit or loss:				
Stocks of domestic (OTC) companies	$ 19,081	-	-	19,081
Unlisted (OTC) company stock	-	-	1,019	1,019
	$ 19,081	**-**	**1,019**	**20,100**

From January 1 to December 31, 2024 and 2023, there was no transfer among the levels of fair value

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

	Financial liabilities measured at fair value through profit or loss	
	2024	**2023**
Opening balance	$ 1,019	983
Total loss of profit:		
Recognized in other comprehensive income	163	36
Closing balance	**$ 1,182**	**1,019**

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, 2024 and 2023 are as follows:

	2024	**2023**
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")	**$ 163**	**36**

(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, 2024 and 2023, 34% and 29% 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 Group determines the low credit risk, please refer to Note 4(7) of the consolidated financial statements). The other receivables and refundable deposits as of December 31, 2024 and 2023 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, 2024 and 2023, the balance of unused financing facilities were NT$1,250,000 and NT$1,000,000 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, 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**	**-**	**-**
December 31, 2023				
Non-derivative financial liabilities:				
Accounts payable (including related parties)	$ 1,191,734	1,191,734	-	-
Other payables (including related parties)	442,720	442,720	-	-
Lease liabilities (including current and non-current)	63	63	-	-
Guarantee deposits	2,846	2,070	154	622
	$ 1,637,363	**1,636,587**	**154**	**622**

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:

	2024.12. 31			2023.12.31		
	Foreign currency	**Exchange rate**	**NTD**	**Foreign currency**	**Exchange rate**	**NTD**
Financial assets						
Monetary items						
USD	$ 7,435	32.781	243,727	4,934	30.735	151,646
Financial liabilities						
Monetary items						
USD	1,332	32.781	43,664	206	30.735	6,331

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 2024 and 2023, 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 NT$2,001 thousand and NT$1,453 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.

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 is based on the assumption 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 years ended December 31, 2024 would have decreased/increased by NT$2,500 thousand, respectively.

(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$1,236 thousand and NT$1,005 thousand in 2024 and 2023, respectively.

(XXII) Capital management

Based on the characteristics of the existing industry and future development, the Group shall plan its working capital, capital expenditure, and dividend payment needs in the future in consideration of changes in the external environment, so as to ensure the continued operation of the Company, return to shareholders, and at the same time, it also takes into account the interests of other stakeholders and maintains an optimal capital structure to enhance shareholders' value in the long run.

(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 in 2024 and 2023.
2. The adjustment of liabilities from financing activities is as follows:

			Non-cash changes	
	2024.1. 1	Cash flow	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

			Non-cash changes	
	2023.1.1	Cash flow	Increase/ decrease in lease liabilities	2023.12.31
liabilities	$ 19,001	(18,938)	-	63
Guarantee deposits	2,476	370	-	2,846
Total liabilities from financing activities	$ 21,477	(18,568)	-	2,909

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 December 31, 2024 and 2023. 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 (ACER)	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

Name of related party	Relationship with the Company
Acer (Chongqing) Ltd. (ACCQ)	Other related party (a subsidiary of ACER)
Acerpure Inc. (API)	Other related party (a subsidiary of ACER)
Acer Medical Inc. (AMED)	Other related party (a subsidiary of ACER)
Acer Gadget Inc. (AGT)	Other related party (a subsidiary of ACER)
Aopen Inc. (AOI)	Other related party (a subsidiary of ACER)
Acer AI Cloud Inc. (AIC)	Other related party (a subsidiary of ACER)
Acer Cyber Security Inc. (ACSI)	Other related party (a subsidiary of ACER)
ACSI Cyber Security Academy	Other related party (a subsidiary of ACER)
Weblink International Inc. (WLII)	Other related party (a subsidiary of ACER)
Acer Being Communication Inc. (ABC)	Other related party (a subsidiary of ACER)
Acer ITS Inc. (ITS)	Other related party (a subsidiary of ACER)
Acer Synergy Tech Corp. (AST)	Other related party (a subsidiary of ACER)
Acer e-Enabling Data Center Inc.(EDC)	Other related party (a subsidiary of ACER)
ACER Third Wave Software (Beijing) Co. Ltd	Other related party (a subsidiary of ACER)
Highpoint Service Network Corporation (HSNC)	Other related party (a subsidiary of ACER)
Aspire Service & Development Inc. (ASDI)	Other related party (a subsidiary of ACER)
Acer Gaming Inc. (AGM)	Other related party (a subsidiary of ACER)
Acer Synergy Manpower Corp. (ASM)	Other related party (a subsidiary of ACER)
Acer Healthcare Inc. (AHC)	Other related party (a subsidiary of ACER)
Bluechip Infotech Incorporated	Other related party (a subsidiary of ACER)
Shine Passion Engineering Co., Ltd (SPE)	Other related party (a subsidiary of ACER)
Angel Filtration Products Corp.	Other related party (related to Acer)
ECOM Software Inc.	Other related party (related to Acer)
Ambi Arts Inc.	Other related party (the chairman of the parent company and the director of the Company are first degree relatives)

(III) Significant transactions with related parties:

1. Operating revenue

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

	2024	2023
The ultimate controller	164,536	143,197
Associates	1,449	483
Other related party	34,941	68,070
	200,926	**211,750**

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:

	2024	2023
The ultimate controller	4,255	7,195
Associates	88,437	60,367
Other related party	337,052	348,674
	429,744	**416,236**

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	2024	2023
Operating cost	The ultimate controller	148	87
Operating cost	Other related party	8,772	9,736
Operating expenses	The ultimate controller	5,429	13,488
Operating expenses	Other related party	1,900	1,411
		16,249	**24,722**

4. Leases

The Group leased offices from ACER at a rent based on the rent prices in the neighborhood. The total amount of right-of-use assets and lease liabilities added in 2022 was NT$28,294 thousand. Interest expenses of NT$60 thousand in 2023. As of December 31, 2023, the balance of lease liabilities were NT$0 thousand.

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 2024 and 2023 was NT$8,496 thousand and NT$3,719 thousand, respectively. As of December 31, 2024 and 2023, the relevant payments are fully made. As of December 31, 2023, the relevant payables are listed under other payables.

5. Receivables from related parties

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

Items accounted for	Category of related party	2024.12. 31	2023.12.31
Accounts receivable - Related parties	The ultimate controller	$ 22,283	33,355
Accounts receivable - Related parties	Associates	-	58
Accounts receivable - Related parties	Other related party	6,762	9,889
Other receivables - Related parties	Other related party	14	-
Contract assets	Other related party	870	799
		$ 29,929	44,101

6. Payables to related parties

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

Items accounted for	Category of related party	2024.12. 31	2023.12.31
Accounts payable - related parties	The ultimate controller	$ 1,468	3,436
Accounts payable - related parties	Associates	29,128	21,847
Accounts payable - related parties	Other related party	63,020	92,089
Other payables - related parties	The ultimate controller	3,796	7,959
Other payables - related parties	Other related party	237	2
		$ 97,649	125,333

7. 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	2024.12. 31	2023.12.31
Contract liabilities	The ultimate controller	$ 21,919	21,257
Contract liabilities	Other related party	6,288	13,356
		$ 28,207	34,613

8. Property transactions

The Group purchased other equipment from other related parties in 2023 for NT$249 thousand. As of December 31, 2024, the relevant payables were fully paid. The Group purchased fixed assets from other related parties in 2023 for NT$732 thousand. As of December 31, 2023, the relevant payables were fully paid.

(IV) Remuneration to key management personnel

	2024	2023
Short-term employee benefits	28,171	28,365
Post-employment benefits	525	432
	28,696	28,797

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, 2024, NT$10,372 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 / By nature	2024			2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salaries	153,184	315,349	468,533	141,861	282,080	423,941
Insurance	10,445	20,899	31,344	9,983	20,468	30,451
Pension	6,517	12,920	19,437	6,151	12,374	18,525
Remuneration to directors	-	2,535	2,535	-	2,083	2,083
Others	6,482	17,711	24,193	6,114	15,740	21,854
Depreciation expense	-	16,923	16,923	-	20,411	20,411
Amortization expense	-	5,931	5,931	33	5,804	5,837

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 2024 are as follows:

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

Types and names of securities	companies held	Relationship with the securities issuer	Account	End of period				Maximum shareholding during the period		Note
				Number of shares	Carrying amount	Shareholding ratio	Fair value/net value	Number of shares	Shareholding ratio	
The Company	Preferred Shares B of Shin Kong Financial Holding Co., Ltd.	-	Financial liabilities measured at fair value through profit or loss - non-current	666	23,543	0.30 %	23,543	666	0.30 %	-
The Company	Ambi Arts Inc. Stocks	Other related party	Financial liabilities measured at fair value through profit or loss - non-current	180	1,182	18.00 %	1,182	180	18.00 %	-

4. Marketable securities for which the accumulated purchase or sale amounts for the period exceed NTD300 million or 20% of the paid-in capital: None.

5. Acquisition of real estate at costs which exceeds NTD300 million or 20% of the paid-in capital: None.

Unit: NTD thousand

Name of the company	Property acquired	Transaction date or date of occurrence	Transaction amount	Proceed payment status	Counterparty of the transaction	Relationship	If the counterparty is a related party, the previous transfer information shall be disclosed.				The reference for price determination	Purpose of acquisition and status of use	Other agreement
							Owner	Relationship with the issuer	Date of transfer	Amount			
ACER E-ENABLING SERVICE BUSINESS INC.	Land and buildings in Nangang District, Taipei City	2023.12.21	1,768,906	Paid in full amount	Liberty Stationery Corp.	Non-related parties	-	-	-	-	The appraisal report was referred to and the determination was made after the bilateral negotiation	As the office building for in-house use	None

6. Disposal of real estate at prices which exceeds NTD300 million or 20% of the paid-in capital: None
7. Total purchases from and sales to related parties which exceed NTD100 million or 20% of the paid-in capital:

Unit: NTD thousand

Company Name	Name of related Party	Affiliation	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	Ending Balance	% of total notes and accounts receivable (payable)	
The Company	ACER	Parent/Subsidiary	Sales	(164,536)	(1.92)%	EM30	(Note 1)	(Note 3)	22,283	0.88 %	-
The Company	WLII	Other related party	Purchases	301,774	4.13 %	EM 60	(Note 2)	(Note 3)	(53,363)	(4.19)%	-

(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.

8. Receivables from related parties reaching NTD100 million or more than 20% of the paid-in capital: None.
9. Engagement in derivative trading: please refer to Note 6(2).
10. 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	62,753	OA90	0.72 %
0	The Company	Acer Information Technology Co., Ltd.	Parent/ Subsidiary	Accounts receivable	38,642	OA90	0.63 %

(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 investees:

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	10,125	10,125	675	20.00 %	10,308	675	20.00 %	8,380	1,677	
The Company	ACER E-ENABLING SERVICE BUSINESS VIETNAM COMPANY LIMITED	Vietnam	Sales of Information Software and Information Consulting Services	16,285	-	-	100.00 %	16,361	-	100.00 %	195	195	

(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	Paid-in 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 e-Enabling Service Business (Shang-Hai) Ltd	Sales of Information Software and Information Consulting Services	49,172 (USD 1,500)	(Note 2)	49,172 (USD1,500)	-	-	49,172 (USD1,500)	9,415 (USD 287)	100.00 %	(Note 4)	100.00 %	9,415 (USD 287)	56,914 (USD 1,736)	-

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 = 1:32.781 on December 31, 2024.

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

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
49,172 (USD 1,500)	98,343 (USD 3,000)	1,295,461

Note 3: Based on the exchange rate USD:NTD = 1:32.781 on December 31, 2024.

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 2024, directly or indirectly.

(IV) Major shareholders:

Share Name of major shareholder	Number of shares held	Shareholding ratio
Acer Beingware Holding Inc.	26,304,000	63.46 %

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:

	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

	2023			
	Information Software and Application Development Department	Other business departments	Adjustments and write-offs	Total
Revenue from external customers	$ 7,449,640	101,106	-	7,550,746

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	2024	2023
Cloud services and a large number of software services	$ 5,923,273	4,706,299
Application development and other software services	1,595,793	1,790,042
Value-added products	1,168,599	1,054,405
	$ 8,687,665	7,550,746

(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	2024	2023
Taiwan	$ 8,163,365	7,192,148
China	429,800	306,078
Thailand	30,802	12,440
USA	15,615	12,169
France	21,292	5,662
Other countries	26,791	22,249
	$ 8,687,665	7,550,746

Non-current assets:

By region	2024.12. 31	2023.12.31
Taiwan	$ 1,808,252	6,891
China	79	86
	$ 1,808,331	6,977

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.