

**MINUTES OF 2023 ANNUAL SHAREHOLDERS' MEETING OF
ACER INCORPORATED**

(Translation)

The translation is intended for reference only and nothing else. The Chinese text of the Minutes of 2023 Annual Shareholders' Meeting shall govern any and all matters related to the interpretation of the subject matter stated herein.

Time: 9:00 a.m., Tuesday, June 6, 2023

Venue: Aspire Resort

(No. 428, Kewang Rd., Longtan District, Taoyuan City)

Convening method: face-to-face meeting

Total outstanding shares of ACER (excluding the shares without voting right as stipulated in Article 179 of the Company Law): 3,026,044,833 shares

Total shares represented by shareholders present in person or proxy: 1,834,304,701 shares

Percentage of shares held by shareholders present in person or proxy: 60.61%

The attendance list of the directors: Jason Chen, Stan Shih, Hung Rouan Investment Corp. Legal Representative: Maverick Shih, and Ms. Yuri Kure, the dependent Director. More than half of the directors have attended this meeting.

Chairman: Jason Chen

Recorder: Wayne Chang

The aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The Chairman called the meeting to order.

Chairman's Address (Omitted)

1. Report Items

(1) Business Report for the Year 2022

Explanatory Notes: Please refer to Attachment 1.

(2) Audit Committee Report

Explanatory Notes: Please refer to Attachment 2.

(3) Report on the Distribution of Cash Dividend, Execution of Employees' Profit Sharing

Bonus and Board Directors' Compensation for the Year 2022

Explanatory Notes:

i. Distribution of Cash Dividend

(i) Pursuant to Article 21 of the Article of Incorporation, the distributable dividends and bonuses in whole or in part will be paid in cash by this Company after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

(ii) The total accumulative earnings available for appropriation is NT\$4,571,876,660, and plan to distribute the cash dividend of NT\$4,571,780,742 to the shareholders whose names and respective shares are in the shareholders' register on the record date for ex-dividend, at a preliminary ratio of NT\$1.5 per share. (Rounded down to NT\$1 and the residue will be calculated and booked as the Company's other income).

(iii) The record date for ex-dividend is temporarily set on July 7, 2023, and the distribution date is set on August 3, 2023. Should the dates above be adjusted due to the amendment of laws or regulations, or request by competent authorities, the Chairman is authorized with full power to adjust accordingly.

ii. Execution of Employees' Profit Sharing Bonus and Board Directors' Compensation

(i) The Board of Directors approved the proposal of employees' 2022 profit sharing bonus and Board Directors' compensation on March 16, 2023. The employees' profit sharing bonus and Board Directors' compensation are to be distributed in cash.

(ii) The total amount of employees' 2022 profit sharing bonus is NT\$475,000,000.

(iii) The total amount of Board Directors' 2022 compensation is NT\$7,000,000.

(4) Report on the status of shareholders diversification of Acer subsidiaries' shares is planned to be listed on TWSE or TPEX

Explanatory Notes: Please refer to Attachment 3.

(5) Report on the Unsecured Corporate Bonds of Acer Inc.

Explanatory Notes: Please refer to Attachment 4.

Shareholders registered number 0722032 raised questions:

Please ask the chairman to provide an explanation of last year's business performance and offer an outlook on the Company's prospects for the second half of this year and next year. With the Company's diversified business portfolio, what path does the Company plan to pursue in the future? How is our PC industry doing? Will the Company gradually become a holding company or focus on the department store industry? Are there any significant investment projects in the following three years? Additionally, the Company's revenue is 275.4 billion, which is 43.5

billion lower than in 2021, representing a decline of approximately 3.66%. The gross profit has also been declining. Could you please clarify when this trend is expected to reverse? Will the gross profit continue to decline?

Chairman's response:

Last year, the economy was impacted by the escalation of the post-pandemic situation, resulting in overall economic effects, inflation, and interest rate hikes. The decrease in consumer confidence led to a decline in demand, causing an oversupply situation in the industry. Consequently, excessive competition has led to a reduction in gross profit. The PC industry, being a mature market, often experiences oversupply conditions. In mature markets, oversupply tends to result in less favorable gross profit margins. Compared to other computer companies, Acer has been relatively less affected by this situation. As for improvement strategies, we are actively seeking breakthroughs, including health food sector and our e-mobility initiatives. Currently, we have ten publicly listed subsidiaries, covering a wide range of fields from computers to computer science and artificial intelligence. Our vision for Acer is to evolve from a single computer brand into a comprehensive lifestyle brand.

Shareholders registered number 0851387 raised questions:

There are 144 subsidiary companies listed in the financial statements. I would like to inquire how the chairman manages these companies and manages his time. Additionally, I have some questions regarding inventory management and recycling of scrapped finished products within the Company. Moreover, I noticed that our company has acquired a gaming company. I would like to know the extent to which the Company is involved in game software development, apart from selling gaming consoles.

Chairman's response:

Time management means hard working, efficient arrangements for meetings, avoiding distractions in every task and making synergy within the group as much as possible. Regarding the loss due to price depreciation, our inventory is divided into three categories: parts, goods in transit, and finished products. For parts inventory and finished goods inventory, we allocate losses based on time. Our company does't have waste materials. Our subsidiary, Acer Gaming Inc., has acquired a majority shareholding in WINKING ENTERTAINMENT LTD, a software company specializing in content development outsourcing. Currently, the operational performance of this subsidiary is quite good.

Shareholders registered number 0722032 raised questions:

The Company is experiencing a decline in revenue and EPS in the first quarter. How should the company respond? The Company sells energy drinks and probiotics. What is the current scale? Is production done in-house? It is advised that the Company increases innovation and research

and development in its core business for better prospects. I also want to inquire about the foreign exchange losses in the income statement. There is a significant loss of 3.8 billion in other income, which equals 67% of operating income. Why weren't measures taken to avoid these losses, such as using forward foreign exchange contracts for hedging?

Chairman's response:

We have been continuously improving our core business. Apart from identifying areas where we haven't met expectations, we are also actively pursuing new business. Currently, we have 10 publicly listed companies, some of which have already made it into the top 100 service industry companies in Taiwan. Weblink is ranked 84th, and AEB's market value has exceeded 10 billion. Additionally, AGT was officially listed on May 31st. As for research and development, we hold the second highest number of patents in Taiwan, demonstrating our focus on innovation. Regarding foreign exchange rates, we hedge all of our foreign currency exposures through forward contracts, resulting in a net loss of 160 million for the entire year.

Shareholders registered number 0851387 raised questions:

To what extent does the Company implement hedging? The Company's short-term and long-term borrowings have an interest rate of 6.87%. With such a high borrowing rate, the annual interest payments are also significant. I would like to know how to save on interest expenses.

Chairman designates Globale CFO to respond:

The company has \$10 billion in long-term bonds with interest rates of 0.6% and 0.8%. The foreign exchange losses mentioned on page 68 of the annual report are mainly due to the higher net liability in US dollars, resulting in a total loss of \$3.8 billion. However, there were offsetting gains of approximately \$3.7 billion from hedging activities, resulting in a net foreign exchange loss of around \$100 million, which affects the income statement. The fluctuations in exchange rates also impact the statement of changes in shareholders' equity due to the translation of foreign operations into New Taiwan Dollars.

Shareholders registered number 0722032 raised questions:

Please explain the Company's finance costs, interest expense on cost of tax. The advertising expenses on the income statement are approximately over 10 billion annually, accounting for half of our operating gross profit. This means that half of our earnings are spent on advertising. Does this imply that the Company's products heavily rely on advertising to drive sales? Are there alternative methods? Additionally, is the startup business currently outsourced, or are there plans to establish manufacturing facilities in the future? Similar to how some companies like TSANN KUEN ENTERPRISE CO.,LTD have opened coffee shops, restaurants, and bars, does the Company have any ideas or plans for diversification? How is the Company planning and organizing for such endeavors? Did the audit committee provide any guidance or

suggestions in terms of business and financial aspects over the past year?

Chairman designates accounting officer and accountant to respond:

Page 38 of the annual report shows a positive amount of 3.6 billion under "Other Income and Expenses." Through fair value measurement in the income statement, as explained in the sixth significant accounting item on page 34, it includes financial instruments measured at fair value, such as forward foreign exchange contracts. Therefore, the offsetting of the exchange losses mentioned earlier is not related to stocks. For actual stock investments, please refer to page 39 of the annual report, Note 5, which discusses stock valuation as financial assets measured at fair value through other comprehensive income. The account classifications are different, and this serves as clarification.

Not all sales expenses are for advertising. In financial reports, all operating expenses are categorized as administrative, selling, and research. Selling expenses include not only advertising but also the costs of overseas sales personnel, so sales expenses also include personnel expenses.

The tax costs and interest expenses as stated in Page 68 of the annual report are the result of reaching a consensus with the tax authorities regarding an overseas tax case. In addition to paying the tax, we shall also pay interest expenses related to the tax. In the estimated calculations for the fiscal year 2021, the relevant interest costs and expenses were included. However, upon reaching a consensus in the fiscal year 2022, it was determined that the actual payment was lower than estimated, resulting in a reversal of the interest expenses.

Chairman's response:

The new business currently doesn't have its own factory, and even the core business doesn't have its own factory. However, we engage in research and development together, which is our operating model. As for the audit committee you mentioned, we hold meetings every quarter before the board meeting, and the members of the audit committee are all independent directors.

Shareholders registered number 0401427 raised questions:

In the era of precision medicine, it is suggested that we do not need to focus on face masks. There are many technological advancements, such as laser acupuncture pens used in traditional Chinese medicine, that could be potential directions for Acer's future development.

Chairman's response:

Thank you for your suggestion. Acer has Acer Smart Healthcare, which focuses on intelligent medical image interpretation. We are also actively working on the development of precision immunocellular medicine, which is a long-term investment. As for medical devices, our first product, the fundus camera, is already on the market. We appreciate the valuable input from our shareholders.

2. Election Item

Proposal: To Elect Seven Directors (Including Four Independent Directors) of the Company.
(Proposed by the Board of Directors)

Explanatory Notes:

(1) Since the tenure of all current six directors of the Company (including three independent directors) will expire in June 2023, it is to re-elect all directors (including three ordinary directors and four independent directors) at the General Shareholders' Meeting this Year in accordance with the Company's Articles of Incorporation. The tenure of directors to be elected will be three Years from the election date of June 6, 2023 (expected to be until the date of the shareholders' meeting in 2026). The Directors are eligible for re-election. The Audit Committee will be constituted by all the independent directors, and the Remuneration Committee will be constituted by three or more independent directors.

(2) Pursuant to the Company's Article of Incorporation, a candidates nomination system shall be adopted, and the list of candidates for directors (including independent directors) nominated by the Board of Directors is attached as Attachment 5.

Voting Result:

Directors:

Elected	In-Person Voting	Electronic Voting	Votes Received
Jason Chen	758,898,072	903,902,298	1,662,800,370
Maverick Shih	538,008,273	988,443,217	1,526,451,490
Hung Rouan Investment Corp. Legal Representative: Stan Shih	538,008,273	1,007,530,739	1,545,539,012

Independent Directors:

Elected	In-Person Voting	Electronic Voting	Votes Received
Ching-Hsiang Hsu	538,008,273	934,204,730	1,472,213,003
Yuri, Kure	464,378,340	989,865,534	1,454,243,874
Pan-Chyr Yang	464,378,340	1,031,451,569	1,495,829,909
Mei-Yueh Ho	464,378,340	1,026,211,582	1,490,589,922

3. Proposed Items for Ratification and Discussion

Item 1

Proposal: Ratification Proposal of the Financial Statements, Business Report and Profit Distribution Statement for the Year 2022. (Proposed by the Board of Directors)

Explanatory Notes:

(1) The Company's Financial Statements for the Year 2022, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flow have been audited by CPA Huei-Chen Chang and CPA Ching-Wen Kao of KPMG.

(2) The Business Report for the Year 2022, the aforementioned financial statements and Profit Distribution Statement for the Year 2022 are attached hereto as Attachment 1 and Attachment 6~7, which have been approved by the Audit Committee and by the Board of Directors via resolution.

(3) Please discuss.

Resolution:

Shares present at the time of voting: 1,834,304,701 (votes casted electronically: 1,296,212,086 votes)

Voting Results*	% of the total represented share present
Votes in favor: 1,636,956,399 votes (1,098,942,126 votes)	89.24%
Vote against: 453,867 votes (452,867 votes)	0.03%
Votes invalid or abstained: 196,894,435 votes (196,817,093 votes)	10.73%

*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Shareholders registered number 0851387 raised questions:

The company has scheduled the ratification proposal of the Financial Statements and other related matters after the elections. Is there an issue with the sequence? I would suggest to place the ratification as the second item and the elections as the third item in future.

Chairman designates lawyer to respond:

Since there is no legal requirement regarding the order of proceedings, the Company has made this arrangement based on time management to avoid wasting shareholders' time. Thank you for your suggestion, and the Company will take it into consideration.

Item 2

Proposal: To Approve the listing application of the Company's subsidiary, WINKING ENTERTAINMENT LTD, on the overseas stock market. (Proposed by the Board of Directors)

Explanatory Notes:

(1) In order for the subsidiary, Acer Gaming Inc. (TPEX Emerging Stock Code: 6908, hereinafter referred to as "AGM"), to continually deepen and expand its foothold in the gaming content field and related businesses, the board of directors of Acer Inc. and AGM resolved to invest in WINKING ENTERTAINMENT LTD (hereinafter referred to as "WINKING") in August 2022 and obtained 54.96% of the issued common shares. WINKING is a world-renowned design company for gaming art, providing advanced art outsourcing production and game development services, and has participated in the production of many popular games. WINKING was established and registered in the British Cayman Islands, and in addition to its offices in Taiwan, China, and Hong Kong, it will continue to expand Southeast Asia, including Singapore, Philippines, as well as Europe and the United States. WINKING's application to be listed in a market outside Taiwan has been reviewed by Acer Inc.'s audit committee in accordance with Taiwan Stock Exchange regulations.

(2) The purpose of WINKING's application to list on a stock market outside Taiwan:

Listing on a stock market outside Taiwan would enable WINKING to raise funds, expand financing channels, increase opportunities for mergers and acquisitions and investment in high-quality gaming art production and collaboration with gaming developers, thereby enhancing the company's global competitiveness and prominence. Currently, WINKING plans to apply to the Singapore Exchange (SGX) Catalist board for the initial public offering and listing of stocks (hereinafter referred to as "WINKING's listing outside Taiwan").

(3) The impact on finances, business, and the expected organizational structure and business adjustments and their impact to Acer Inc.:

i. Impact on finance:

WINKING's listing outside Taiwan will enrich the funds needed for operations, strengthen its financial structure and financing capabilities, attract outstanding talents, and promote the development of more gaming projects. Regardless of the application for stock listing in Taiwan or other markets, Acer Inc.'s shareholding ratio will be diluted to comply with relevant legal requirements, however, it is expected that AGM will still hold more than 50% of the total issued shares of WINKING or maintain controlling power over WINKING. Therefore, WINKING will continue to be a subsidiary company consolidated in Acer Inc.'s financial statements; WINKING's overseas listing will not have a negative impact on Acer Inc.'s finances and will bring positive benefits.

ii. Impact on business:

Acer Inc. does not engage in the same business as the subsidiary AGM and WINKING. The purpose of AGM's investment in acquiring WINKING's shares is to continue to deepen and

expand in the gaming field, from the current gaming and accessory hardware distribution business towards game content-related business. Although Acer Inc., AGM and WINKING have opportunities for cooperation in the future, each will still develop its business independently. Therefore, WINKING's application for listing on stock exchanges outside Taiwan is beneficial to AGMs' overseas business expansion and has no negative impact on Acer Inc.'s business.

iii. The impact of the expected organizational structure and business adjustment on Acer Inc.: WINKING's operating organizational structure and business have not been adjusted due to WINKING's listing outside Taiwan. For complying with relevant regulations of securities markets outside Taiwan, corporate governance requirements, and actual needs, the number of seats for the board of directors will be adjusted to five, including three independent directors, which is also in line with Acer Group's expectations for corporate governance. In addition, if WINKING's overseas listing is successful, it is expected that AGM will still hold more than 50% of the total issued shares of WINKING or maintain controlling power. Therefore, WINKING's listing outside Taiwan will have no impact on Acer Inc. and will still be included in the consolidated financial statements of Acer Inc.

To sum up, WINKING's listing outside Taiwan will not have a negative impact on Acer Inc.

(4) The method of the subsidiary's equity dispersion, the expected reduction in the shareholding ratio, the basis for setting the price, the equity transferee or the specific party of the negotiation:

i. The method of the subsidiary's equity dispersion, the estimated reduction of shareholding ratio, and the basis of price determination:

In response to the equity dispersion required for WINKING's listing outside Taiwan, the issuance of new shares and the release of original shares by WINKING shareholders will follow relevant stock exchange laws and regulations for complying with the fundamental requirements of the local laws and regulations on the dispersion of shares. It is currently estimated (with Singapore Exchange Catalist as an example) that the number of new shares issued to public shareholders (including pre-listing investors) after listing approval and WINKING shareholders release the original shares issued will not be less than 15% of the total shares of WINKING after listing. The shareholding ratio of specific public shareholders and the issue price will be handled in accordance with the relevant laws and regulations of the listing place and the listing rules. The share released by WINKING's shareholders will be negotiated with other shareholders of WINKING, and AGM will not participate in this release. It is expected that AGM will still hold more than 50% of WINKING's shares after this release.

ii. Persons who subscribe to the new shares or will be transferred with the equity shall be qualified investors who comply with the local laws and regulations of the listing place, the listing rules, and the regulations of the securities regulatory authority.

(5) Whether WINKING's listing outside Taiwan will affect Acer Inc.'s continued listing in

Taiwan:

After the listing and release of shares, the Taiwan Stock Exchange will review and have discretion over Acer Inc.’s continued listing in accordance with the relevant regulations of its review guidelines. In view of WINKING’s overseas issuing, the method of information disclosure will be in accordance with the relevant regulations of Taiwan Stock Exchange, which will not affect Acer Inc.’s continued listing on the Taiwan Stock Exchange.

(6) Other:

- i. WINKING’s listing outside Taiwan is still in the evaluation and planning stage. There are still uncertainties and unpredictability in whether the submission will be made, the timing of submission, the length of the application period, and whether the application will be approved.
- ii. For WINKING’s listing outside Taiwan, it is proposed to the shareholders’ meeting of Acer Inc. to authorize its board of directors or person(s) authorized by the board of directors to adjust the execution depending on: the actual situation, the opinions of relevant government authorities and the laws and regulations of the listing place, listing rules, and market conditions. Besides, Acer Inc. will assist and urge AGM (if necessary) to handle the matters related to WINKING’s listing outside Taiwan.

(7) Please discuss. Resolution:

Resolution:

Shares present at the time of voting: 1,834,304,701 (votes casted electronically: 1,296,212,086 votes)

Voting Results*	% of the total represented share present
Votes in favor: 1,600,361,993 votes (1,062,346,720 votes)	87.25%
Vote against: 608,025 votes (608,025 votes)	0.03%
Votes invalid or abstained: 233,334,683 votes (233,257,341 votes)	12.72%

*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

(Note: No questions were raised by shareholders regarding this matter.)

Item 3

Proposal: To Release Non-Compete Restrictions on Newly-Elected Directors and their Representatives (Proposed by the Board of Directors)

Explanatory Notes:

- (1) Pursuant to Article 209 of the Company Act, a director engaging, either for himself or on behalf of another person, in activities that are within the scope of the company’s business, shall explain to the Shareholders’ Meeting the essential contents of such activities and obtain its approval for conducting such activities.
- (2) It is proposed to request the General Shareholders’ Meeting to release the non-compete restrictions on newly-elected directors or their representatives, who participate in the operations of another company that engages in the same or similar business scope as the Company.
- (3) Please refer to Attachment 8, for the Concurrent Positions of Director and Independent Director Candidates.
- (4) Please discuss.

Resolution:

Shares present at the time of voting: 1,834,304,701 (votes casted electronically: 1,296,212,086 votes)

Voting Results*	% of the total represented share present
Votes in favor: 1,596,560,193 votes (1,058,544,920 votes)	87.04%
Vote against: 4,361,996 votes (4,361,996 votes)	0.24%
Votes invalid or abstained: 233,382,512 votes (233,305,170 votes)	12.72%

*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

(Note: No questions were raised by shareholders regarding this matter.)

4. Extemporary Motion:

None.

Shareholders registered number 0851387 raised questions:

Can we consider holding the meeting in Taipei? Also, I wish the Company great success and a rise in stock prices in the future.

Chairman's response:

Let's work hard together.

5. Meeting Adjourned (10:29 a.m.)

Note: This document is extracted from the meeting; the details are subject to the audio and video recording.

Attachment 1

Business Report

Dear Shareholders,

Throughout 2022 we launched various innovative PC and display products, expanded our Vero portfolio made with recycled materials, and significantly grew our multiple non-PC/display businesses. The past Year continued to be filled with new challenges across multiple industries stemming from inflation, geopolitical issues, and lingering impacts of the Covid-19 pandemic. While Acer keeps evolving with changing lifestyles and adjusting strategies dynamically for business needs, we are focusing on maintaining business momentum and marching toward a more sustainable future.

Our fiscal 2022 results were: consolidated revenues of NT\$275.42 billion, operating income of NT\$6.93 billion, net income of NT\$5.00 billion, and EPS of NT\$1.67.

Continue to Innovate and Optimize Operations [1]

With the PC industry entering a period of correction and outlook expected to be flattish by market research companies as better scenario, we have centered our efforts on optimizing inventory levels with the right portfolio of goods, optimizing operating expenditure, increasing operating income to enhance operational sustainability, and at the same time upholding shareholders' interests. Newly launched innovations include the SpatialLabs stereoscopic 3D technology for gaming laptops and displays, which was praised for bringing more realistic experiences to games and media content. We also expanded our Vero line of eco-conscious devices from laptops to desktops, monitors, displays, all-in-ones, Chromebooks, and accessories, which utilizes recycled plastic, recyclable packaging, and ocean-bound plastic. The Vero portfolio offers consumers, businesses, and organizations more options to reduce their carbon footprint and join our advocate for circular economies.

We are confident that new technologies will trigger new usage models and stimulate market demand over time. Other businesses (not part of PCs and displays) contributed 21.7% of total revenues with 11.9% growth YoY. In addition, Acer ranked No. 2 for patent applications in Taiwan. We have developed patents in the AI medical field and own more than 300 patents in thermal cooling technology. For the world-renowned iF Design Awards, Acer holds the titles of "Top 50 (of 7128) Companies" worldwide during 2018-2022.

The common objective shared by our PCs and display businesses and other initiatives, is to explore new markets and broaden current boundaries. Within the Acer group, whether it be PC-related businesses or other fields and innovations being explored by our subsidiaries, each must work to optimize operations, reach profitability, and contribute to Acer group's sustainability.

Currently, we have subsidiaries in diverse scopes of business, including beverage, apparel, home appliances, AI-assisted medical solutions, e-mobility, smart cities, and more. Our strategy to promote intrapreneurship by building multiple business engines continued to gain momentum with nine public subsidiaries by December 2022. Businesses under incubation, such as Altos Computing and AcerPure, continue to show strong progress. Acer offers its shareholders the opportunity to invest in these new engines as they go public to ensure shareholders can have their share of voice and be part of business development and ensuring adherence to corporate governance.

Recognition of Our ESG Initiatives

Acer will continue to work toward the goals of using post-consumer recycled plastic in 20-30% of our PCs and displays by 2025, and sourcing 100% renewable electricity by 2035 for the Acer Group. Moreover, our “Earthion” sustainability platform that unites employees and supply chain partners to tackle environmental challenges continues to gain in strength. We held a “21-Day Green Challenge” for which over 7,000 employees of Acer, our partners and suppliers were motivated to reduce carbon footprints. The campaign succeeded in raising awareness for environmental protection and helping employees form green habits and cutting the equivalent of 152 tons CO2.

Acer’s focus on environmental, social and governance (ESG) through transparent reporting and initiatives under our Earthion mission has gained increasing global recognition. We believe they have been instrumental in our growing inclusion in world-wide sustainability indices throughout 2022. For the third straight Year, Acer has been named in the Top 5% category of the S&P Global Sustainability Yearbook for sustainable business practices. For the ninth consecutive Year, we have been a constituent of the MSCI ESG Leaders Indexes – garnering the best rating of “AAA” in our category – and listed on the Dow Jones Sustainability Indices (DJSI) Emerging Markets. For the first time, we were awarded Platinum medal that represents EcoVadis Sustainability Rating’s highest recognition representing the top 1% of rated companies. We were also listed on the FTSE4Good Emerging Index for the seventh Year.

Remain Vigilant and Flexible to Respond to Potential Risks [2]

To counteract cyber security threats in the realms of artificial intelligence and cloud services, Acer will continue to strengthen its global information security and monitoring, and comply with international laws and regulations on information privacy and security. We will observe geopolitical and socioeconomic situations as well as the post-pandemic impact on demand, supply chain, and currency fluctuations to dynamically adjust business and operation strategies, including foreign exchange hedging to minimize risks, and optimize inventory levels.

In 2023, we foresee the PC industry to experience the impact of the post-pandemic demand decline in the coming months. However, with clear strategies for our existing businesses, new initiatives, and subsidiaries, along with the support of our customers, shareholders, and employees, we are confident of steering our way through the turbulence and proving our resilience. Let’s continue to push boundaries. Thank you.

Chairman of Board :
Jason Chen

Corporate Officers :
Jason Chen
Meggy Chen

Accounting Officer :
Sophia Chen

[1] Annual business plan, future development strategy and business policy

[2] Impact from the macro market, governmental regulations, and business environment

Attachment 2

Audit Committee Report

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and the Proposal for Profit & Loss Appropriation. The CPA Huei-Chen Chang and Ching-Wen Kao from KPMG were retained to audit Acer's Financial Statements and have issued an audit report relating to the Financial Statements. The said Business Report, Financial Statements, and Proposal for Profit & Loss Appropriation have been reviewed and determined to be correct and accurate by the Audit Committee of Acer Incorporated in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this Report.

Acer Incorporated

Convener of the Audit Committee: Ching-Hsiang Hsu

March 16th, 2023

[Additional Explanation] Communications between the Independent Directors and the Internal Auditors:

Except for reporting the internal audit performances to independent directors every month, the Company's Internal Auditing Officer may present the internal audit report in Audit Committee quarterly and will immediately report to the members of the Audit Committee if any special matter happens.

Attachment 3

The status of shareholders diversification of Acer subsidiaries' shares are planned to be listed on TWSE or TPEX

- Acer Gaming Inc. (6908.TW, “AGM”)

Date	2021.9	2021.10
Purpose and Mode	To increase capital in cash for operation needs.	Purchased by recommended emerging market underwriter under relevant rules/ Sales and purchase of shares
Issue(Transfer)Price	NTD 18	NTD 32
Date of Audit Committee approved	2022.3.16	2022.8.4
Date of Board approved	2022.3.16	2022.8.4
Date of Shareholder meeting approved	-	-
Subscriber/Transferee	AGM employees, Acer shareholders, Acer Group Employees, the specific personnel who will subscribe within the scope that the afore-said person abandon to subscribe.(Note)	Recommended emerging market underwriters, and Securities and Futures Investors Protection Center
Number of shares	1,500,000 shares	751,000 shares
Acer's Shareholdings before share-release	100%	62.82%
Acer's Shareholdings after share-release	62.82%	59.81%
Bases of share price	CPA report to the share price	The price will be determined after the negotiation among recommended emerging market underwriters, Acer and AGM
Impact on Acer shareholders	Not harm to shareholders' rights and interests	Not harm to shareholders' rights and interests

Note: The specific subscriber will be, in general, the employees of subsidiaries which plan to be offered by public market, the employees of group companies, and a strategy investor or a financial investor who will benefit the Company's development.

Acer Gadget Inc. (2432.TW, "AGT")

Date	2022.7
Purpose and Mode	To conduct a cash capital increase for AGT's IPO plan and its working capital.
Issue(Transfer)Price	NTD 18
Date of Audit Committee approved	2022.5.5
Date of Board approved	2022.5.5
Date of Shareholder meeting approved	-
Subscriber/Transferee	AGT employees, Acer shareholders, Acer Group Employees, the specific personnel who will subscribe within the scope that the aforesaid person abandon to subscribe. (Note)
Number of shares	30,000,000 shares
Acer's Shareholdings before share-release	100%
Acer's Shareholdings after share-release	65.51%
Bases of share price	CPA report to the share price
Impact on Acer shareholders	Not harm to shareholders' rights and interests

Note: The specific subscriber will be, in general, the employees of subsidiaries which plan to be offered by public market, the employees of group companies, and a strategy investor or a financial investor who will benefit the Company's development.

Attachment 4

The Issuance of Unsecured Corporate Bonds

On March 16, 2022, the Company's Board of Directors resolved to authorize the Chairman to raise up to a total of NT\$10 billion by issuing unsecured corporate bonds in the domestic market, either in one or multiple times, subject to market conditions and with the principle that the bonds should have a maturity of no more than 10 Years. However, this plan was not executed after considering (1) the overall operating conditions of the Company, (2) the funds to support emerging businesses, planned listing subsidiaries and other investments shall still be sufficient, (3) the issuance of two sets of NT\$5 billion unsecured corporate bonds for a total of NT\$10 billion on April 27 and August 26, 2021, and (4) the changes in the international political and economic situation, the increase in market interest rates, and other uncertainties.

Nevertheless, after evaluation of the future funding needs for the overall operation of the Company, the changes in international political and economic situations, and the increase in capital costs, the Company still has the demand for fundraising. Therefore, the Company's Board of Directors passed a resolution to issue domestic unsecured corporate bonds in accordance with the relevant regulations of the Company Act, Securities Exchange Act, and Regulations Governing the Offering and Issuance of Securities by Securities Issuers on March 16, 2023. The main terms and conditions of the proposed issuance are as follows:

- (1) The total issue amount: No more than NT\$10,000,000,000 and issued at one time or separately
- (2) Issuance period: To be decided based on market condition, but no longer than 10 Years
- (3) Face value per bond: NT\$1,000,000
- (4) Issue price: At face value
- (5) Coupon rate: Fixed coupon rate, to be determined on market condition
- (6) Calculation and repayment of interest: From the issue date, interest will be paid once a year based on the coupon rate.
- (7) Repayment of Principal: Principal can be repaid in several installments or in a lump sum at maturity

Attachment 5

List of Director and Independent Director Candidates

Type	Name	Academic Background	Experience	All Current Position	Shareholdings (Note 1)
Director	Jason Chen (Acct. No: 0857788)	MS in Business Administration, Missouri Columbia University	Corporate President and CEO, Acer Inc. Senior Vice President of Worldwide Sales and Marketing, TSMC Vice President of Corporate Development, TSMC Vice President of Sales and Marketing, Intel	<ol style="list-style-type: none"> 1. Chairman and CEO, Acer Inc. 2. Director, FocalTech Systems Co., Ltd. 3. Independent Director, Powerchip Semiconductor Manufacturing Corp 4. Chairman, Mu-Jin Investment Co., Ltd 5. Chairman, Mu-Shi Investment Co., Ltd. 6. Director, Supervisor or Manger, Acer Group 	9,156,536 shares (Note 2)
Director	Hung Rouan Investment Corp. Legal Representative : Stan Shih (Acct. No.: 0005978)	MS in Electrical Engineering, National Chiao Tung University	Co-Founder, Chairman President and CEO, Acer Group	<ol style="list-style-type: none"> 1. Honorary Chairman and Director, Acer Inc. 2. Director, Nan Shan Life Insurance Co., Ltd. 3. Director, Egis Technology Inc. 4. Director, AiSails Power Inc. 5. Director, TRANSFORMATIVE CELL PROCESSING CO., LTD. 6. Director, Himalayas Venture Capital Investment Inc. 7. Director, One Song Inc. 8. Director, Fort Zeelandia Inc. 9. Director, CTS Inc. 10. Director, Hung Rouan Investment Corp. 11. Chairman, Ambi Investment and Consulting Inc. 12. Director, Rongxin Management Consultants Co., Ltd. 13. Chairman, CLOUD GATE Foundation 14. Chairman, Stans Foundation 15. Director, Taiwan Public Television Service Foundation 16. Director, Chew's Culture Foundation 17. Director, NSFG Foundation 18. Director, SanCode Foundation 19. Chairman, Acer Foundation 20. Director, Supervisor or Manger, Acer Group 	73,629,933 shares

Type	Name	Academic Background	Experience	All Current Position	Shareholdings (Note 1)
Director	Maverick Shih (Acct. No.: 0006933)	Ph.D. in Electrical Engineering, University of Southern California	Acer BYOC General Manager	<ol style="list-style-type: none"> 1. Director, Acer Inc. 2. Director, Kiwi Technology Inc. 3. Chairman, SATORO TAIWAN INC. 4. Chairman, MAVs LAB. Inc. 5. Director, Allxon Inc. 6. Director, Rongxin Management Consultants Co., Ltd. 7. Director, Supervisor or Manger, Acer Group 	10,141,777 shares
Independent Director	Ching-Hsiang Hsu (Charles Hsu) (Acct. No.: 0916903)	Ph.D. in Electrical Engineering, University of Illinois at Urban-Champaign	<p>Chairman, Research Institute of Electronics Engineering, Tsing-Hua University</p> <p>Researcher, IBM T.J. Watson Research Center, State of New York, USA</p>	<ol style="list-style-type: none"> 1. Chairman, eMemory Technology Inc. 2. Chairman, iMQ Technology Inc. 3. Chairman and President, PUFsecurity Corp. 4. Chairman, PUFsecurity USA Corporation 5. Director, SecuX Technology Inc. 6. Independent Director, /Member of Remuneration Committee/ Member of Audit Committee, Materials Analysis Technology Inc. 7. Director, National Applied Research Laboratories, NARLabs 8. Independent Director/ Chairman of Audit Committee/ Member of Audit Committee/ Member of Investment Committee, Acer Inc. 9. Director, Powerchip Semiconductor Manufacturing Corp 	0 shares
Independent Director	Yuri, Kure (Acct. No.: 1018823)	MS in Law, National Taiwan University	Lee and Li, Attorney-at-Law, Senior Associate-Japan Project Manager	Independent Director/ Member of Audit Committee/ Member of Investment Committee, Acer Inc.	0 shares
Independent Director	Pan-Chyr Yang (Acct. No.: 1128441)	PhD, Graduate Institute of Clinical Medicine, College of Medicine, National Taiwan University	<p>President, National Taiwan University</p> <p>Dean, National Taiwan University College of Medicine</p> <p>Distinguished Professor and Chair Professor, National Taiwan University</p> <p>Director, NTUH National Clinical Trial and Research Center</p> <p>Associate Dean for Education and Research, National Taiwan University Hospital</p> <p>Director, Advisory Office, Ministry of Education, R.O.C.</p> <p>Adjunct Associate Researcher and Researcher, Institute of Biomedical Sciences, Academia Sinica</p>	<ol style="list-style-type: none"> 1. Director, Microbio Co., Ltd. 2. Professor, Department of Internal Medicine, National Taiwan University Hospital (From 1993) 3. Academician, Academia Sinica (From 2006) 4. Executive Secretary, NTU Center of Genomic Medicine 5. Program Director, Microarray Core Facility, National Research Program for Genomic Medicine 6. President, Taiwan Society of Pulmonary and Critical Care Medicine 7. Lung Cancer Program Co-Director with President Cheng-Wen Wu, National Research Program for Genomic Medicine 8. Clinical Professor, Department of Oncology, National Taiwan University 9. President, NTU YongLin Institute of Health 	0 shares

Type	Name	Academic Background	Experience	All Current Position	Shareholdings (Note 1)
Independent Director	Mei-Yueh Ho (Acct. No.: 1128442)	Graduated from Technology Management Program of National Chengchi University B.S. in Agricultural Chemistry, National Taiwan University	Chairperson of the Council for Economic Planning and Development, R.O.C. Executive Yuan Minister without Portfolio Minister of Economic Affairs, R.O.C. Director of the Fifth Group, Secretariat of Executive Yuan Counselor, Executive Yuan Deputy Chairman of the Industrial Engineer Examination and Review Committee, Examination Yuan Deputy Director of the Industrial Development Bureau, Ministry of Economic Affairs	<ol style="list-style-type: none"> 1. Independent Director, ASE Technology Holding Co., Ltd. 2. Independent Director, Center Laboratories Inc. 3. Director, Kinpo Electronics, Inc. 4. Independent Director, Onward Therapeutics SA 	0 shares

Note 1: Shareholdings as of April 8, 2023.

Note 2: Including the shares of 6,523,056 which held by the investment company wholly owned by Mr. Jason Chen himself.

Attachment 6



安侯建業聯合會計師事務所

KPMG

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Independent Auditors' Report

To the Board of Directors
Acer Incorporated:

Opinion

We have audited the consolidated financial statements of Acer Incorporated and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Acer Incorporated and its subsidiaries as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), and interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the consolidated financial statements for the year ended December 31, 2022 are stated as follows:

1. Revenue recognition

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

2. Valuation of inventories

Refer to Note 4(h) for the accounting policies on inventory valuation, Note 5(b) for uncertainty of accounting estimations and assumptions for inventory valuation and Note 6(f) for the details of the write-down of inventories, respectively, to the consolidated financial statements.

Description of key audit matter:

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

How the matter was addressed in our audit:

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

3. Impairment of goodwill

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

Other Matter

Acer Incorporated has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing Acer Incorporated and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Acer Incorporated and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing Acer Incorporated and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of 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 that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Huei-Chen Chang and Ching-Wen Kao.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2023

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
ACER INCORPORATED AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2022</u>		<u>December 31, 2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Assets					
Current assets:					
1100	Cash and cash equivalents (note 6(a))	\$ 46,842,902	25	44,619,541	21
1110	Financial assets measured at fair value through profit or loss— current (note 6(b))	935,122	1	3,222,868	2
1140	Contract assets—current (note 6(y))	523,881	-	451,354	-
1170	Notes and accounts receivable, net (notes 6(c) & (y))	51,322,037	27	64,039,437	30
1180	Accounts receivable from related parties (notes 6(c) & (y) and 7)	41,821	-	1,329	-
1200	Other receivables (notes 6(c) and 7)	441,720	-	505,914	-
1220	Current income tax assets	354,479	-	486,468	-
130X	Inventories (note 6(d))	42,213,077	22	58,703,827	27
1470	Other current assets (note 6(m) and 8)	<u>3,981,986</u>	<u>2</u>	<u>3,064,500</u>	<u>1</u>
	Total current assets	<u>146,657,025</u>	<u>77</u>	<u>175,095,238</u>	<u>81</u>
Non-current assets:					
1517	Financial assets measured at fair value through other comprehensive income—non-current (note 6(e) and 7)	7,603,961	4	7,806,702	4
1535	Financial assets measured at amortized cost—non-current (note 6(f))	797,782	-	-	-
1550	Investments accounted for using the equity method (note 6(g) and 7)	1,174,374	1	937,129	-
1600	Property, plant and equipment (notes 6(i) and 8)	4,298,887	2	4,055,870	2
1755	Right-of-use assets (note 6(j))	1,969,364	1	1,736,642	1
1760	Investment property (note 6(k))	831,925	1	819,591	-
1780	Intangible assets (note 6(l))	18,530,591	10	16,527,283	8
1840	Deferred income tax assets (notes 6(u))	3,705,388	2	3,671,634	2
1990	Other non-current assets (notes 6(m))	2,387,598	1	2,943,066	1
1980	Other financial assets—non-current (note 8)	<u>1,082,824</u>	<u>1</u>	<u>1,195,156</u>	<u>1</u>
	Total non-current assets	<u>42,382,694</u>	<u>23</u>	<u>39,693,073</u>	<u>19</u>
	Total assets	<u>\$ 189,039,719</u>	<u>100</u>	<u>214,788,311</u>	<u>100</u>

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ACER INCORPORATED AND SUBSIDIARIES

Consolidated Balance Sheets (Continued)

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
Liabilities and Equity					
Current liabilities:					
2100	Short-term borrowings (notes 6(n) and 8)	\$ 1,652,086	1	1,253,590	1
2120	Financial liabilities measured at fair value through profit or loss— current (note 6(b) & (h))	1,015,407	-	291,917	-
2130	Contract liabilities—current (note 6(y))	2,985,415	2	2,455,504	1
2170	Notes and accounts payable (note 7)	31,549,698	17	57,897,697	27
2200	Other payables (notes 6(z) and 7)	35,449,182	19	37,249,145	17
2230	Current tax liabilities	3,247,082	2	5,205,928	2
2250	Provisions—current (notes 6(r) and 9)	6,916,990	3	6,401,659	3
2280	Lease liabilities—current (note 6(q))	613,263	-	530,564	-
2322	Current portion of long-term debt (notes 6(o) and 8)	58,017	-	20,106	-
2365	Refund liabilities—current	14,722,275	8	16,128,976	8
2399	Other current liabilities	<u>1,314,317</u>	<u>1</u>	<u>1,987,969</u>	<u>1</u>
	Total current liabilities	<u>99,523,732</u>	<u>53</u>	<u>129,423,055</u>	<u>60</u>
Non-current liabilities:					
2500	Financial liabilities measured at fair value through profit or loss— non-current (note 6(b) & (h))	4,850	-	3,066	-
2527	Contract liabilities—non-current (note 6(y))	829,346	-	1,002,391	-
2531	Bonds payable (notes 6(p))	10,000,000	5	10,000,000	5
2540	Long-term debt (notes 6(o) and 8)	104,476	-	99,820	-
2550	Provisions—non-current (note 6(r) and 9)	15,296	-	201,650	-
2570	Deferred income tax liabilities (notes 6(u))	5,025,255	3	4,643,830	2
2580	Lease liabilities—non-current (note 6(q))	1,495,786	1	1,320,713	1
2600	Other non-current liabilities	<u>1,606,783</u>	<u>1</u>	<u>2,070,843</u>	<u>1</u>
	Total non-current liabilities	<u>19,081,792</u>	<u>10</u>	<u>19,342,313</u>	<u>9</u>
	Total liabilities	<u>118,605,524</u>	<u>63</u>	<u>148,765,368</u>	<u>69</u>
Equity (note 6(e) and (v)):					
3110	Common stock	30,478,538	16	30,478,538	14
3200	Capital surplus	27,795,883	15	27,514,269	13
3300	Retained earnings	14,897,145	8	16,886,389	8
3400	Other equity	(4,309,253)	(2)	(8,287,624)	(4)
3500	Treasury stock	<u>(2,914,856)</u>	<u>(2)</u>	<u>(2,914,856)</u>	<u>(1)</u>
	Equity attributable to shareholders of the Parent	<u>65,947,457</u>	<u>35</u>	<u>63,676,716</u>	<u>30</u>
36XX	Non-controlling interests	<u>4,486,738</u>	<u>2</u>	<u>2,346,227</u>	<u>1</u>
	Total equity	<u>70,434,195</u>	<u>37</u>	<u>66,022,943</u>	<u>31</u>
	Total liabilities and equity	<u>\$ 189,039,719</u>	<u>100</u>	<u>214,788,311</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ACER INCORPORATED AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
4000 Net revenue (notes 6(y), 7 and 14)	\$ 275,423,744	100	319,005,456	100
5000 Cost of revenue (notes 6(d), (i), (j), (l), (q),(r), (t) & (z), 7 and 12)	<u>(245,679,257)</u>	<u>(89)</u>	<u>(281,814,400)</u>	<u>(88)</u>
Gross profit	<u>29,744,487</u>	<u>11</u>	<u>37,191,056</u>	<u>12</u>
Operating expenses (notes 6(c), (i), (j), (k), (l), (q),(r),(s), (t), (w)&(z), 7 and 12):				
6100 Selling expenses	(15,679,457)	(5)	(15,492,033)	(5)
6200 General and administrative expenses	(4,826,563)	(2)	(5,002,271)	(2)
6300 Research and development expenses	<u>(2,448,843)</u>	<u>(1)</u>	<u>(2,646,170)</u>	<u>(1)</u>
Total operating expenses	<u>(22,954,863)</u>	<u>(8)</u>	<u>(23,140,474)</u>	<u>(8)</u>
6500 Other operating income and expenses, net (notes 6(s)&(aa) and 7)	<u>138,073</u>	<u>-</u>	<u>112,279</u>	<u>-</u>
Operating income	<u>6,927,697</u>	<u>3</u>	<u>14,162,861</u>	<u>4</u>
Non-operating income and loss:				
7100 Interest income (note 6(ab))	535,746	-	318,945	-
7010 Other income (note 6(ab))	556,176	-	354,416	-
7020 Other gains and losses (notes 6(g),(ab)&(ac) and 7)	(72,937)	-	867,673	-
7050 Finance costs (notes 6(q) & (ab))	(193,684)	-	(336,677)	-
7060 Share of profits (losses) of associates and joint ventures (note 6(g))	<u>120,823</u>	<u>-</u>	<u>68,427</u>	<u>-</u>
Total non-operating income and loss	<u>946,124</u>	<u>-</u>	<u>1,272,784</u>	<u>-</u>
7900 Income before taxes	<u>7,873,821</u>	<u>3</u>	<u>15,435,645</u>	<u>4</u>
7950 Income tax expense (note 6(u))	<u>(2,270,529)</u>	<u>(1)</u>	<u>(4,148,332)</u>	<u>(1)</u>
Net income	<u>5,603,292</u>	<u>2</u>	<u>11,287,313</u>	<u>3</u>
Other comprehensive income (loss) (notes 6(g), (v), (ac)):				
8310 Items that will not be reclassified subsequently to profit or loss				
8311 Remeasurements of defined benefit plans	587,280	-	(37,137)	-
8316 Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(1,221,882)	-	(358,717)	-
8320 Share of other comprehensive income (loss) of associates	(13)	-	17	-
8349 Income tax related to items that will not be reclassified subsequently to profit or loss	<u>(34,430)</u>	<u>-</u>	<u>39,131</u>	<u>-</u>
Total items that will not be reclassified to profit or loss	<u>(669,045)</u>	<u>-</u>	<u>(356,706)</u>	<u>-</u>
8360 Items that may be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign operations	4,596,636	1	(2,788,067)	(1)
8370 Share of other comprehensive gains of associates	234	-	2,166	-
8399 Income tax related to items that may be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total items that may be reclassified subsequently to profit or loss	<u>4,596,870</u>	<u>1</u>	<u>(2,785,901)</u>	<u>(1)</u>
Other comprehensive income (loss), net of taxes	<u>3,927,825</u>	<u>1</u>	<u>(3,142,607)</u>	<u>(1)</u>
Total comprehensive income for the year	<u>\$ 9,531,117</u>	<u>3</u>	<u>8,144,706</u>	<u>2</u>
Net income attributable to:				
8610 Shareholders of the Parent	\$ 5,003,688	2	10,897,427	3
8620 Non-controlling interests	<u>599,604</u>	<u>-</u>	<u>389,886</u>	<u>-</u>
	<u>\$ 5,603,292</u>	<u>2</u>	<u>11,287,313</u>	<u>3</u>
Total comprehensive income attributable to:				
8710 Shareholders of the Parent	\$ 8,930,204	3	7,818,893	2
8720 Non-controlling interests	<u>600,913</u>	<u>-</u>	<u>325,813</u>	<u>-</u>
	<u>\$ 9,531,117</u>	<u>3</u>	<u>8,144,706</u>	<u>2</u>
Earnings per share (in New Taiwan dollars) (note 6(x)):				
9750 Basic earnings per share	\$ <u>1.67</u>		<u>3.63</u>	
9850 Diluted earnings per share	\$ <u>1.65</u>		<u>3.60</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
ACER INCORPORATED AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Attributable to shareholders of the Parent													
	Retained earnings					Other equity								
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign currency translation differences	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Treasury stock	Total equity attributable to shareholders of the parent	Non-controlling interests	Total equity
Balance at January 1, 2021														
Net income for the year														
Other comprehensive income (loss) for the year														
Total comprehensive income (loss) for the year														
Appropriation approved by the stockholders:														
Legal reserve														
Special dividends														
Adjustments of capital surplus for the cash dividends distributed to subsidiaries														
Share of changes in equity of associates														
Change in ownership interests in subsidiaries														
Acquisition or disposal of interests in subsidiaries														
Difference between consideration and carrying amount of subsidiaries acquired or disposed														
Stock option compensation cost of subsidiaries														
Increase in non-controlling interests														
Cash dividends paid to non-controlling interests by subsidiaries														
Disposal of financial assets measured at fair value through other comprehensive income														
Balance at December 31, 2021														
Net income for the year														
Other comprehensive income (loss) for the year														
Total comprehensive income (loss) for the year														
Appropriation approved by the stockholders:														
Legal reserve														
Special dividends														
Adjustments of capital surplus for the cash dividends distributed to subsidiaries														
Share of changes in equity of associates														
Change in ownership interests in subsidiaries														
Acquisition or disposal of interests in subsidiaries														
Difference between consideration and carrying amount of subsidiaries acquired or disposed														
Organizational restructuring under common control														
Stock option compensation cost of subsidiaries														
Increase in non-controlling interests														
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries														
Liquidation of subsidiaries														
Balance at December 31, 2022														

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ACER INCORPORATED AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Income before income tax	\$ 7,873,821	15,435,645
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation	1,016,650	1,022,560
Amortization	674,048	492,670
Net loss (gain) on financial assets measured at fair value through profit or loss	37,445	(30,094)
Effects of exchange rate changes of financial assets measured at amortized cost	(57,817)	-
Interest expense	193,684	336,677
Interest income	(535,746)	(318,945)
Dividend income	(556,176)	(354,416)
Share-based compensation cost	20,757	1,704
Share of profit of associates and joint ventures	(120,823)	(68,427)
Net gain on disposal of investments accounted for using the equity method	(8,121)	(47,815)
Loss on disposal of equipment and intangible assets	9,559	8,252
Property, plant and equipment reclassified to expenses	-	917
Net gain on disposal of investment property	-	(1,141)
Impairment loss on non-financial assets	7,503	-
Reversal of impairment loss on non-financial assets	(30,048)	-
Net loss (gain) on liquidation of subsidiaries and other profits from investments	2,566	(3,068)
Total adjustments for profit or loss	<u>653,481</u>	<u>1,038,874</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Derivative financial instruments measured at fair value through profit or loss	1,268,942	(1,744,184)
Contract assets	18,835	63,015
Notes and accounts receivable	12,910,775	(8,283,499)
Receivables from related parties	(40,492)	30,990
Inventories	16,491,929	(15,317,842)
Other receivables and other current assets	147,075	268,860
Other non-current assets	150,924	(16,406)
Changes in operating assets	<u>30,947,988</u>	<u>(24,999,066)</u>
Changes in operating liabilities:		
Contract liabilities	352,660	198,239
Notes and accounts payable	(26,389,589)	8,138,491
Other payables and other current liabilities	(2,705,802)	7,158,143
Provisions	328,977	622,044
Refund liabilities	(1,406,701)	1,052,018
Other non-current liabilities	88,790	(11,505)
Changes in operating liabilities	<u>(29,731,665)</u>	<u>17,157,430</u>
Cash provided by operations	9,743,625	8,632,883
Interest received	517,270	318,103
Income taxes paid	(4,326,459)	(2,453,171)
Net cash flows provided by operating activities	<u>5,934,436</u>	<u>6,497,815</u>

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ACER INCORPORATED AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Continued)

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from investing activities:		
Purchase of financial assets measured at fair value through other comprehensive income	(978,681)	(2,234,039)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	-	178,648
Proceeds from capital reduction and liquidation of financial assets measured at fair value through other comprehensive income	-	2,845
Acquisition of financial assets measured at amortized cost	(739,775)	-
Proceeds from disposal of financial assets measured at fair value through profit or loss	1,943,356	2,849,874
Acquisition of investments accounted for using the equity method	(150,125)	-
Proceeds from disposal of investments accounted for using equity method	21,136	-
Additions to property, plant and equipment and investment property	(475,429)	(552,937)
Proceeds from disposal of property, plant and equipment and intangible assets	32,342	10,260
Proceeds from disposal of investment property	-	18,497
Additions to intangible assets	(395,832)	(373,199)
Payment of contingent consideration arising from business combination	(37,534)	-
Net cash flow from disposal of subsidiaries and other investments	-	2,872
Net cash inflow (outflow) from acquisition of subsidiaries	(418,436)	154,958
Increase in assets recognized from costs to fulfill contracts with customers	(356,804)	(364,440)
Decrease (increase) in other non-current financial assets	28,258	(130,914)
Dividends received	624,495	416,584
Net cash flows used in investing activities	(903,029)	(20,991)
Cash flows from financing activities:		
Increase in short-term borrowings	9,800,722	3,070,574
Decrease in short-term borrowings	(9,434,416)	(3,664,124)
Proceeds from issuing bonds	-	10,000,000
Increase in long-term debt	72,355	64,510
Repayment of long-term debt	(34,561)	(3,349,490)
Payment of lease liabilities	(652,218)	(679,795)
Cash dividends	(6,841,809)	(4,501,662)
Cash dividends paid to non-controlling interests by subsidiaries	(207,441)	(141,671)
Issuance of common stock by subsidiaries not subscribed by the Group	1,616,281	337,722
Acquisition of interests in subsidiaries	(21,930)	(22,736)
Proceeds from disposal of interests in subsidiaries (without losing control)	44,916	75,768
Interest paid	(181,155)	(294,441)
Net cash flows (used in) provided by financing activities	(5,839,256)	894,655
Effect of foreign exchange rate changes	3,031,210	(1,932,961)
Net increase in cash and cash equivalents	2,223,361	5,438,518
Cash and cash equivalents at beginning of period	44,619,541	39,181,023
Cash and cash equivalents at end of period	\$ 46,842,902	44,619,541

See accompanying notes to consolidated financial statements.



安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors
Acer Incorporated:

Opinion

We have audited the parent-company-only financial statements of Acer Incorporated (the “Company”), which comprise the parent-company-only balance sheets as of December 31, 2022 and 2021, and the parent-company-only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2022 and 2021, and its parent-company-only financial performance and its parent-company-only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Company's parent-company-only financial statements for the year ended December 31, 2022 are stated as follows:

1. Revenue recognition

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

2. Valuation of inventories

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

3. Impairment of goodwill from investment in subsidiaries

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Huei-Chen Chang and Ching-Wen Kao.

KPMG

Taipei, Taiwan (Republic of China)

March 16, 2023

Notes to Readers

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

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

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

ACER INCORPORATED

Parent-Company-Only Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
Assets					
Current assets:					
1100	Cash and cash equivalents (note 6(a))	\$ 16,424,913	12	20,564,678	13
1110	Financial assets measured at fair value through profit or loss— current (note 6(b))	125,665	-	443,248	-
1170	Notes and accounts receivable, net (notes 6(e) & (u))	3,569,975	3	6,335,764	4
1180	Notes and accounts receivable from related parties (notes 6(e) & (u) and 7)	12,743,460	9	37,518,525	23
1200	Other receivables, net (note 6(f))	152,614	-	263,174	-
1210	Other receivables from related parties (notes 6(f) and 7)	1,049,499	1	664,582	-
130X	Inventories (note 6(g))	12,515,946	9	16,213,599	10
1470	Other current assets	<u>306,649</u>	-	<u>245,025</u>	-
	Total current assets	<u>46,888,721</u>	<u>34</u>	<u>82,248,595</u>	<u>50</u>
Non-current assets:					
1517	Financial assets measured at fair value through other comprehensive income—non-current (note 6(c))	6,465,744	5	6,690,542	4
1536	Financial assets measured at amortized cost—non-current (note 6(d))	797,782	1	-	-
1550	Investments accounted for using the equity method (note 6(h))	77,041,422	56	67,951,695	42
1600	Property, plant and equipment (note 6(i))	1,754,509	1	1,740,178	1
1755	Right-of-use assets (note 6(j))	120,214	-	76,756	-
1760	Investment property (note 6(k))	824,318	1	811,781	1
1780	Intangible assets (note 6(l))	179,677	-	175,814	-
1840	Deferred income tax assets (note 6(r))	3,082,794	2	3,100,650	2
1900	Other non-current assets	46,457	-	40,261	-
1980	Other financial assets—non-current (note 8)	<u>148,466</u>	-	<u>160,566</u>	-
	Total non-current assets	<u>90,461,383</u>	<u>66</u>	<u>80,748,243</u>	<u>50</u>
	Total assets	<u>\$ 137,350,104</u>	<u>100</u>	<u>162,996,838</u>	<u>100</u>

(Continued)

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

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

ACER INCORPORATED
Parent-Company-Only Balance Sheets (Continued)
December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2022</u>		<u>December 31, 2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Liabilities and Equity					
Current liabilities:					
2120	Financial liabilities measured at fair value through profit or loss— current (note 6(b))	\$ 714,504	1	145,969	-
2130	Contract liabilities—current (note 6(u))	8,809	-	9,512	-
2170	Notes and accounts payable	21,099,402	15	47,977,844	30
2180	Accounts payable to related parties (note 7)	758,286	1	628,865	-
2200	Other payables (note 6(v))	24,676,398	18	26,560,173	17
2220	Other payables to related parties (note 7)	2,895,984	2	518,175	-
2250	Provisions—current (note 6(o) and 9)	1,011,266	1	834,725	1
2230	Current tax liabilities	1,891,249	1	3,502,017	2
2280	Lease liabilities—current (note 6(n))	63,209	-	43,432	-
2365	Refund liabilities—current	2,781,608	2	3,636,287	2
2399	Other current liabilities	<u>276,737</u>	<u>-</u>	<u>434,939</u>	<u>-</u>
	Total current liabilities	<u>56,177,452</u>	<u>41</u>	<u>84,291,938</u>	<u>52</u>
Non-current liabilities:					
2530	Bonds payable (note 6(m))	10,000,000	7	10,000,000	6
2570	Deferred income tax liabilities (note 6(r))	4,530,059	4	4,234,394	3
2580	Lease liabilities—non-current (note 6(n))	57,923	-	33,810	-
2600	Other non-current liabilities (note 6(q))	624,079	-	745,386	-
2622	Long-term payable to related parties (note 7)	<u>13,134</u>	<u>-</u>	<u>14,594</u>	<u>-</u>
	Total non-current liabilities	<u>15,225,195</u>	<u>11</u>	<u>15,028,184</u>	<u>9</u>
	Total liabilities	<u>71,402,647</u>	<u>52</u>	<u>99,320,122</u>	<u>61</u>
Equity (note 6(c)&(s)):					
3110	Common stock	30,478,538	22	30,478,538	19
3200	Capital surplus	27,795,883	20	27,514,269	17
3300	Retained earnings	14,897,145	11	16,886,389	10
3400	Other equity	(4,309,253)	(3)	(8,287,624)	(5)
3500	Treasury stock	<u>(2,914,856)</u>	<u>(2)</u>	<u>(2,914,856)</u>	<u>(2)</u>
	Total equity	<u>65,947,457</u>	<u>48</u>	<u>63,676,716</u>	<u>39</u>
	Total liabilities and equity	<u>\$ 137,350,104</u>	<u>100</u>	<u>162,996,838</u>	<u>100</u>

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

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

ACER INCORPORATED

Parent-Company-Only Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		2022		2021	
		Amount	%	Amount	%
4000	Net revenue (notes 6(u) and 7)	\$ 169,284,764	100	246,828,456	100
5000	Cost of revenue (notes 6(g) & (o) and 7)	(159,192,798)	(94)	(231,450,073)	(94)
	Gross profit	10,091,966	6	15,378,383	6
5920	Realized (unrealized) profit or loss on sales to subsidiaries, associates and joint ventures	40,330	-	(45,415)	-
	Realized gross profit	10,132,296	6	15,332,968	6
	Operating expenses (notes 6(e), (i), (j), (k), (l), (n), (o), (p), (q) & (v), 7 and 12):				
6100	Selling expenses	(2,772,572)	(1)	(3,325,745)	(1)
6200	General and administrative expenses	(1,283,169)	(1)	(1,459,183)	(1)
6300	Research and development expenses	(1,991,463)	(1)	(2,204,357)	(1)
	Total operating expenses	(6,047,204)	(3)	(6,989,285)	(3)
6500	Other operating income and expenses, net (notes 6(p) & (w) and 7)	132,051	-	161,174	-
	Operating income	4,217,143	3	8,504,857	3
	Non-operating income and loss:				
7100	Interest income (notes 6(x) and 7)	74,621	-	42,434	-
7010	Other income (note 6(x))	519,988	-	287,772	-
7020	Other gains and losses (notes 6(x) and 7)	(59,447)	-	(33,924)	-
7050	Finance costs (notes 6(n) & (x) and 7)	(113,533)	-	(51,662)	-
7060	Share of profits of subsidiaries, associates and joint ventures (note 6(h))	1,721,078	1	4,953,384	2
	Total non-operating income and loss	2,142,707	1	5,198,004	2
	Income before taxes	6,359,850	4	13,702,861	5
7950	Income tax expenses (note 6(r))	(1,356,162)	(1)	(2,805,434)	(1)
	Net Income	5,003,688	3	10,897,427	4
	Other comprehensive income (loss) (notes 6(h), (q), (r)&(s)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	89,278	-	(157,368)	-
8316	Unrealized gains and losses from investments in equity instruments measured at fair value through other comprehensive income	(1,127,724)	(1)	(83,057)	-
8330	Share of other comprehensive income (losses) of subsidiaries and associates	386,990	-	(103,357)	-
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	(17,856)	-	31,474	-
	Total items that will not be reclassified subsequently to profit or loss	(669,312)	(1)	(312,308)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	4,595,828	3	(2,766,226)	(1)
8399	Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	4,595,828	3	(2,766,226)	(1)
	Other comprehensive income (loss), net of taxes	3,926,516	2	(3,078,534)	(1)
	Total comprehensive income for the year	\$ 8,930,204	5	7,818,893	3
	Earnings per share (in New Taiwan dollars) (note 6(t)):				
9750	Basic earnings per share	\$ 1.67		3.63	
9850	Diluted earnings per share	\$ 1.65		3.60	

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

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

ACER INCORPORATED

Parent-Company-Only Statements of Changes in Equity

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings				Other equity				Total equity		
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign currency translation differences	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income		Remeasurements of defined benefit plans	Treasury stock
Balance at January 1, 2021	\$ 30,478,538	27,378,068	853,852	3,976,265	10,897,427	10,869,033	(6,043,227)	768,662	(242,887)	(2,914,856)	60,293,331
Net income for the year	-	-	-	-	10,897,427	10,897,427	-	(324,225)	11,917	-	10,897,427
Other comprehensive income (loss) for the year	-	-	-	-	-	(2,766,226)	(2,766,226)	(324,225)	(3,078,534)	-	(3,078,534)
Total comprehensive income (loss) for the year	-	-	-	-	10,897,427	10,897,427	(2,766,226)	(324,225)	11,917	-	7,818,892
Appropriation approved by the stockholders:											
Legal reserve	-	-	602,575	-	(602,575)	-	-	-	-	-	-
Special reserve	-	-	-	857,485	(857,485)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(4,571,781)	(4,571,781)	-	-	-	-	(4,571,781)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	70,119	-	-	-	-	-	-	-	-	70,119
Share of changes in equity of associates	-	(24,908)	-	-	-	-	-	-	-	-	(24,908)
Changes in ownership interests in subsidiaries	-	60,105	-	-	-	3,856	-	(6,544)	2,760	-	60,177
Difference between consideration and carrying amount of subsidiaries disposed	-	29,880	-	-	-	-	-	-	-	-	29,880
Stock option compensation cost of subsidiaries	-	1,005	-	-	-	-	-	-	-	-	1,005
Disposal of financial assets measured at fair value through other comprehensive income by the company	-	-	-	-	40,230	40,230	-	(40,230)	-	-	-
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	(348,520)	(348,520)	-	348,520	-	-	-
Balance at December 31, 2021	\$ 30,478,538	27,514,269	1,456,427	4,833,750	10,596,212	16,886,389	(8,805,597)	746,183	(228,210)	(2,914,856)	63,676,716
Net income for the year	-	-	-	-	5,003,688	5,003,688	-	-	-	-	5,003,688
Other comprehensive income (loss) for the year	-	-	-	-	-	4,595,828	(1,204,929)	535,617	3,926,516	-	3,926,516
Total comprehensive income (loss) for the year	-	-	-	-	5,003,688	5,003,688	4,595,828	(1,204,929)	535,617	-	8,930,204
Appropriation approved by the stockholders:											
Legal reserve	-	-	1,058,914	-	(1,058,914)	-	-	-	-	-	-
Special reserve	-	-	-	2,564,442	(2,564,442)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(6,949,107)	(6,949,107)	-	-	-	-	(6,949,107)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	107,298	-	-	-	-	-	-	-	-	107,298
Share of changes in equity of associates	-	(2,746)	-	-	-	-	-	-	-	-	(2,746)
Changes in ownership interests in subsidiaries	-	154,065	-	-	-	-	(287)	5,195	7,486	-	166,459
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	12,345	-	-	-	-	-	-	-	-	12,345
Organizational restructuring under common control	-	8,302	-	-	-	(11,702)	-	-	5,483	-	2,083
Liquidation of subsidiaries	-	-	-	-	-	1,855	-	-	1,855	-	1,855
Stock option compensation cost of subsidiaries	-	2,350	-	-	-	-	-	-	-	-	2,350
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	(43,825)	(43,825)	-	43,825	-	-	-
Balance at December 31, 2022	\$ 30,478,538	27,795,883	2,515,341	7,398,192	4,983,612	14,897,145	(4,219,903)	(409,726)	320,376	(2,914,856)	65,947,457

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

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

ACER INCORPORATED

Parent-Company-Only Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Income before income tax	\$ 6,359,850	13,702,861
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation	144,017	140,120
Amortization	23,271	24,593
Net (gain) loss on financial assets measured at fair value through profit or loss	(907)	406
Effects of exchange rate changes in financial assets measured at amortized cost	(57,817)	-
Interest expense	113,533	51,662
Interest income	(74,621)	(42,434)
Dividend income	(519,988)	(287,772)
Share of profits of subsidiaries, associates and joint ventures	(1,721,078)	(4,953,384)
Gain on disposal of equipment and intangible assets	(670)	(657)
Loss on liquidation of subsidiaries	2,301	-
Property, Plant and equipment reclassified to expenses	-	917
Unrealized (realized) profit on sales to subsidiaries, associates and joint ventures	(40,330)	45,415
Other profits from investment	-	(196)
Total adjustments for profit or loss	<u>(2,132,289)</u>	<u>(5,021,330)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Derivative financial instruments measured at fair value through profit or loss	887,025	(1,084,932)
Contract assets	-	250
Notes and accounts receivable	2,765,789	(425,105)
Notes and accounts receivable from related parties	24,775,065	(12,922,567)
Inventories	3,687,416	(2,563,051)
Other receivables and other current assets	101,854	(70,225)
Changes in operating assets	<u>32,217,149</u>	<u>(17,065,630)</u>
Changes in operating liabilities:		
Notes and accounts payable	(26,878,442)	6,028,200
Payables to related parties	2,732,230	159,923
Refund liabilities	(854,679)	(14,624)
Other payables and other current liabilities	(2,041,977)	8,119,742
Provisions	176,541	92,572
Contract liabilities	(703)	(69,619)
Other non-current liabilities and long-term payables to related parties	(33,488)	(24,630)
Changes in operating liabilities	<u>(26,900,518)</u>	<u>14,291,564</u>
Cash provided by operations	9,544,192	5,907,465
Interest received	66,508	42,317
Income taxes paid	(2,716,260)	(1,065,249)
Net cash provided by operating activities	<u>6,894,440</u>	<u>4,884,533</u>

(Continued)

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

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

ACER INCORPORATED

Parent-Company-Only Statements of Cash Flows (Continued)

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities:		
Purchase of financial assets measured at fair value through other comprehensive income	(902,926)	(2,175,540)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	-	107,703
Proceeds from capital return and liquidation of financial assets measured at fair value through other comprehensive income	-	2,845
Acquisition of financial assets measured at amortized cost	(739,775)	-
Additions to investments accounted for using the equity method	(3,001,210)	(113,655)
Proceeds from disposal of investments accounted for using the equity method	509,697	66,165
Proceeds from capital return of investments accounted for using the equity method	11,044	-
Additions to property, plant and equipment and investment property	(76,739)	(40,378)
Proceeds from disposal of equipment and intangible assets	670	895
Increase in receivables from related parties	(423,010)	(412,338)
Additions to intangible assets	(25,960)	(7,810)
Increase in assets recognized from costs to fulfill contracts with customers	-	(2,438)
Increase (decrease) in other financial assets and other non-current assets	4,732	(59,894)
Dividends received	<u>980,389</u>	<u>560,248</u>
Net cash flows used in investing activities	<u>(3,663,088)</u>	<u>(2,074,197)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	5,077,804	5,233,942
Decrease in short-term borrowings	(5,077,804)	(5,233,942)
Proceeds from issuing bonds	-	10,000,000
Repayment of long-term debt	-	(3,300,000)
Payment of lease liabilities	(83,477)	(77,024)
Decrease in loans from related parties	(225,000)	(280,000)
Cash dividends	(6,949,107)	(4,571,781)
Interest paid	<u>(113,533)</u>	<u>(16,677)</u>
Net cash flows provided by (used in) financing activities	<u>(7,371,117)</u>	<u>1,754,518</u>
Net increase in cash and cash equivalents	(4,139,765)	4,564,854
Cash and cash equivalents at beginning of period	<u>20,564,678</u>	<u>15,999,824</u>
Cash and cash equivalents at end of period	<u>\$ 16,424,913</u>	<u>20,564,678</u>

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

Attachment 7

Acer Incorporated 2022 Statement of Profit & Loss Appropriation

	Unit: NT\$
Beginning Balance of Un-appropriated Retained Earnings	23,748,872
Plus: 2022 Net Income after Tax	5,003,688,277
Deduct: the disposal loss of financial assets at fair value through other comprehensive income	(43,825,321)
Deduct: Legal Reserve	(495,986,296)
Plus: Special Reserve	84,251,128
Accumulative earnings available for appropriation	<u>4,571,876,660</u>
Appropriation Items:	
Cash dividends to shareholders ^(Note)	<u>(4,571,780,742)</u>
Ending Balance of Un-appropriated Retained Earnings	<u>95,918</u>

Note: Cash dividends were approved by Board of Directors and shall be reported in Shareholders' Meetings.

Chairman of Board:
Jason Chen

Corporate Officers:
Jason Chen
Meggy Chen

Accounting Officer:
Sophia Chen

Attachment 8

Concurrent Positions of Director and Independent Director Candidates

Type	Name	All Current Position (Note)
Director	Jason Chen	<ol style="list-style-type: none"> 1. Director, FocalTech Systems Co., Ltd. 2. Independent Director, Powerchip Semiconductor Manufacturing Corp 3. Chairman, Mu-Jin Investment Co., Ltd (*) 4. Chairman, Mu-Shi Investment Co., Ltd. (*) 5. Director, Supervisor or Manger, Acer Group
Director	Hung Rouan Investment Corp. Legal Representative : Stan Shih	<ol style="list-style-type: none"> 1. Director, Nan Shan Life Insurance Co., ltd. 2. Director, Egis Technology Inc. 3. Director, AiSails Power Inc. (*) 4. Director, TRANSFORMATIVE CELL PROCESSING CO., LTD. (*) 5. Director, Himalayas Venture Capital Investment Inc. (*) 6. Director, One Song Inc. (*) 7. Director, Fort Zeelandia Inc. (*) 8. Director, CTS Inc. (*) 9. Director, Hung Rouan Investment Corp. (*) 10. Chairman, Ambi Investment and Consulting Inc. (*) 11. Director, Rongxin Management Consultants Co., Ltd. (*) 12. Chairman, CLOUD GATE Foundation (*) 13. Chairman, Stans Foundation (*) 14. Director, Taiwan Public Television Service Foundation (*) 15. Director, Chew's Culture Foundation (*) 16. Director, NSFSG Foundation (*) 17. Director, SanCode Foundation (*) 18. Chairman, Acer Foundation (*) 19. Director, Supervisor or Manger, Acer Group
Director	Maverick Shih	<ol style="list-style-type: none"> 1. Director, Kiwi Technology Inc. 2. Chairman, SATORO TAIWAN INC. (*) 3. Chairman, MAVs LAB. Inc. (*) 4. Director, Allxon Inc. (*) 5. Director, Rongxin Management Consultants Co., Ltd. (*) 6. Director, Supervisor or Manger, Acer Group
Independent Director	Ching-Hsiang Hsu	<ol style="list-style-type: none"> 1. Chairman, eMemory Technology Inc. 2. Independent Director, /Member of Remuneration Committee/ Member of Audit Committee, Materials Analysis Technology Inc. 3. Director, Powerchip Semiconductor Manufacturing Corp 4. Chairman, iMQ Technology Inc. (*) 5. Chairman and President, PUFsecurity Corp. (*) 6. Chairman, PUFsecurity USA Corporation (*) 7. Director, SecuX Technology Inc. (*) 8. Director, National Applied Research Laboratories, NARLabs (*)

Type	Name	All Current Position (Note)
Independent Director	Yuri, Kure	None
Independent Director	Pan-Chyr Yang	<ol style="list-style-type: none"> 1. Director, Microbio Co., Ltd. 2. Professor, Department of Internal Medicine, National Taiwan University Hospital (*) 3. Academician, Academia Sinica (*) 4. Executive Secretary, NTU Center of Genomic Medicine (*) 5. Program Director, Microarray Core Facility, National Research Program for Genomic Medicine (*) 6. President, Taiwan Society of Pulmonary and Critical Care Medicine (*) 7. Lung Cancer Program Co-Director with President Cheng-Wen Wu, National Research Program for Genomic Medicine (*) 8. Clinical Professor, Department of Oncology, National Taiwan University (*) 9. President, NTU YongLin Institute of Health (*)
Independent Director	Mei-Yueh Ho	<ol style="list-style-type: none"> 1. Independent Director, ASE Technology Holding Co., Ltd. 2. Independent Director, Center Laboratories Inc. 3. Director, Kinpo Electronics, Inc. 4. Independent Director, Onward Therapeutics SA (*)

Note: The mark of (*) refers to Non-Publicly Traded Company