MINUTES OF 2024 ANNUAL SHAREHOLDERS' MEETING OF ACER INCORPORATED

(Translation)

The translation is intended for reference only and nothing else. The Chinese text of the Minutes of 2024 Annual Shareholders' Meeting shall govern any and all matters related to the interpretation of the subject matter stated herein.

Time: 9:00 a.m., Friday, May 31, 2024

Venue: Aspire Resort
(No. 428, Kewang Rd., Longtan District, Taoyuan City),

Type: Physical shareholders meeting

Total outstanding shares of ACER (excluding 16,708,995 shares without voting rights as stipulated in Article 179 and 197-1 of the Company Law): 3,031,144,833 shares
Total shares represented by shareholders present in person or proxy: 1,632,359,493 shares
Percentage of shares held by shareholders present in person or proxy: 53.85%
The attendance list of the directors: Jason Chen, Maverick Shih, and the independent Directors Ching-Hsiang Hsu and Mei-Yueh Ho. More than half of the directors have attended this meeting.

Chairman: Jason Chen
Recorder: Wayne Chang

The aggregate shareholding of the shareholders presents 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 2023

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 2023

Explanatory Notes:

i. Distribution of Cash Dividend

(i) Pursuant to Article 21 of the Articles 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$7,349,155,837, and plan to distribute the cash dividend of NT$4,876,566,124 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$1.6 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 June 26, 2024, and the distribution date is set on July 25, 2024. 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' 2023 profit sharing bonus and Board Directors' compensation on March 14, 2024. The employees' profit sharing bonus and Board Directors' compensation are to be distributed in cash.

(ii) The total amount of employees' 2023 profit sharing bonus is NT$470,000,000.

(iii) The total amount of Board Directors' 2023 compensation is NT$4,000,000.

(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.

2. Proposed Items for Ratification and Discussion

Item 1

Proposal: Ratification Proposal of the Financial Statements, Business Report and Profit Distribution Statement for the Year 2023. (Proposed by the Board of Directors)

Explanatory Notes:

(1) The Company's Financial Statements for the year 2023, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flow have been audited by CPA Wei-Ming Shih and CPA Ching-Wen Kao of KPMG.

(2) The Business Report for the year 2023, the aforementioned financial statements and Profit Distribution Statement for the year 2023 are attached hereto as Attachment 1 and Attachment 5~6, which have been approved by the Audit Committee and by the Board of Directors via resolution.

(3) Please ratify.

Resolution:

Shares present at the time of voting: 1,632,359,493 (votes casted electronically: 1,405,178,329 votes)

Voting Results*	% of the total represented share present
Votes in favor: 1,401,762,238 votes (1,174,710,096 votes)	85.87%
Vote against: 659,237 votes (659,237 votes)	0.04%
Votes invalid or abstained: 229,938,018 votes (229,808,996 votes)	14.09%

*Including votes casted electronically (number in brackets)

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

[Note: There were no questions raised by the shareholders.]

Item 2

Proposal: Proposal of the Amendments to Articles of Incorporation. (Proposed by the Board of Directors)

Explanatory Notes:

(1) To comply with the National Communications Commission's abolishment of the business permit requirement for Type II Telecommunications Enterprises and the amendments to the List of Codes of Business Activities of Companies, it is proposed to revise certain contents of the Company's Articles of Incorporation. Please refer to Attachment 7, for "Comparison Table of Acer's Articles of Incorporation Before and After Revision"。.

(2) Please discuss.

Resolution:

Shares present at the time of voting: 1,632,359,493 (votes casted electronically: 1,405,178,329 votes)

Voting Results*	% of the total represented share present
Votes in favor: 1,413,369,234 votes (1,186,317,092 votes)	86.58%
Vote against: 649,150 votes (649,150 votes)	0.04%
Votes invalid or abstained: 218,341,109 votes (218,212,087 votes)	13.38%

*Including votes casted electronically (number in brackets)

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

[Note: There were no questions raised by the shareholders.]

Item 3

Proposal: Proposal of the Amendments to Acer's Internal Rules: (Proposed by the Board of Directors)

i. Procedures for Acquiring or Disposing of Assets

ii Procedures Governing Lending of Capital to Others

Explanatory Notes:

(1) For the subsidiary's potential capital increase needs in the future, it is proposed to raise and revise certain contents of Procedures for Acquiring or Disposing of Assets for increasing the upper limit of the Company's total investment amount in a single subsidiary.

(2) Considering of the applicable regulations and actual operation needs, it is proposed to revise certain contents of Procedures Governing Lending of Capital to Others. Key points for the proposed revisions points are as follows:

   i. The loan to the enterprises which the Company has business transactions is deleted to enhance control. The loan with joint ventures with short-term funding needs is added to meet actual needs. Adjustments are also made to the related loan amount.

   ii. Parent-subsidiary relationships and joint ventures are defined in accordance with Guidelines for Handling Fund Loans and Endorsement Guarantees of Publicly Issued Companies and the Financial Reporting Standards for Securities Issuers.

   iii. The upper limit to the loan amount will be set based on a certain proportion of the net worth of borrowing party.

(3) The before and after revision chart for the aforementioned internal rules are attached hereto as Attachments 8 and 9.

(4) Please discuss.

Resolution:

Shares present at the time of voting: 1,632,359,493 (votes casted electronically: 1,405,178,329 votes)

Voting Results*	% of the total represented share present
Votes in favor: 966,369,790 votes (739,317,648 votes)	59.20%
Vote against: 431,015,548 votes (431,015,548 votes)	26.40%
Votes invalid or abstained: 234,974,155 votes (234,845,133 votes)	14.40%

*Including votes casted electronically (number in brackets)

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

[Note: There were no questions raised by the shareholders.]

Item 4

Proposal: To Approve the Listing Application of the Company's Subsidiary, Winking Studios Limited, on the Overseas Stock Market. (Proposed by the Board of Directors)

Explanatory Notes:

(1) The Company's 2023 GSM has approved its subsidiary, Winking Studios Limited (hereinafter referred to as "WINKING"), to list on Singapore Exchange (Catalist) which was completed on November 20, 2023. Regarding WINKING's proposal for applying dual listing on overseas stock market outside Singapore, the Company's Audit Committee has reviewed the proposal in accordance with the relevant regulations of TWSE.

(2) Purpose of applying for dual listing and trading in an overseas securities market: To expand fundraising and financing channels and enhance the opportunities for M&A and investment in superior gaming art production and game development opportunities, thereby bolstering the WINKING's global competitiveness, popularity and visibility. WINKING is considering seeking dual listing opportunities of its stock on appropriate overseas securities exchanges (hereinafter referred to as "'WINKING Overseas Dual Listing"').

(3) Impact on the finance, business and the proposed changes in the organizational structure and business on the Company:

i. The impact on financial operations: WINKING Overseas Dual Listing will increase and diversify fundraising channels, which will allow streamlined methods for raising funds required for its business operations, strengthening its financial profile and financing capabilities as well as attracting outstanding talent. Although Acer Incorporated (hereinafter referred to as 'the Company') shareholding ratio in WINKING may be diluted due to comply with relevant legal requirements when applying for dual listing of its stock on securities exchanges outside of Singapore, it is expected that the Company, Acer Gaming Inc. (hereinafter referred to as 'AGM'), and other subsidiaries of the Company will still collectively hold more than 50% of the total issued shares of WINKING or maintain ownership with control over WINKING. WINKING will continue to be a subsidiary in the Company's consolidated financial statements. Therefore, WINKING Overseas Dual Listing will have no adverse impact on the Company's financial operations and is expected to have positive benefits.

ii. The impact on business operations: The Company is not engaged in the same business as its subsidiary, AGM and WINKING. AGM's investment in acquiring shares of WINKING aims to continue deepening and expanding businesses related to the gaming sector, as AGM transitions from its current focus on gaming hardware and peripherals distribution to gaming content-related ventures. While there may be opportunities for collaboration in the future between the Company, AGM, and WINKING, each will continue to develop independently. Therefore, WINKING's application for dual listing on other overseas securities exchanges will benefit the expansion of overseas businesses for subsidiary AGM and WINKING, without adversely affecting the Company's operations.

iii. The impact of the proposed changes in the organizational structure and business: WINKING's operational organizational structure and business have not been adjusted due to its overseas dual listing. However, in the future, WINKING may establish branch offices in locations /countries where other overseas securities exchanges for planned dual listings are situated to meet business expansion needs. Regardless of whether branch offices are established in the future, it will not have a significant impact on the Company.

iv. In summary, WINKING Overseas Dual Listing will not have negative impact on the Company.

(4) The method of shareholding dispersal, proposed percentage of shareholding reduction and basis of price determination, and the parties to whom equities are to be assigned or specified persons being contacted:

i. Method of shareholding dispersal, proposed percentage of shareholding reduction and basis of price determination: In response to the equity dispersion required for WINKING Overseas Dual Listing, the issuance of new shares and the release of original shares by WINKING shareholders will be conducted in accordance with relevant laws, regulations and rules of the securities exchanges where the dual listing is sought, to comply with the de minimis requirements for equity dispersion.

The specific shareholding ratio of public shareholders and the issue price to meet the equity dispersion requirements will be made in accordance with the regulations of the securities exchanges where the listing is sought. The exact figures cannot be estimated at the moment, but it is expected that, if and when the WINKING Overseas Dual Listing is complete, the Company, AGM, and other subsidiaries will collectively hold more than 50% of WINKING's shares or maintain ownership with control over WINKING.

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

(5) Any effect on the ongoing listing of the Company: If and when the WINKING Overseas Dual Listing is complete, the Taiwan Stock Exchange maintains its prerogative to review the Company's continued listing in accordance with the relevant regulations of its review guidelines. Any disclosure of business and financial information in connection with WINKING's overseas dual listing will comply and be in accordance with the relevant methods and regulations set out by the TWSE and will not affect the Company's continued listing on the TWSE.

(6) Others:

i. The WINKING Overseas Dual Listing is still under evaluation and in the planning phase. There is uncertainty and unpredictability surrounding as whether the submission being executed and the occasion for submission, the time took to process the application, and whether the application being approved.

ii. To cope with the WINKING Overseas Dual Listing, it is proposed to the Company's GSM 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, the Company will assist and urge AGM (if necessary) to handle the matters related to the WINKING Overseas Dual Listing.

(7) Please discuss.

Resolution:
Shares present at the time of voting: 1,632,359,493 (votes casted electronically: 1,405,178,329 votes)

Voting Results*	% of the total represented share present
Votes in favor: 1,413,271,287 votes (1,186,219,145 votes)	86.58%
Vote against: 783,616 votes (783,616 votes)	0.05%
Votes invalid or abstained: 218,304,590 votes (218,175,568 votes)	13.37%

*Including votes casted electronically (number in brackets)

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

[Note: There were no questions raised by the shareholders.]

3. Extemporary Motion

None.

The Shareholder (Registered Numbers: 0741057) raised questions:

1. How would the Company respond to AI PC's development trend and market potential? What's the Company's preparation and goals?

   Chairman's response:

   Generation AI represents generative AI. Regarding the opportunities bring from generative AI, Acer has executed its strategy on many fields, such as software, hardware, applications, security and health. For AI PC, Acer ensures to stay ahead of the curve in both software and hardware development. On each new development state, Acer may not only catch up but also ensures to maintain its leading position. In the trend of AI PC, Acer has established long-term collaborations with relevant supply chains and has prepared its production capacity accordingly. Inventory management is critical in our industry, and thus we exercise great caution in this regard. Thank you.

2. How will the Company convert numerous reinvestments into corporate value?

   Chairman's response:

   The first part is our own subsidiaries, such as Acer Cyber Security Inc. The Company's shareholders and employees are entitled to subscribe such company's stocks via IPO process for demonstrating its values.

   The section party is the direct investments made by Acer. We may focus on the marker's further trend. We can take Acer's investments in Chao Chi Property Management Consulting Co., Ltd. as an example. At first glance, its rental management business might not seem directly related to Acer, but based on the experience in Japan, during the course of social development, rental management services are expected to have significant growth potential. We hope that during this process, both Chao Chi Property Management Consulting Co., Ltd. and Acer can secure advantageous positions in the broader market trend.

3. It is recommended that the parking lot should have signage and that the venue for the shareholders' meeting should be equipped with tables for the convenience of the shareholders.

   Chairman's response:

   Thanks for your opinion. We would take it into consideration.

The Shareholder (Registered Numbers: 1191052) raised questions:

It is recommended to provide better care for the shareholders attending in person, such as parking guidance and venue arrangements.

Chairman's response:

We empathize with your concerns and will remain committed to continuous improvement. Thank you.

4. Meeting Adjourned (9:32 a.m., May 31, 2024)

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

Attachment 1

Business Report

Dear Shareholders,

Optimizing Operations and Capturing New Opportunities [1]

Acer has seen its computer business move back on the right track with inventory under control around the middle of 2023. New usage models based on generative AI started to emerge, our strategy to expand multiple business engines continued to gain momentum, and considerable progress was made in our sustainability efforts for the environment.

Our fiscal 2023 results were: consolidated revenues of NT$241.31 billion, operating income of NT$4.23 billion, net income of NT$4.93 billion, and EPS of NT$1.64. Businesses other than computers and displays contributed around 27% of total group revenues, while three subsidiaries went public to reach a total of 12 public subsidiaries by the end of 2023.

In the realm of artificial intelligence (AI), we are investing in three areas: enhancing data quality such as data analytics, data cleanup and multiple site data backup; optimizing learning models such as medical image analysis for AI medical solutions; and application usages such as number or image recognition used in parking applications for smart cities. With an AI team at scale, Acer is already playing some essential roles in AI.

Making ESG a Sustainable Part of Acer and Investing in Smart Solutions

We announced our latest sustainability concepts and developments alongside COP28, the United Nations Climate Change Conference in Dubai, to attract global climate campaigners and leaders to visit Acer and learn what we are doing and the concepts we have for a better future. We also welcomed external parties' oversight to help enhance our commitments and actions. Four lifestyle concepts proposed under the theme of 'conscious technology' designed and made with consideration for the future were exhibited – working, learning, moving, living – with products, services, and solutions by Acer and our subsidiaries that provide people with smart, low carbon, and conscious living.

Acer is accelerating its efforts in response to the climate urgency, as well as motivating and seizing new business opportunities. We have steadily expanded our Vero portfolio of eco-conscious products – including our first carbon-neutral laptop. Our investment in smart solutions include smart cities, smart lighting, smart parking and e-mobility, and smart medical. Investing in and using these solutions will help carbon reduction, save energy, and increase productivity. And we have started using biofuel in product transportation and are offering energy storage solutions across the supply chain, from household to industrial use, manufacturing to application, and front-of to behind-the-meter solutions to contribute to the energy transition.

Recognition of Our ESG Initiatives

Acer's "Earthion" sustainability platform that unites employees and supply chain partners to tackle environmental challenges continues to gain in strength. We are committed to sourcing 100% renewable electricity by 2035 and have pledged to achieve net-zero emissions by 2050. As one of the world's top ICT companies, Acer seeks to amplify positive impacts on the environment through united actions; ahead of our target schedule, 80% of our critical suppliers have committed to 100% renewable electricity or set science-based carbon reduction targets. We will continue working toward the goal to use 20-30% post-consumer recycled plastic in its computers and monitors by 2025, for which 18.87% use was achieved in 2023.

Acer's focus on environmental, social and governance (ESG) through transparent reporting and initiatives under our Earthion mission has gained increasing global recognition and are instrumental in our inclusion in worldwide sustainability indices throughout 2023. Acer has been recognized and won major industry accolades. Acer was listed in the Top 5% of companies in the S&P Global Sustainability Yearbook 2023 for sustainable business practices. For the 10th consecutive year, the company was listed in both the MSCI ESG Leaders Indexes, garnering the best rating of "AAA" in its category since 2021, and in the Dow

Jones Sustainability Indices Emerging Markets Index. Furthermore, it was named among Forbes World's Best Employers for the fourth consecutive year. For the second year, we were awarded an Ecovadis Platinum Medal that represents the sustainability rating's highest recognition representing the top 1% of rated companies.

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

Acer will observe geopolitical and socioeconomic situations, inflation, and currency fluctuations to dynamically adjust business and operation strategies, including foreign exchange hedging to minimize risks, and optimize inventory levels. To counteract cyber security threats in the realms of AI and cloud services, Acer will continue to strengthen its global information security and comply with international laws and regulations on information privacy and security.

Our strategy to establish multiple business engines beyond existing boundaries, while emphasizing on sustainability, has provided Acer with more opportunities in the evolving industry dynamics and enhance our corporate resilience. Once again, we thank all our customers, shareholders, and employees for your support in 2023, and we look forward to an exciting future ahead.

Chairman of Board :	Corporate Officers :	Accounting Officer :
Jason Chen	Jason Chen	Sophia Chen
	Victor Chien	
	Meggy 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 2023 Business Report, Financial Statements, and the Proposal for Profit Distribution. The CPA Wei-Ming Shih 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 Profit Distribution Statement 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 14, 2024

[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 Synergy Manpower Corp. (7706.TW; Former Name: ISU Service Corp, “ASM”)

Date	2023.6
Purpose and Mode	To increase capital in cash for operation needs
ASM Issue (Transfer) Shares	8,000,000 shares
Issue (Transfer) Price	NT$ 13
Date of Audit Committee approved	2023.3.16
Date of Board approved	2023.3.16
Date of Shareholder meeting approved	-
Subscriber/Transferee	Acer shareholders
Number of shares	1,361,893 shares (Note1)
Acer’s Shareholdings before share-release	0% (Note2)
Acer’s Shareholdings after share-release	0% (Note2)
Bases of share price	CPA report to the share price
Impact on Acer shareholders	Not harm to shareholders’ rights and interests

Note 1: The board of directors of Acer Synergy Tech Corp. resolved to release a portion of Acer Synergy Manpower Corp.’s cash capital increase for subscription (2,400,000 shares) to its shareholders (each ordinary share is entitled to subscribe for 0.12 shares of Acer Synergy Manpower Corp.). At that time, the Company held a total of 11,349,112 shares of Acer Synergy Tech Corp., and is entitled to subscribe for 1,361,893 shares.

Note 2: The Company doesn’t directly own Acer Synergy Manpower Corp.’s shares. The waived subscription shares as aforementioned will be subscribed by the Company’s shareholders and the specific subscriber contacted by Acer Synergy Tech Corp. 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, 2023, 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, planed listing subsidiaries and other investments shall still be sufficient, and (3) 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 14, 2024. 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

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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 sheet as of December 31, 2023 and 2022, the consolidated statement 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 material 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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, 2023 are stated as follows:

1. Revenue recognition

   Refer to Note 4(p) for the accounting policies on recognizing revenue and Note 5(a) for uncertainty of accounting estimations and assumptions for sales allowances, respectively, to the 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 based on business practice is subject to management's judgment, which involves significant uncertainty. Consequently, the revenue recognition and accrual of sales allowances have been identified as one of the key audit matters.

   How the matter was addressed in our audit:

   In relation to the key audit matters above, we have performed certain audit procedures including, among others, testing the design and operating effectiveness of 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, including the reasonableness of key assumptions; and inspecting the historical payments of sales allowances to evaluate the reasonableness of the sales allowances estimated by management.

2. Valuation of inventories

   Refer to Note 4(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, 2023 and 2022, 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 Shih, Wei-Ming and Kao, Ching-Wen.

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 48,134,128	23	46,842,902	25
1110	Financial assets measured at fair value through profit or loss－current (note 6(b))	140,558	-	935,122	1
1137	Financial assets measured at amortized cost－current (note 6(f))	461,025	-	-	-
1140	Contract assets－current (note 6(y))	701,205	-	523,881	-
1170	Notes and accounts receivable, net (notes 6(c) & (y))	52,194,191	25	51,322,037	27
1180	Accounts receivable from related parties (notes 6(c) & (y) and 7)	114,041	-	41,821	-
1200	Other receivables (note 7)	981,335	-	441,720	-
1220	Current income tax assets	348,843	-	354,479	-
130X	Inventories (note 6(d))	43,553,072	22	42,213,077	22
1476	Other financial assets－current (notes 6(a) and 8)	6,885,203	3	345,879	-
1479	Other current assets (note 6(m))	4,052,437	2	3,636,107	2
	Total current assets	157,566,038	75	146,657,025	77
	Non-current assets:				
1517	Financial assets measured at fair value through other comprehensive income－non-current (note 6(e))	11,901,429	6	7,603,961	4
1535	Financial assets measured at amortized cost－non-current (note 6(f))	4,214,559	2	797,782	-
1550	Investments accounted for using the equity method (note 6(g))	1,391,943	1	1,174,374	1
1600	Property, plant and equipment (notes 6(i) and 8)	4,423,825	2	4,298,887	2
1755	Right-of-use assets (note 6(j))	1,924,650	1	1,969,364	1
1760	Investment property (note 6(k))	861,680	-	831,925	1
1780	Intangible assets (note 6(l))	18,855,332	9	18,530,591	10
1840	Deferred income tax assets (note 6(u))	3,784,322	2	3,705,388	2
1980	Other financial assets－non-current (note 8)	1,133,805	1	1,082,824	1
1990	Other non-current assets (note 6(m))	2,676,263	1	2,387,598	1
	Total non-current assets	51,167,808	25	42,382,694	23
	Total assets	**$ 208,733,846**	**100**	**189,039,719**	**100**

(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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (notes 6(n) and 8)	$ 976,627	-	1,652,086	1
2120	Financial liabilities measured at fair value through profit or loss－current (note 6(b))	787,803	-	1,015,407	-
2130	Contract liabilities－current (note 6(y))	3,252,251	2	2,985,415	2
2170	Notes and accounts payable (note 7)	44,701,410	21	31,549,698	17
2200	Other payables (notes 6(z) and 7)	32,285,437	16	35,449,182	19
2230	Current tax liabilities	2,997,993	1	3,247,082	2
2250	Provisions－current (notes 6(r) and 9)	6,466,024	3	6,916,990	3
2280	Lease liabilities－current (note 6(q))	613,488	-	613,263	-
2322	Current portion of long-term debt (notes 6(o) and 8)	39,518	-	58,017	-
2365	Refund liabilities－current	13,968,281	7	14,722,275	8
2399	Other current liabilities	1,120,719	1	1,314,317	1
	Total current liabilities	107,209,551	51	99,523,732	53
	Non-current liabilities:				
2500	Financial liabilities measured at fair value through profit or loss－non-current (note 6(b))	-	-	4,850	-
2527	Contract liabilities－non-current (note 6(y))	712,983	-	829,346	-
2531	Bonds payable (note 6(p))	10,000,000	5	10,000,000	5
2540	Long-term debt (notes 6(o) and 8)	1,565,035	1	104,476	-
2550	Provisions－non-current (notes 6(r) and 9)	14,232	-	15,296	-
2570	Deferred income tax liabilities (note 6(u))	5,718,682	3	5,025,255	3
2580	Lease liabilities－non-current (note 6(q))	1,486,249	1	1,495,786	1
2600	Other non-current liabilities	1,685,049	1	1,606,783	1
	Total non-current liabilities	21,182,230	11	19,081,792	10
	Total liabilities	128,391,781	62	118,605,524	63
	Equity (notes 6(e), (g), (h) and (v)):				
3110	Common stock	30,478,538	15	30,478,538	16
3200	Capital surplus	27,805,176	13	27,795,883	15
3300	Retained earnings	18,490,986	9	14,897,145	8
3400	Other equity	664,598	-	(4,309,253)	(2)
3500	Treasury stock	(2,712,774)	(1)	(2,914,856)	(2)
	Equity attributable to shareholders of the Parent	74,726,524	36	65,947,457	35
36XX	**Non-controlling interests**	5,615,541	2	4,486,738	2
	Total equity	80,342,065	38	70,434,195	37
	Total liabilities and equity	**$ 208,733,846**	**100**	**189,039,719**	**100**

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, 2023 and 2022

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

		2023		2022	
		Amount	%	Amount	%
4000	**Net revenue (notes 6(y), 7 and 14)**	$ 241,308,142	100	275,423,744	100
5000	**Cost of revenue (notes 6(d), (i), (j), (l), (q),(r), (t) & (z), 7 and 12)**	(215,484,917)	(89)	(245,679,257)	(89)
	Gross profit	25,823,225	11	29,744,487	11
	Operating expenses (notes 6(c), (i), (j), (k), (l), (q),(r),(s), (t), (w) & (z), 7 and 12):				
6100	Selling expenses	(14,204,313)	(6)	(15,679,457)	(5)
6200	General and administrative expenses	(5,335,136)	(2)	(4,826,563)	(2)
6300	Research and development expenses	(2,118,397)	(1)	(2,448,843)	(1)
	Total operating expenses	(21,657,846)	(9)	(22,954,863)	(8)
6500	**Other operating income and expenses, net (notes 6(s)&(aa) and 7)**	60,032	-	138,073	-
	Operating income	4,225,411	2	6,927,697	3
	Non-operating income and loss:				
7100	Interest income (note 6(ab))	2,059,695	1	535,746	-
7010	Other income (note 6(ab))	484,476	-	556,176	-
7020	Other gains and losses (notes 6(g), (l), (ab)&(ac) and 7)	1,265,856	-	(72,937)	-
7050	Finance costs (notes 6(q) & (ab))	(283,478)	-	(193,684)	-
7060	Share of profits of associates and joint ventures (note 6(g))	46,835	-	120,823	-
	Total non-operating income and loss	3,573,384	1	946,124	-
7900	**Income before taxes**	7,798,795	3	7,873,821	3
7950	**Income tax expense** (note 6(u))	(2,167,631)	(1)	(2,270,529)	(1)
	Net income	5,631,164	2	5,603,292	2
	Other comprehensive income (loss) (notes 6 (e), (g), (t), (u) & (v)):				
8310	**Items that will not be reclassified subsequently to profit or loss**				
8311	Remeasurements of defined benefit plans	(35,982)	-	587,280	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	7,812,351	3	(1,221,882)	-
8320	Share of other comprehensive income (loss) of associates	84	-	(13)	-
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	3,280	-	(34,430)	-
	Total items that will not be reclassified to profit or loss	7,779,733	3	(669,045)	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign operations	408,596	-	4,596,636	1
8370	Share of other comprehensive gains (losses) of associates	(568)	-	234	-
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	408,028	-	4,596,870	1
	Other comprehensive income, net of taxes	8,187,761	3	3,927,825	1
	Total comprehensive income for the year	**$ 13,818,925**	**5**	**9,531,117**	**3**
	Net income attributable to:				
8610	Shareholders of the Parent	$ 4,931,944	2	5,003,688	2
8620	Non-controlling interests	699,220	-	599,604	-
		$ 5,631,164	**2**	**5,603,292**	**2**
	Total comprehensive income attributable to:				
8710	Shareholders of the Parent	$ 13,141,580	5	8,930,204	3
8720	Non-controlling interests	677,345	-	600,913	-
		$ 13,818,925	**5**	**9,531,117**	**3**
	Earnings per share (in New Taiwan dollars) (note 6(x)):				
9750	Basic earnings per share	**$ 1.64**		**1.67**	
9850	Diluted earnings per share	**$ 1.64**		**1.65**	

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 years ended December 31, 2023 and 2022

(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, 2022	$ 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)	(8,287,624)	(2,914,856)	63,676,716	2,346,227	66,022,943
Net income for the period	-	-	-	-	5,003,688	5,003,688	-	-	-	-	-	5,003,688	599,604	5,603,292
Other comprehensive income (loss) for the period	-	-	-	-	-	-	4,595,828	(1,204,929)	535,617	3,926,516	-	3,926,516	1,309	3,927,825
Total comprehensive income (loss) for the period	-	-	-	-	5,003,688	5,003,688	4,595,828	(1,204,929)	535,617	3,926,516	-	8,930,204	600,913	9,531,117
Appropriation and distribution of retained earnings:														
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)	-	(6,949,107)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	107,298	-	-	-	-	-	-	-	-	-	107,298	-	107,298
Share of changes in equity of associates	-	(2,746)	-	-	-	-	-	-	-	-	-	(2,746)	(8,621)	(11,367)
Change in ownership interests in subsidiaries	-	154,065	-	-	-	-	(287)	5,195	7,486	12,394	-	166,459	(166,459)	-
Acquisition or disposal of interests in subsidiaries	-	-	-	-	-	-		-			-		22,986	22,986
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	12,345	-	-	-	-	-	-	-	-	-	12,345	(12,345)	-
Organizational restructuring under common control	-	8,302	-	-	-	-	(11,702)	-	5,483	(6,219)	-	2,083	(2,083)	-
Stock option compensation cost of subsidiaries	-	2,350	-	-	-	-	-	-	-	-	-	2,350	18,407	20,757
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	278,873	278,873
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	1,616,281	1,616,281
Cash dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(207,441)	(207,441)
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	(43,825)	(43,825)	-	43,825	-	43,825	-	-	-	-
Liquidation of subsidiaries	-	-	-	-	-	-	1,855	-	-	1,855	-	1,855	-	1,855
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	(4,309,253)	(2,914,856)	65,947,457	4,486,738	70,434,195
Net income for the period	-	-	-	-	4,931,944	4,931,944	-	-	-	-	-	4,931,944	699,220	5,631,164
Other comprehensive income (loss) for the period	-	-	-	-	-	-	421,565	7,813,884	(25,813)	8,209,636	-	8,209,636	(21,875)	8,187,761
Total comprehensive income (loss) for the period	-	-	-	-	4,931,944	4,931,944	421,565	7,813,884	(25,813)	8,209,636	-	13,141,580	677,345	13,818,925
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	495,986	-	(495,986)	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(84,251)	84,251	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(4,571,781)	(4,571,781)	-	-	-	-	-	(4,571,781)	-	(4,571,781)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	70,119	-	-	-	-	-	-	-	-	-	70,119	-	70,119
Disposal of the Company's share by subsidiaries recognized as treasury share transactions	-	73,115	-	-	-	-	-	-	-	-	202,082	275,197	-	275,197
Share of changes in equity of associates	-	1,640	-	-	-	-	-	-	-	-	-	1,640	-	1,640
Changes in ownership interests in subsidiaries	-	(117,115)	-	-	-	-	(1,364)	(431)	(312)	(2,107)	-	(119,222)	119,222	-
Acquisition or disposal of interests in subsidiaries	-	-	-	-	-	-					-	-	84,859	84,859
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(19,538)	-	-	-	-	-	-	-	-	-	(19,538)	19,538	-
Organizational restructuring under common control	-	252	-	-	-	-	-	-	-	-	-	252	(252)	-
Stock option compensation cost of subsidiaries	-	820	-	-	-	-	-	-	-	-	-	820	4,851	5,671
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	220,553	220,553
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	429,281	429,281
Cash dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(426,594)	(426,594)
Disposal of financial assets measured at fair value through other comprehensive income by the Company	-	-	-	-	3,212,026	3,212,026	-	(3,212,026)	-	(3,212,026)	-	-	-	-
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	21,652	21,652	-	(21,652)	-	(21,652)	-	-	-	-
Balance at December 31, 2023	$ **30,478,538**	**27,805,176**	**3,011,327**	**7,313,941**	**8,165,718**	**18,490,986**	**(3,799,702)**	**4,170,049**	**294,251**	**664,598**	**(2,712,774)**	**74,726,524**	**5,615,541**	**80,342,065**

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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Income before income tax	$ 7,798,795	7,873,821
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation	1,129,867	1,016,650
Amortization	646,315	674,048
Net loss on financial assets measured at fair value through profit or loss	6,962	37,445
Effects of exchange rate changes on financial assets measured at amortized cost	(2,448)	(57,817)
Interest expense	283,478	193,684
Interest income	(2,059,695)	(535,746)
Dividend income	(484,476)	(556,176)
Share-based compensation cost	5,671	20,757
Share of profits of associates and joint ventures	(46,835)	(120,823)
Gain on disposal of investments	(3,967)	(8,121)
Loss (gain) on disposal of equipment and intangible assets	(1,233)	9,559
Property, plant and equipment reclassified to cost	323	-
Impairment loss on non-financial assets	1	7,503
Reversal of impairment loss on non-financial assets	-	(30,048)
Gain on bargain purchase	(2,216)	-
Loss on liquidation of subsidiaries and other investments	-	2,566
Total adjustments for profit or loss	(528,253)	653,481
Changes in operating assets and liabilities:		
Changes in operating assets:		
Derivative financial instruments measured at fair value through profit or loss	(154,704)	1,268,942
Contract assets	(147,583)	18,835
Notes and accounts receivable	(762,755)	12,910,775
Receivables from related parties	(68,125)	(40,492)
Inventories	(1,345,565)	16,491,929
Other receivables and other current assets	(802,331)	147,075
Other non-current assets	48,588	150,924
Changes in operating assets	(3,232,475)	30,947,988
Changes in operating liabilities:		
Contract liabilities	37,990	352,660
Notes and accounts payable	13,039,769	(26,389,589)
Other payables and other current liabilities	(3,384,816)	(2,705,802)
Provisions	(454,602)	328,977
Refund liabilities	(753,994)	(1,406,701)
Other non-current liabilities	45,371	88,790
Changes in operating liabilities	8,529,718	(29,731,665)
Cash provided by operations	12,567,785	9,743,625
Interest received	1,910,847	517,270
Income taxes paid	(1,795,092)	(4,326,459)
Net cash flows provided by operating activities	12,683,540	5,934,436

(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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	(845,063)	(978,681)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	4,356,887	-
Acquisition of financial assets measured at amortized cost	(3,859,633)	(739,775)
Acquisition of financial assets measured at fair value through profit or loss	(74,724)	-
Proceeds from disposal of financial assets measured at fair value through profit or loss	775,088	1,943,356
Acquisition of investments accounted for using the equity method	(397,661)	(150,125)
Proceeds from disposal of investments accounted for using the equity method	-	21,136
Acquisition of property, plant and equipment and investment property	(516,266)	(475,429)
Proceeds from disposal of property, plant and equipment and intangible assets	54,517	32,342
Acquisition of intangible assets	(483,472)	(395,832)
Payment of contingent consideration arising from business combination or investment in associates	(35,609)	(37,534)
Net cash inflow (outflow) from acquisition of subsidiaries	248,473	(418,436)
Increase in assets recognized from costs to fulfill contracts with customers	(558,479)	(356,804)
Decrease (increase) in other financial assets	(6,587,259)	28,258
Dividends received	557,384	624,495
Net cash flows used in investing activities	(7,365,817)	(903,029)
Cash flows from financing activities:		
Increase in short-term borrowings	3,784,389	9,800,722
Decrease in short-term borrowings	(4,503,595)	(9,434,416)
Increase in long-term debt	1,500,000	72,355
Repayment of long-term debt	(63,652)	(34,561)
Payment of lease liabilities	(744,711)	(652,218)
Cash dividends	(4,501,662)	(6,841,809)
Proceeds from sale of treasury shares	275,197	-
Cash dividends paid to non-controlling interests by subsidiaries	(426,594)	(207,441)
Issuance of common stock by subsidiaries not subscribed by the Group	433,434	1,616,281
Acquisition of interests in subsidiaries	(28,613)	(21,930)
Proceeds from disposal of interests in subsidiaries (without losing control)	113,472	44,916
Interest paid	(277,876)	(181,155)
Net cash flows used in financing activities	(4,440,211)	(5,839,256)
Effect of foreign exchange rate changes	413,714	3,031,210
Net increase in cash and cash equivalents	1,291,226	2,223,361
Cash and cash equivalents at beginning of period	46,842,902	44,619,541
Cash and cash equivalents at end of period	$ **48,134,128**	**46,842,902**

See accompanying notes to consolidated financial statements.

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Independent Auditors' Report

To the Board of Directors
Acer Incorporated:

Opinion

We have audited the financial statements of Acer Incorporated("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2023 and 2022, and its parent-company-only financial performance and its parent-company-only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters for the Company's parent-company-only financial statements for the year ended December 31, 2023 are stated as follows:

1. Revenue recognition

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

2. Valuation of inventories

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

Description of key audit matter:

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

How the matter was addressed in our audit:

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

3. Impairment of goodwill from investment in subsidiaries

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

Description of key audit matter:

Goodwill arising from acquisition of subsidiaries, which are included within the carrying amount of investments accounted for using the equity method, is subject to impairment test annually or at the time there are indications that goodwill may have been impaired. The assessment of the recoverable amount of the cash-generating unit 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 parent-company-only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, base on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent-company-only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the investee companies accounted for using the equity method to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

Notes to Readers

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

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

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

ACER INCORPORATED

Parent-Company-Only Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
	Assets	Amount	%	Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 18,363,188	12	16,424,913	12
1110	Financial assets measured at fair value through profit or loss－current (note 6(b))	59,412	-	125,665	-
1136	Financial assets measured at amortized cost－current (note 6(g))	461,025	-	-	-
1170	Notes and accounts receivable, net (notes 6(c) & (v))	4,037,018	3	3,569,975	3
1180	Notes and accounts receivable from related parties (notes 6(c) & (v) and 7)	13,018,418	9	12,743,460	9
1200	Other receivables, net (note 6(d))	411,520	-	152,614	-
1210	Other receivables from related parties (notes 6(d) and 7)	1,217,952	1	1,049,499	1
1220	Current income tax assets	101,880	-	56,483	-
130X	Inventories (note 6(e))	13,780,973	9	12,515,946	9
1476	Other financial assets－current (note 6(a))	1,239,900	1	10,500	-
1479	Other current assets	473,761	-	239,666	-
	Total current assets	53,165,047	35	46,888,721	34
	Non-current assets:				
1517	Financial assets measured at fair value through other comprehensive income－non-current (note 6(f))	10,112,654	7	6,465,744	5
1536	Financial assets measured at amortized cost－non-current (note 6(g))	4,211,756	3	797,782	1
1550	Investments accounted for using the equity method (note 6(h))	78,036,358	51	77,041,422	56
1600	Property, plant and equipment (note 6(i))	1,805,810	1	1,754,509	1
1755	Right-of-use assets (note 6(j))	80,633	-	120,214	-
1760	Investment property (note 6(k))	827,742	1	824,318	1
1780	Intangible assets (note 6(l))	179,704	-	179,677	-
1840	Deferred income tax assets (note 6(s))	3,081,892	2	3,082,794	2
1980	Other financial assets－non-current (note 8)	152,782	-	148,466	-
1990	Other non-current assets	34,547	-	46,457	-
	Total non-current assets	98,523,878	65	90,461,383	66
	Total assets	**$ 151,688,925**	**100**	**137,350,104**	**100**

(Continued)

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

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

ACER INCORPORATED

Parent-Company-Only Balance Sheets (Continued)

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2120	Financial liabilities measured at fair value through profit or loss－current (note 6(b))	$ 490,931	-	714,504	1
2130	Contract liabilities－current (note 6(v))	10,855	-	8,809	-
2170	Accounts payable	30,956,168	20	21,099,402	15
2180	Accounts payable to related parties (note 7)	1,201,326	1	758,286	1
2200	Other payables (note 6(w))	21,264,177	14	24,676,398	18
2220	Other payables to related parties (note 7)	468,815	-	2,895,984	2
2230	Current tax liabilities (note 6(p) and 9)	1,666,225	1	1,891,249	1
2250	Provisions－current	797,244	1	1,011,266	1
2280	Lease liabilities－current (note 6(o))	54,885	-	63,209	-
2365	Refund liabilities－current	2,644,086	2	2,781,608	2
2399	Other current liabilities	27,030	-	276,737	-
	Total current liabilities	59,581,742	39	56,177,452	41
	Non-current liabilities:				
2530	Bonds payable (note 6(n))	10,000,000	7	10,000,000	7
2540	Long-term debt (note 6(m))	1,500,000	1	-	-
2570	Deferred income tax liabilities (note 6(s))	5,227,538	4	4,530,059	4
2580	Lease liabilities－non-current (note 6(o))	27,436	-	57,923	-
2600	Other non-current liabilities (note 6(r))	612,332	-	624,079	-
2622	Long-term payable to related parties (note 7)	13,353	-	13,134	-
	Total non-current liabilities	17,380,659	12	15,225,195	11
	Total liabilities	76,962,401	51	71,402,647	52
	Equity (note 6(f),(h) & (t)):				
3110	Common stock	30,478,538	20	30,478,538	22
3200	Capital surplus	27,805,176	18	27,795,883	20
3300	Retained earnings	18,490,986	12	14,897,145	11
3400	Other equity	664,598	1	(4,309,253)	(3)
3500	Treasury stock	(2,712,774)	(2)	(2,914,856)	(2)
	Total equity	74,726,524	49	65,947,457	48
	Total liabilities and equity	**$ 151,688,925**	**100**	**137,350,104**	**100**

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, 2023 and 2022

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

		2023		2022	
		Amount	%	Amount	%
4000	**Net revenue (notes 6(v) and 7)**	$ 150,992,910	100	169,284,764	100
5000	**Cost of revenue (notes 6(e) & (p) and 7)**	(143,493,770)	(95)	(159,192,798)	(94)
	Gross profit	7,499,140	5	10,091,966	6
5920	Realized (unrealized) gross profit on sales to subsidiaries, associates and joint ventures	(37,423)	-	40,330	-
	Realized gross profit	7,461,717	5	10,132,296	6
	Operating expenses (notes 6(c), (i), (j), (k), (l), (o), (p), (q), (r) & (w), 7 and 12):				
6100	Selling expenses	(1,400,978)	(1)	(2,772,572)	(1)
6200	General and administrative expenses	(1,054,664)	(1)	(1,283,169)	(1)
6300	Research and development expenses	(1,612,880)	(1)	(1,991,463)	(1)
	Total operating expenses	(4,068,522)	(3)	(6,047,204)	(3)
6500	**Other operating income and expenses, net (notes 6(o), (q) & (x) and 7)**	130,515	-	132,051	-
	Operating income	3,523,710	2	4,217,143	3
	Non-operating income and loss:				
7100	Interest income (notes 6(y) and 7)	822,112	1	74,621	-
7010	Other income (note 6(y))	400,382	-	519,988	-
7020	Other gains and losses (notes 6(y) and 7)	1,574,350	1	(59,447)	-
7050	Finance costs (notes 6(o) & (y) and 7)	(92,086)	-	(113,533)	-
7060	Share of profits of subsidiaries, associates and joint ventures (note 6(h))	60,104	-	1,721,078	1
	Total non-operating income and loss	2,764,862	2	2,142,707	1
	Income before taxes	6,288,572	4	6,359,850	4
7950	**Income tax expenses (note 6(s))**	(1,356,628)	(1)	(1,356,162)	(1)
	Net Income	4,931,944	3	5,003,688	3
	Other comprehensive income (loss) (notes 6(f), (h), (r), (s) & (t)):				
8310	**Items that will not be reclassified subsequently to profit or loss**				
8311	Remeasurements of defined benefit plans	4,508	-	89,278	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	7,165,914	5	(1,127,724)	(1)
8330	Share of other comprehensive income of subsidiaries and associates	618,551	-	386,990	-
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	(902)	-	(17,856)	-
	Total items that will not be reclassified subsequently to profit or loss	7,788,071	5	(669,312)	(1)
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign operations	421,565	-	4,595,828	3
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	421,565	-	4,595,828	3
	Other comprehensive income (loss), net of taxes	8,209,636	5	3,926,516	2
	Total comprehensive income for the year	**$ 13,141,580**	**8**	**8,930,204**	**5**
	Earnings per share (in New Taiwan dollars) (note 6(u)):				
9750	Basic earnings per share	**$**	**1.64**		**1.67**
9850	Diluted earnings per share	**$**	**1.64**		**1.65**

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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				Other equity					
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign currency translation differences	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Treasury stock	Total equity
Balance at January 1, 2022	$ 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)	(8,287,624)	(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	3,926,516	-	8,930,204
Appropriation and distribution of retained earnings:												
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	12,394	-	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	(6,219)	-	2,083
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	-	43,825	-	-
Liquidation of subsidiaries	-	-	-	-	-	-	1,855	-	-	1,855	-	1,855
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	(4,309,253)	(2,914,856)	65,947,457
Net income for the year	-	-	-	-	4,931,944	4,931,944	-	-	-	-	-	4,931,944
Other comprehensive income (loss) for the year	-	-	-	-	-	-	421,565	7,813,884	(25,813)	8,209,636	-	8,209,636
Total comprehensive income (loss) for the year	-	-	-	-	4,931,944	4,931,944	421,565	7,813,884	(25,813)	8,209,636	-	13,141,580
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	495,986	-	(495,986)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(84,251)	84,251	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(4,571,781)	(4,571,781)	-	-	-	-	-	(4,571,781)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	70,119	-	-	-	-	-	-	-	-	-	70,119
Disposal of the Company's share by subsidiaries recognized as treasury share transactions	-	73,115	-	-	-	-	-	-	-	-	202,082	275,197
Share of changes in equity of associates	-	1,640	-	-	-	-	-	-	-	-	-	1,640
Changes in ownership interests in subsidiaries	-	(117,115)	-	-	-	-	(1,364)	(431)	(312)	(2,107)	-	(119,222)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(19,538)	-	-	-	-	-	-	-	-	-	(19,538)
Organizational restructuring under common control	-	252	-	-	-	-	-	-	-	-	-	252
Stock option compensation cost of subsidiaries	-	820	-	-	-	-	-	-	-	-	-	820
Disposal of financial assets measured at fair value through other comprehensive income by the Company	-	-	-	-	3,212,026	3,212,026	-	(3,212,026)	-	(3,212,026)	-	-
Disposal of financial assets measured at fair value through other comprehensive income by subsidiaries	-	-	-	-	21,652	21,652	-	(21,652)	-	(21,652)	-	-
Balance at December 31, 2023	**$ 30,478,538**	**27,805,176**	**3,011,327**	**7,313,941**	**8,165,718**	**18,490,986**	**(3,799,702)**	**4,170,049**	**294,251**	**664,598**	**(2,712,774)**	**74,726,524**

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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Income before income tax	$ 6,288,572	6,359,850
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation	150,584	144,017
Amortization	44,723	23,271
Net loss (gain) on financial assets measured at fair value through profit or loss	1,844	(907)
Effects of exchange rate changes in financial assets measured at amortized cost	(2,449)	(57,817)
Interest expense	92,086	113,533
Interest income	(822,112)	(74,621)
Dividend income	(400,382)	(519,988)
Share of profits of subsidiaries, associates and joint ventures	(60,104)	(1,721,078)
Gain on disposal of equipment and intangible assets	(418)	(670)
Gain on disposal of investments	(3,967)	-
Loss on liquidation of subsidiaries	-	2,301
Gain on bargain purchase	(2,216)	-
Property, Plant and equipment reclassified to cost	323	-
Unrealized (realized) profit from sales to subsidiaries, associates and joint ventures	37,423	(40,330)
Total adjustments for profit or loss	(964,665)	(2,132,289)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Derivative financial instruments measured at fair value through profit or loss	(159,164)	887,025
Notes and accounts receivable	(467,043)	2,765,789
Notes and accounts from related parties	(274,958)	24,775,065
Inventories	(1,269,222)	3,687,416
Other receivables and other current assets	(447,761)	112,354
Other non-current assets	10,596	(7,369)
Changes in operating assets	(2,607,552)	32,220,280
Changes in operating liabilities:		
Accounts payable	9,856,766	(26,878,442)
Payables to related parties	(2,146,537)	2,732,230
Refund liabilities	(137,522)	(854,679)
Other payables and other current liabilities	(3,662,347)	(2,041,977)
Provisions	(214,022)	176,541
Contract liabilities	2,046	(703)
Other non-current liabilities and long-term payables to related parties	(7,020)	(33,488)
Changes in operating liabilities	3,691,364	(26,900,518)
Cash provided by operations	6,407,719	9,547,323
Interest received	752,829	66,508
Income taxes paid	(929,570)	(2,716,260)
Net cash provided by operating activities	6,230,978	6,897,571

(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, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through other comprehensive income	(766,817)	(902,926)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	4,285,821	-
Acquisition of financial assets measured at amortized cost	(3,859,633)	(739,775)
Additions to investments accounted for using the equity method	(826,182)	(3,001,210)
Proceeds from disposal of investments accounted for using the equity method	100,946	509,697
Proceeds from capital reduction or liquidation of investments accounted for using the equity method	397,320	11,044
Acquisition of property, plant and equipment and investment property	(120,096)	(76,739)
Proceeds from disposal of equipment and intangible assets	627	670
Increase in receivables from related parties	(157,327)	(423,010)
Acquisition of intangible assets	(28,544)	(25,960)
Decrease (increase) in other financial assets	(1,233,716)	1,601
Increase in assets recognized from costs to fulfill contracts with customers	(14,891)	-
Dividends received	1,011,609	980,389
Net cash flows used in investing activities	(1,210,883)	(3,666,219)
Cash flows from financing activities:		
Increase in short-term borrowings	-	5,077,804
Decrease in short-term borrowings	-	(5,077,804)
Increase in long-term debt	1,500,000	-
Payment of lease liabilities	(80,780)	(83,477)
Increase (decrease) in loans from related parties	160,000	(225,000)
Cash dividends	(4,571,781)	(6,949,107)
Interest paid	(89,259)	(113,533)
Net cash flows used in financing activities	(3,081,820)	(7,371,117)
Net increase (decrease) in cash and cash equivalents	1,938,275	(4,139,765)
Cash and cash equivalents at beginning of period	16,424,913	20,564,678
Cash and cash equivalents at end of period	$ **18,363,188**	**16,424,913**

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

Attachment 6

Acer Incorporated
2023 Profit Distribution Statement

Unit: NT$

Beginning Balance of Un-appropriated Retained Earnings	95,918
Plus: 2023 Net Income after Tax	4,931,943,728
Plus: the disposal profit of financial assets at fair value through other comprehensive income	3,233,678,405
Deduct: Legal Reserve	(816,562,214)
Accumulative earnings available for appropriation	7,349,155,837
Appropriation Items:	
Cash dividends to shareholders (Note)	(4,876,566,124)
Ending Balance of Un-appropriated Retained Earnings	2,472,589,713

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
Victor Chien
Meggy Chen

Accounting Officer:
Sophia Chen

Attachment 7

Acer Incorporated
Articles of Incorporation
(Before and After Revision Chart)

After Revision	Before Revision	Reason for Revision
Article 2 The scope of business of this Company shall include the following: (1)~(5) (Omitted) ~~(6) G902011 Type II Telecommunications Enterprise;~~ (6~~7~~) F401010 International Trade; (7~~8~~)JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops (8~~9~~)JE01010 Rental and Leasing Business; (9~~10~~)CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing (10~~11~~)CC01070 Telecommunication Equipment and Apparatus Manufacturing; (11~~12~~)CC01110 Computers and Computing Peripheral Equipment Manufacturing (12~~13~~)CD01060 Aircraft and Parts Manufacturing; (13~~14~~)E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction; (14~~15~~) F113070 Wholesale of Telecom Instruments; (15~~16~~)IZ13010 Internet Identify Services; (16~~17~~) F108031 Wholesale of Drugs, Medical Goods (17~~18~~) F208031 Retail Sale of Medical Equipments; (18~~19~~) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.	Article 2 The scope of business of this Company shall include the following: (1)~(5) (Omitted) (6) G902011 Type II Telecommunications Enterprise; (7) F401010 International Trade; (8)JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops (9)JE01010 Rental and Leasing Business; (10)CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing (11)CC01070 Telecommunication Equipment and Apparatus Manufacturing; (12)CC01110 Computers and Computing Peripheral Equipment Manufacturing (13)CD01060 Aircraft and Parts Manufacturing; (14)E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction; (15) F113070 Wholesale of Telecom Instruments; (16)IZ13010 Internet Identify Services; (17) F108031 Wholesale of Drugs, Medical Goods (18) F208031 Retail Sale of Medical Equipments; (19) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.	1. In accordance with the National Communications Commission's abolition of the special permit requirement for Type II Telecommunications Enterprise licenses, the corresponding business item is deleted simultaneously. 2. The serial numbers are adjusted because the business item has been deleted.
Article 23 (omitted) The forty-sixth amendment was approved on May 31, 2024. (provisional)	Article 23 (omitted)	To add the date of amendment.

Attachment 8

Acer Incorporated
Procedures Governing Acquiring or Disposing of Assets
(Before and After Revision Chart)

After Revision	Before Revision	Explanation
Article 7 Scope and Amount of Acquisition or Disposal of Assets 1. Apart from acquisition of assets for business use, the Company may invest or purchase real estate, equipment, right-of-use assets of real estate, right-of-use assets of equipment, and securities for non-business use, the limitations on amounts are set forth as follows: (1) (Omitted) (2) Total investment in securities shall not exceed the shareholder's equity of the Company as certified by the accountant. (3) Investment in a single security shall not exceed <u>45</u>~~40~~% of the shareholder's equity of the Company as certified by the accountant. 2. (Omitted)	Article 7 Scope and Amount of Acquisition or Disposal of Assets 1. Apart from acquisition of assets for business use, the Company may invest or purchase real estate, equipment, right-of-use assets of real estate, right-of-use assets of equipment, and securities for non-business use, the limitations on amounts are set forth as follows: (1) (Omitted) (2) Total investment in securities shall not exceed the shareholder's equity of the Company as certified by the accountant. (3) Investment in a single security shall not exceed 40% of the shareholder's equity of the Company as certified by the accountant. 2. (Omitted)	To raise the investment limitation in single subsidiary for its potential capital increase requirements in the future.
Article 29 The Procedures were enacted on July 28, 1995. The first amendment was made on October 27, 1995. The second amendment was made on November 18, 1999. The third amendment was made on June 11, 2003. The fourth amendment was made on June 13, 2008. The fifth amendment was made on June 15, 2012. The sixth amendment was made on June 18, 2014. The seventh amendment was enacted on June 23, 2015. The eighth amendment was enacted on June 21, 2017. The ninth amendment was enacted on June 14, 2019. The tenth amendment was enacted on June 12, 2020. The eleventh amendment was enacted on July 9, 2021. The twelfth amendment was enacted on June 10, 2022. <u>The thirteenth amendment was enacted on May 31, 2024.</u> (provisional)	Article 29 The Procedures were enacted on July 28, 1995. The first amendment was made on October 27, 1995. The second amendment was made on November 18, 1999. The third amendment was made on June 11, 2003. The fourth amendment was made on June 13, 2008. The fifth amendment was made on June 15, 2012. The sixth amendment was made on June 18, 2014. The seventh amendment was enacted on June 23, 2015. The eighth amendment was enacted on June 21, 2017. The ninth amendment was enacted on June 14, 2019. The tenth amendment was enacted on June 12, 2020. The eleventh amendment was enacted on July 9, 2021. The twelfth amendment was enacted on June 10, 2022.	To add the date of amendment.

Attachment 9

Acer Incorporated
Procedures Governing Lending of Capital to Others
(Before and After Revision Chart)

After Revision	Before Revision	Reason for Revision
Article 1 Applicability ~~The Company shall not provide loans to others unless otherwise provided below:~~ ~~The Company may provide loans to enterprises with which the Company has business relationship; where there is necessity of short-term financing, t~~he Company may provide loans in accordance with these Procedures to subsidiaries ~~in which the Company holds 50% or more of its total outstanding common shares,~~ joint ventures where there is necessity of short-term financing or where ~~enterprises in which~~ the Company proposes to make equity investment.	Article 1 Applicability The Company shall not provide loans to others unless otherwise provided below: The Company may provide loans to enterprises with which the Company has business relationship; where there is necessity of short-term financing, the Company may provide loans in accordance with these Procedures to subsidiaries in which the Company holds 50% or more of its total outstanding common shares, or enterprises in which the Company proposes to make equity investment.	Adjustment of lending entities: Considering of actual operations and control, it is proposed to remove the enterprises which the Company has business transactions and to add the joint ventures where there is necessity of short-term financing or where the Company proposes to make equity investment. In addition, the limitation of lending amount is adjusted accordingly.
Article 2 The Standard for Lending Assessment ~~1. For enterprises having business relationship with the Company apply funding from the Company, the aggregate amount of the loans provided by the Company shall not exceed the net worth of total trading amount between both parties in the most recent year. The net worth of total trading amount between both parties means the total amount of purchase or re-sale, whichever is higher.~~ 1.~~2.~~For enterprises apply funding from the Company by reason of necessity to have short-term funding, those enterprises shall be limited to subsidiaries, joint ventures ~~in which the Company holds 50% or more of its total outstanding common shares~~ or enterprises in which the Company proposes to make equity investment. 2.~~3.~~“Subsidiary” or “Joint Venture” used in these Procedures means which is provided pursuant to Regulations Governing the Preparation of Financial Reports by Securities Issuers and the financial reporting regulations applicable to the Company.	Article 2 The Standard for Lending Assessment 1. For enterprises having business relationship with the Company apply funding from the Company, the aggregate amount of the loans provided by the Company shall not exceed the net worth of total trading amount between both parties in the most recent year. The net worth of total trading amount between both parties means the total amount of purchase or re-sale, whichever is higher. 2. For enterprises apply funding from the Company by reason of necessity to have short-term funding, those enterprises shall be limited to subsidiaries in which the Company holds 50% or more of its total outstanding common shares or enterprises in which the Company proposes to make equity investment. 3. “Subsidiary” used in these Procedures means which is provided pursuant to Regulations Governing the Preparation of Financial Reports by Securities Issuers.	1. Same as Above. 2. In accordance with Article 6 of the “Guidelines for Handling Funds Lending and Endorsement Guarantees of Publicly Issued Companies”, parent-subsidiary relationship is determined upon the criteria outlined in the “Financial Reporting Standards for Securities Issuers”. Therefore, it is proposed to delete the provision that solely relies on equity ownership percentages for determination of parent-subsidiary relationship.

After Revision	Before Revision	Reason for Revision
Article 3 Limits on Loan 1. (Omitted) ~~2. By reason of business relations, the limits to lend to each single borrower shall be subject to the percentage provided below:~~ ~~(1) For subsidiary that the Company holds 50% or more of its total outstanding common shares, the aggregate amount of loans shall not exceed 10% of the net worth of the Company.~~ ~~(2) For enterprise that the Company holds less than 50% of its total outstanding common shares, the aggregate amount of loans shall not exceed 5% of the net worth of the Company, nor exceed 40% of the net worth of the enterprise.~~ ~~(3) For other borrower, the aggregate amount of loans shall not exceed 3% of the net worth of the Company, nor exceed 25% of the net worth of the borrower.~~ 2.~~3.~~By reason of necessity to have short-term funding from the Company, the limits to loan to each single borrower shall be subject to the percentage provided below: (1) For subsidiary that the Company directly or indirectly holds 100 ~~50% or more~~ of its total outstanding common shares, the aggregate amount of loans shall not exceed 10% of the net worth of the Company. (2) For subsidiary that the Company directly or indirectly holds more than 50% but less than 100% of its total outstanding common shares, the aggregate amount of loans shall not exceed 10% of the net worth of the Company and 200% of the net worth of such subsidiary. ~~(2)~~(3)For enterprise that the Company directly or indirectly holds less than 50% of its total outstanding common shares, the aggregate amount of loans shall not exceed 10 ~~5~~% of the net worth of the Company, nor exceed ~~40% of~~ the net worth of such subsidiary ~~the enterprise~~. ~~(3)~~(4) For joint venture, the aggregate amount of loans shall not exceed 5% of the net worth of the Company, nor exceed the net worth recognized in the Company's financial statements based on the proportionate shares owned by the Company. ~~For other borrower, the aggregate amount of loans shall not exceed 3% of the net worth of the Company, nor exceed 25% of the net worth of the borrower.~~	Article 3 Limits on Loan 1. (Omitted) 2. By reason of business relations, the limits to lend to each single borrower shall be subject to the percentage provided below: (1) For subsidiary that the Company holds 50% or more of its total outstanding common shares, the aggregate amount of loans shall not exceed 10% of the net worth of the Company. (2) For enterprise that the Company holds less than 50% of its total outstanding common shares, the aggregate amount of loans shall not exceed 5% of the net worth of the Company, nor exceed 40% of the net worth of the enterprise. (3) For other borrower, the aggregate amount of loans shall not exceed 3% of the net worth of the Company, nor exceed 25% of the net worth of the borrower. 3. By reason of necessity to have short-term funding from the Company, the limits to loan to each single borrower shall be subject to the percentage provided below: (1) For subsidiary that the Company holds 50% or more of its total outstanding common shares, the aggregate amount of loans shall not exceed 10% of the net worth of the Company. (2) For enterprise that the Company holds less than 50% of its total outstanding common shares, the aggregate amount of loans shall not exceed 5% of the net worth of the Company, nor exceed 40% of the net worth of the enterprise. (3) For other borrower, the aggregate amount of loans shall not exceed 3% of the net worth of the Company, nor exceed 25% of the net worth of the borrower. In the event the Company provides loans to enterprise in which the Company proposes to make equity investment and there is necessity of short-term funding, each application shall be submitted to the Board of Directors for approval and the aggregate amount shall not exceed the aforesaid limits. 4. "net worth" in these Procedures means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	1.Same as above. 2.Adjustment of the net worth limitation for borrower: Considering that Company has been established relevant risk assessment mechanisms for fund borrowing, it is proposed to simplify the individual lending limits for fund recipients to align with regulatory standards.

After Revision	Before Revision	Reason for Revision
In the event the Company provides loans to enterprise in which the Company proposes to make equity investment and there is necessity of short-term funding, each application shall be submitted to the Board of Directors for approval and the aggregate amount shall not exceed the aforesaid limits. ~~4.~~3."net worth" in these Procedures means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.		
Article 5 Procedures for Lending 1. (Omitted) 2. (Omitted) 3. Where funds are loaned between the Company and its subsidiaries or between the Company's subsidiaries, the Board of Directors of the lender may authorize the Company's Chairman to appropriate funds in installments or as revolving funds to the same borrower within a specified amount approved by the Board of Directors and within one-year period. Except as funds are loaned in accordance with Clause 3, Paragraph 1 of Article 10, a loan amount for each enterprise shall not exceed ten (10%) percent of net worth of the borrower as shown in its latest financial report.	Article 5 Procedures for Lending 1. (Omitted) 2. (Omitted) 3. Where funds are loaned between the Company and its subsidiaries or between the Company's subsidiaries, the Board of Directors of the lender may authorize the Company's Chairman to appropriate funds in installments or as revolving funds to the same borrower within a specified amount approved by the Board of Directors and within one-year period. Except as funds are loaned in accordance with Clause 3 of Article 10, a loan amount for each enterprise shall not exceed ten (10%) percent of net worth of the borrower as shown in its latest financial report.	Same as above.
Article 7 The Standards for Public Announcement 1. The Company shall enter the information regarding the loan amount provided by the Company ~~and~~, its subsidiaries and joint ventures in the most recent month into the Market Observation Post System on or before the 10th date of each month. 2. In the event that the loan amount provided by the Company ~~and~~, its subsidiaries and joint ventures reaches the following thresholds, the Company shall make a public announcement within two days commencing immediately from the date of occurrence of said lending: (1)~(3) (Omitted) 3. The Company shall announce and report on behalf of any subsidiary and joint ventures thereof that is not a public company in Taiwan any matters that such subsidiary and joint ventures is required to announce and report pursuant to the preceding paragraph.	Article 7 The Standards for Public Announcement 1. The Company shall enter the information regarding the loan amount provided by the Company and its subsidiaries in the most recent month into the Market Observation Post System on or before the 10th date of each month. 2. In the event that the loan amount provided by the Company and its subsidiaries reaches the following thresholds, the Company shall make a public announcement within two days commencing immediately from the date of occurrence of said lending: (1)~(3) (Omitted) 3. The Company shall announce and report on behalf of any subsidiary thereof that is not a public company in Taiwan any matters that such subsidiary is required to announce and report pursuant to the preceding paragraph.	Same as above.

After Revision	Before Revision	Reason for Revision
Article 10 Control Procedures for the Company's Subsidiaries 1. When the subsidiaries thereof that is not a public company in Taiwan propose to provide loans to others, the subsidiaries shall enact the "Procedures Governing Lending of Capital" and file with the Company's Board of Directors for ratification. The said procedures of the subsidiaries shall be stipulated in accordance with these Procedures; provided, however, that the aggregate loan amount of the subsidiaries and the aggregate loan amount for each enterprise shall not exceed the following thresholds: (1)~(2) (Omitted) (3) Where funds are loaned between the overseas companies in which the Company directly and indirectly holds 100% voting shares or capital, or any overseas companies in which the Company directly and indirectly holds 100% voting shares or capital provides loans to the Company, such funds may be loaned free of the limitation of the aggregate amount of short-term funding provided in Paragraph 1 of Article 3, the limits to each borrower provided in Clause 1, Paragraph 3 ~~(1)~~ of Article 3 and Article 4; provided, however, that the loan period shall not exceed three (3) years and the limit to lend to each borrower and the aggregate loan amount shall not exceed 120% of the borrower's net worth. 2. (Omitted)	Article 10 Control Procedures for the Company's Subsidiaries 1. When the subsidiaries thereof that is not a public company in Taiwan propose to provide loans to others, the subsidiaries shall enact the "Procedures Governing Lending of Capital" and file with the Company's Board of Directors for ratification. The said procedures of the subsidiaries shall be stipulated in accordance with these Procedures; provided, however, that the aggregate loan amount of the subsidiaries and the aggregate loan amount for each enterprise shall not exceed the following thresholds: (1)~(2) (Omitted) (3) Where funds are loaned between the overseas companies in which the Company directly and indirectly holds 100% voting shares or capital, or any overseas companies in which the Company directly and indirectly holds 100% voting shares or capital provides loans to the Company, such funds may be loaned free of the limitation of the aggregate amount of short-term funding provided in Paragraph 1 of Article 3, the limits to each borrower provided in Paragraph 3 (1) of Article 3 and Article 4; provided, however, that the loan period shall not exceed three (3) years and the limit to lend to each borrower and the aggregate loan amount shall not exceed 120% of the borrower's net worth. 2. (Omitted)	Same as above.
Article 18 (Omitted) The fifteenth amendment was made on May 31, 2024. (provisional)	Article 18 (Omitted)	Added the date of approval of shareholder's meeting.