

(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)**

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

(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)**

		<b>December 31, 2023</b>		<b>December 31, 2022</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Liabilities and Equity</b>					
<b>Current liabilities:</b>					
2120	Financial liabilities measured at fair value through profit or loss—current	\$ 490,931	-	714,504	1
2130	Contract liabilities—current	10,855	-	8,809	-
2170	Accounts payable	30,956,168	20	21,099,402	15
2180	Accounts payable to related parties	1,201,326	1	758,286	1
2200	Other payables	21,264,177	14	24,676,398	18
2220	Other payables to related parties	468,815	-	2,895,984	2
2230	Current tax liabilities	1,666,225	1	1,891,249	1
2250	Provisions—current	797,244	1	1,011,266	1
2280	Lease liabilities—current	54,885	-	63,209	-
2365	Refund liabilities—current	2,644,086	2	2,781,608	2
2399	Other current liabilities	27,030	-	276,737	-
	<b>Total current liabilities</b>	<u>59,581,742</u>	<u>39</u>	<u>56,177,452</u>	<u>41</u>
<b>Non-current liabilities:</b>					
2530	Bonds payable	10,000,000	7	10,000,000	7
2540	Long-term debt	1,500,000	1	-	-
2570	Deferred income tax liabilities	5,227,538	4	4,530,059	4
2580	Lease liabilities—non-current	27,436	-	57,923	-
2600	Other non-current liabilities	612,332	-	624,079	-
2622	Long-term payable to related parties	13,353	-	13,134	-
	<b>Total non-current liabilities</b>	<u>17,380,659</u>	<u>12</u>	<u>15,225,195</u>	<u>11</u>
	<b>Total liabilities</b>	<u>76,962,401</u>	<u>51</u>	<u>71,402,647</u>	<u>52</u>
<b>Equity :</b>					
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)
	<b>Total equity</b>	<u>74,726,524</u>	<u>49</u>	<u>65,947,457</u>	<u>48</u>
	<b>Total liabilities and equity</b>	<u>\$ 151,688,925</u>	<u>100</u>	<u>137,350,104</u>	<u>100</u>

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

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

**ACER INCORPORATED****Parent-Company-Only Statements of Comprehensive Income****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		<b>2023</b>		<b>2022</b>	
		<u><b>Amount</b></u>	<u><b>%</b></u>	<u><b>Amount</b></u>	<u><b>%</b></u>
4000	<b>Net revenue</b>	\$ 150,992,910	100	169,284,764	100
5000	<b>Cost of revenue</b>	<u>(143,493,770)</u>	<u>(95)</u>	<u>(159,192,798)</u>	<u>(94)</u>
	<b>Gross profit</b>	7,499,140	5	10,091,966	6
5920	Realized (unrealized) gross profit on sales to subsidiaries, associates and joint ventures	<u>(37,423)</u>	<u>-</u>	<u>40,330</u>	<u>-</u>
	<b>Realized gross profit</b>	<u>7,461,717</u>	<u>5</u>	<u>10,132,296</u>	<u>6</u>
	<b>Operating expenses:</b>				
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	<u>(1,612,880)</u>	<u>(1)</u>	<u>(1,991,463)</u>	<u>(1)</u>
	<b>Total operating expenses</b>	<u>(4,068,522)</u>	<u>(3)</u>	<u>(6,047,204)</u>	<u>(3)</u>
6500	<b>Other operating income and expenses, net</b>	<u>130,515</u>	<u>-</u>	<u>132,051</u>	<u>-</u>
	<b>Operating income</b>	<u>3,523,710</u>	<u>2</u>	<u>4,217,143</u>	<u>3</u>
	<b>Non-operating income and loss:</b>				
7100	Interest income	822,112	1	74,621	-
7010	Other income	400,382	-	519,988	-
7020	Other gains and losses	1,574,350	1	(59,447)	-
7050	Finance costs	(92,086)	-	(113,533)	-
7060	Share of profits of subsidiaries, associates and joint ventures	<u>60,104</u>	<u>-</u>	<u>1,721,078</u>	<u>1</u>
	<b>Total non-operating income and loss</b>	<u>2,764,862</u>	<u>2</u>	<u>2,142,707</u>	<u>1</u>
	<b>Income before taxes</b>	6,288,572	4	6,359,850	4
7950	<b>Income tax expenses</b>	<u>(1,356,628)</u>	<u>(1)</u>	<u>(1,356,162)</u>	<u>(1)</u>
	<b>Net Income</b>	<u>4,931,944</u>	<u>3</u>	<u>5,003,688</u>	<u>3</u>
	<b>Other comprehensive income (loss) :</b>				
8310	<b>Items that will not be reclassified subsequently to profit or loss</b>				
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	<u>(902)</u>	<u>-</u>	<u>(17,856)</u>	<u>-</u>
	<b>Total items that will not be reclassified subsequently to profit or loss</b>	<u>7,788,071</u>	<u>5</u>	<u>(669,312)</u>	<u>(1)</u>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Total items that may be reclassified subsequently to profit or loss</b>	<u>421,565</u>	<u>-</u>	<u>4,595,828</u>	<u>3</u>
	<b>Other comprehensive income (loss), net of taxes</b>	<u>8,209,636</u>	<u>5</u>	<u>3,926,516</u>	<u>2</u>
	<b>Total comprehensive income for the year</b>	<u>\$ 13,141,580</u>	<u>8</u>	<u>8,930,204</u>	<u>5</u>
	<b>Earnings per share (in New Taiwan dollars) :</b>				
9750	Basic earnings per share	\$ <u>1.64</u>		\$ <u>1.67</u>	
9850	Diluted earnings per share	\$ <u>1.64</u>		\$ <u>1.65</u>	

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

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

**ACER INCORPORATED****Parent-Company-Only Statements of Changes in Equity****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings					Other equity						
								Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans		Treasury stock	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Foreign currency translation differences			Total		
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 approved by the stockholders:												
Legal reserve	-	-	1,058,914	-	(1,058,914)	-	-	-	-	-	-	-
Special reserve	-	-	-	2,564,442	(2,564,442)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(6,949,107)	(6,949,107)	-	-	-	-	-	(6,949,107)
Adjustments of capital surplus for the cash dividends distributed to subsidiaries	-	107,298	-	-	-	-	-	-	-	-	-	107,298
Share of changes in equity of associates	-	(2,746)	-	-	-	-	-	-	-	-	-	(2,746)
Changes in ownership interests in subsidiaries	-	154,065	-	-	-	-	(287)	5,195	7,486	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 approved by the stockholders:												
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 aquired 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)**

	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Income before income tax	\$ 6,288,572	6,359,850
<b>Adjustments for:</b>		
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)
<b>Total adjustments for profit or loss</b>	<b>(964,665)</b>	<b>(2,132,289)</b>
<b>Changes in operating assets and liabilities:</b>		
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)
<b>Changes in operating assets</b>	<b>(2,607,552)</b>	<b>32,220,280</b>
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)
<b>Changes in operating liabilities</b>	<b>3,691,364</b>	<b>(26,900,518)</b>
Cash provided by operations	6,407,719	9,547,323
Interest received	752,829	66,508
Income taxes paid	(929,570)	(2,716,260)
<b>Net cash provided by operating activities</b>	<b>6,230,978</b>	<b>6,897,571</b>

(Continued)

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**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)**

	<b>2023</b>	<b>2022</b>
<b>Cash flows from investing activities:</b>		
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
<b>Net cash flows used in investing activities</b>	<b>(1,210,883)</b>	<b>(3,666,219)</b>
<b>Cash flows from financing activities:</b>		
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)
<b>Net cash flows used in financing activities</b>	<b>(3,081,820)</b>	<b>(7,371,117)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,938,275</b>	<b>(4,139,765)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>16,424,913</b>	<b>20,564,678</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 18,363,188</b>	<b>16,424,913</b>

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