

**ACER E-ENABLING SERVICE BUSINESS INC.**  
**MINUTES OF 2023 GENERAL SHAREHOLDERS' MEETING**

*(Translation)*

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

Time and Date : 9:00 a.m., Friday, June 9<sup>th</sup>, 2023

Venue : Acer Building (No.88, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City)

Type : Physical Meeting

Total outstanding shares of ACER E-ENABLING SERVICE BUSINESS INC.: 41,449,000 shares

Total shares represented by shareholders present in person or proxy : 27,851,436 shares

Percentage of shares held by shareholders present in person or proxy : 67.19%

The attendance list of the directors : ACER BEINGWARE HOLDING INC. Legal Representative: Jason Chen, Maverick Shih, Meggy Chen, and independent director:

H.T. Chou

Chairman: Jason Chen, the Chairman of the Board of Directors.

Recorder : Kevin Cheng

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

## **1. Report Items**

(1) Business Report for the Year 2022

Explanatory Notes: Please refer to Attachment 1.

(2) Audit Committee's Review Report

Explanatory Notes: Please refer to Attachment 2.

(3) To Report on the Execution of Employees' Profit Sharing Bonus and Board Directors' Compensation for the Year 2022

Explanatory Notes:

i. The Board of Directors approved the proposal of employees' 2022 profit

sharing bonus and Board Directors' compensation on March 14<sup>th</sup>, 2023. The employees' profit-sharing bonus and Board Directors' compensation are to be distributed in cash.

- ii. The total amount of employees' 2022 profit sharing bonus is NT\$71,000,000.
- iii. The total amount of Board Directors' 2022 compensation is NT\$700,000.

## 2. Election Item

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

Explanatory Notes:

- (1) Since the tenure of all current directors of the Company (including independent directors) will expire in December 2023, it is proposed to re-elect all directors (including three ordinary directors and four independent directors) at the General Shareholders' Meeting this year in accordance with the Company's Articles of Incorporation. The tenure of directors to be elected shall commence on June 9<sup>th</sup>, 2023 for three-year term (estimated to expire on the date of 2026 Shareholders' general meeting for re-election) and are eligible for re-election. The Audit Committee will be constituted by all the independent directors, and the Remuneration Committee will be constituted by three or more independent directors.
- (2) The candidate nomination system is adopted for electing directors, including independent directors, in accordance with the Articles of Incorporation of the Company, and candidates thereby nominated will be elected via the General Shareholders' Meeting. For the list of candidates for directors (including independent directors) nominated by the meeting of Board of Directors on March 14<sup>th</sup>, 2023, please refer to Attachment 3 for the information of their resume and numbers of shares hold.

Voting Result :

| Elected  | Name   | Votes      |
|----------|--|------------|
| Director | ACER BEINGWARE HOLDING INC.<br>Legal Representative : Jason Chen | 34,328,920 |
| Director | ACER BEINGWARE HOLDING INC.<br>Legal Representative : Meggy Chen | 26,558,216 |

| Elected              | Name  | Votes      |
|----------------------|---|------------|
| Director             | ACER BEINGWARE HOLDING INC.<br>Legal Representative : Maverick Shih | 26,491,795 |
| Independent Director | Michael Wang  | 26,728,754 |
| Independent Director | David Yeh   | 26,728,656 |
| Independent Director | H.T. Chou   | 26,727,937 |
| Independent Director | M.C. Tzeng  | 26,727,657 |

### 3. Proposed Items for Ratification and Discussion

#### Item 1

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

Explanatory Notes:

- (1) The Company's Financial Statements for the year 2022, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flow, have been audited by CPA Wei-Ming Shih and CPA Ching-Wen Kao of KPMG.
- (2) The Business Report for the year 2022 and the forementioned Financial Statements are attached hereto as Attachment 1 and Attachment 4, which have been approved by the Audit Committee and resolved by the Board of Directors.
- (3) Please ratify.

Resolution :

Shares present at the time of voting : 27,851,436 (votes casted electronically: 27,788,436)

| Voting Results*   | % of the total represented share present |
|---|--|
| Votes in favor : 27,782,341<br>(votes casted electronically : 27,782,341) | 99.75%                                   |
| Vote against : 6,054<br>(votes casted electronically : 6,054)             | 0.02%                                    |
| Votes invalid or abstained : 63,041<br>(votes casted electronically : 41) | 0.23%                                    |

\*including votes casted electronically (number in brackets)

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

Item 2

Proposal: Ratification Proposal of Profit Appropriation for the Year 2022. (Proposed by the Board of Directors)

Explanatory Notes:

- (1) The Company's undistributed retained earnings at the beginning of the 2022 are NT\$ 203,414,825. After such amount added the PAT of 2022, set aside the legal reserve and reversed the special reserve according to law, the current distributable retained earnings are NT\$ 611,487,556, among which it is proposed to distribute the dividends of NT\$ 310,867,500 to the Shareholders and the remaining retained earnings of NT\$ 300,620,056 will be reserved for distribution next year.
- (2) All dividends will be distributed to the Shareholders whose names and respective shares are in these Shareholders' register on the ex-dividend record date, at a preliminary ratio of NT\$ 7.5 per share in cash. Rounded down to NT\$1 and the residue will be calculated and booked as the Company's other income.
- (3) Prior to the ex-dividend date for the distribution, should the cash distribution ratio require any adjustment due to amendment of laws or regulations, request by competent authorities, or any change of the numbers of the issued and outstanding shares, it is to authorize the Chairman with full power to adjust the distribution ratio.
- (4) The record date for ex-dividend is temporarily set on July 14<sup>th</sup>, 2023, and the distribution date is set on August 11<sup>th</sup>, 2023. Should the dates above be adjusted due to the amendment of laws or regulations, or request by competent authorities, the Chairman is authorized with full power to adjust accordingly.
- (5) Please refer to Attachment 5 for the Profit Appropriation Statement for 2022 .
- (6) Please ratify.

Resolution:

Shares present at the time of voting : 27,851,436 (votes casted electronically : 27,788,436)

| Voting Results*   | % of the total represented share present |
|---|--|
| Votes in favor : 27,782,340<br>(votes casted electronically : 27,782,340) | 99.75%                                   |
| Vote against : 6,055<br>(votes casted electronically : 6,055)             | 0.02%                                    |
| Votes invalid or abstained : 63,041<br>(votes casted electronically : 41) | 0.23%                                    |

\*including votes casted electronically (number in brackets)

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

### Item 3

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

Explanatory Notes:

- (1) Pursuant to Article 209 of the Company Act, a director engaging, either for himself or on behalf of another person, in activities that are within the scope of the Company's business, shall explain to the Shareholders' Meeting the essential contents of such activities and obtain its approval for conducting such activities.
- (2) It is proposed to request the General Shareholders' Meeting to release the non-compete restrictions on newly-elected directors or their legal representatives, who if participate in the investment or operations of another company that engages in the same or similar business scope as the Company.
- (3) Please refer to Attachment 6 for the Concurrent Positions of Director and Independent Director Candidates.
- (4) Please discuss.

Resolution:

Shares present at the time of voting : 27,851,436 (votes casted electronically :

27,788,436)

| Voting Results*  | % of the total represented share present |
|--|--|
| Votes in favor : 27,772,152<br>(votes casted electronically : 27,772,152)  | 99.71%                                   |
| Vote against : 16,167<br>(votes casted electronically : 16,167)            | 0.06%                                    |
| Votes invalid or abstained : 63,117<br>(votes casted electronically : 117) | 0.23%                                    |

\*including votes casted electronically (number in brackets)

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

**4. Extemporary Motion** : None.

**5. Meeting Adjourned** : 9:21 a.m.

(No statements be made by any shareholders during the GSM)

**Attachment 1**

**Business Report**

Dear Shareholders,

Looking back at 2022, it was a challenging year for the global economy due to negative events such as the Russia-Ukraine conflict, high inflation, the Covid pandemic, and climate change. Taiwan, situated in a high-risk geopolitical region, was especially affected by the tug-of-war between the US and China over trade and politics. In the B2B market that AEB Services focuses on, many companies cut costs in response to economic uncertainty, leading to a reduction in their spending including IT expenses.

However, from another perspective, 2022 was also an opportunity. We saw in post-pandemic where digital remote work, e-learning, online entertainment, and e-commerce have become the new norm. People's lives and work are increasingly intertwined with the cloud, driving enterprises to accelerate their go-cloud process. They use emerging cloud-based technologies such as big data, AI, and machine learning to improve operational efficiency, strengthen business resilience, enhance customer service, and even re-innovate business models. The international research firm IDC predicts that the trend of cloud adoption will not stop, and the size of public cloud services in the Asia-Pacific region will grow to \$165.2 billion in three years.

The strong demand for cloud and digital transformation from both public and private sectors is also reflected in the operating performance of our company. With all-in efforts from every co-worker, AEB delivered outstanding results in terms of revenues and profitability in 2022. These achievements are listed below:

Unit: NT\$ K

| ITEM \ YEAR        |                  | 2022      | 2021      | Increase (Decrease) |        |
|--------------------|------------------|-----------|-----------|---------------------|--------|
|                    |                  |           |           | Amount              | %      |
| Financial Revenues | Revenue          | 7,189,523 | 6,203,675 | 985,848             | 15.89% |
|                    | Gross Profit     | 963,967   | 746,724   | 217,243             | 29.09% |
|                    | Operating Income | 518,066   | 362,314   | 155,752             | 42.99% |
|                    | Net Income       | 436,771   | 283,798   | 152,973             | 53.90% |

| ITEM          |                                    | YEAR    |         |
|---------------|------------------------------------|---------|---------|
|               |                                    | 2022    | 2021    |
| Profitability | Return on Assets                   | 9.19%   | 7.55%   |
|               | Return on Equity                   | 32.79%  | 34.81%  |
|               | Operating Income to Equity Ratio   | 124.99% | 99.40%  |
|               | Pre-tax Net Income to Equity Ratio | 132.07% | 100.47% |
|               | Net Income Ratio                   | 6.08%   | 4.57%   |
|               | Earnings per Share                 | 11.35   | 7.79    |

In addition to business performance, AEB continues to invest resources in cloud and new technologies and has gained accreditation from top-notch global vendors. For example, AEB is the first Taiwanese partner to attain six designations of the Microsoft Cloud Partner Program (MCPPE)- Solutions Partner for Data & AI (Azure), Digital & App Innovation (Azure), Infrastructure (Azure), Business Applications, Modern Work, and Security. It is also the only Taiwanese IT service partner to secure four security expertise certifications of Advanced Specialization (ASP) from Microsoft. These continuously competence enhancement from technologies and talent cultivation have become a solid foundation for winning long-term customer trust. In addition, cloud and platform solutions implemented by AEB for public agency in pursuit of digital transformation have received global recognition in 2022, such as the " Taiwan i-Registration Platform of Cultural Events " built for the Ministry of Culture won the first prize of the Global ICT Excellence Awards accredited by World Information Technology and Services Alliance (WITSA), which AEB has won for three consecutive years. Furthermore, the "Smart Manufacturing, Data Management and Service Platform " project built for AU Optronics also won the " Best in Future of Intelligence" of IDC Future Enterprise Awards, once again demonstrating the technology and service capabilities of AEB.

Looking ahead to 2023, there are still many uncertain factors, such as inflation, ongoing conflict between Russia and Ukraine, repeated epidemics, and escalating geopolitical risks, making the global economic outlook remain in maze. However, we believe that the trend of companies adopting digital technologies such as cloud, AI, big data ML, etc. to strengthen business resilience will not change. Especially so in Taiwan market as the imminent establishment of local data centers from major global Public Cloud Service Providers. These local data centers allow start-ups, SMEs, large enterprises or government to consider more flexible and cloud-based IT environments when architecting or upgrading their systems, worry free of legal requirement for data localization. AEB commits to positioning as "Digital Enterprise Enabler" where we will continue to bring best global practices and solution to Taiwan and help Enterprises achieving digital transformation. We will continue to expand our core competence of C3A+P: Cloud Service, AIoT, Application, Appliance, and Platform



as a Service and stay focus on three major strategies: 1. continue to act as reliable partner of customer's Cloud Managed Service Provider and increase the service offerings such as security as a service and hybrid cloud service to meet customers' growing needs on those fronts; 2. include data storage/backup and disaster recovery services into our service portfolio to provide customers with comprehensive, last-mile security solution on their valuable digital asset; 3. provide data-centered, value-driven technology solution to empower customers to stay ahead of their competition. In addition to cloud data management platform where we already have successful business cases in different domain, AEB will also develop our asset into the ESG front, especially in the aspect of supply-chain management to help customers enhance their overall resilience. To look into longer run, we will also in 2023 start our regional expansion to where customers already have or plan to established operations, to extend and localize our IT services.

Looking ahead, we strongly believe the go-cloud trend will continue, and we are committed to provide customers with professional, comprehensive and best-in-class cloud services. We thank you for support and trust and wish you and your family a wonderful journey ahead.

Chairman of Board:

Jason Chen

Corporate Officer:

Sandy Chou

Accounting Officer:

Kevin Cheng

## **Attachment 2**

### **Audit Committee's Review Report**

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and the Proposal for Profit & Loss Appropriation. The CPA Steven Shih and Lilian Kao from KPMG were retained to audit AEB's Financial Statements and have issued an audit report relating to the Financial Statements. The said Business Report, Financial Statements, and Proposal for Profit & Loss Appropriation have been reviewed and determined to be correct and accurate by the Audit Committee of Acer E-Enabling Service Business Inc. 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 E-Enabling Service Business Inc.

Convener of the Audit Committee: H.T. Chou

March 14th, 2023

## Attachment 3

### Acer E-Enabling Service Business Inc.

#### List of Director and Independent Director Candidates

| Type                 | Name  | Academic Background  | Experience  | All Current Position  | Shareholdings (Note 1) |
|----------------------|---|--|---|---|------------------------|
| Director             | ACER BEINGWARE HOLDING INC. Legal Representative: Jason Chen    | MS in Business Administration, Missouri Columbia University        | Corporate President and CEO, Acer Inc.<br><br>Senior Vice President of Worldwide Sales and Marketing, TSMC<br><br>Vice President of Corporate Development, TSMC<br><br>Vice President of Sales and Marketing, Intel | 1. Chairman and CEO, Acer Inc.<br>2. Director, FocalTech Systems Co., Ltd.<br>3. Independent Director, Powerchip Semiconductor Manufacturing Corp<br>4. Chairman, Mu-Jin Investment Co., Ltd<br>5. Chairman, Mu-Shi Investment Co., Ltd.<br>6. Director, Supervisor or Manger, Acer Group | 26,304,000 shares      |
| Director             | ACER BEINGWARE HOLDING INC. Legal Representative: Maverick Shih | Ph.D. in Electrical Engineering, University of Southern California | Acer BYOC General Manager   | 1. Director, Acer Inc.<br>2. Director, Kiwi Technology Inc.<br>3. Chairman, SATORO TAIWAN INC.<br>4. Chairman, MAVs LAB. Inc.<br>5. Director, Allxon Inc.<br>6. Director, Rongxin Management Consultants Co., Ltd.<br>7. Director, Supervisor or Manger, Acer Group                       | 26,304,000 shares      |
| Director             | ACER BEINGWARE HOLDING INC. Legal Representative: Meggy Chen    | Business Administration Master, UCLA Anderson School of Management | AVP of Acer Global Treasury   | 1. Corp. CFO, Acer Inc.<br>2. Director, Supervisor or Manger, Acer Group  | 26,304,000 shares      |
| Independent Director | H.T. Chou   | National Chengchi University Entrepreneur Class Graduated          | Remuneration Committee of Bothhand Enterprise Inc.<br><br>Independent Director of Bothhand Enterprise Inc.  | None  | 0                      |

| Type     | Name       | Academic Background   | Experience  | All Current Position | Shareholdings (Note 1) |
|----------|------------|---|---|----------------------|------------------------|
|          |            |   | Supervisor of Gudeng Precision Industrial Co., Ltd.<br><br>CFO of Userjoy Technology Co., Ltd.  |                      |                        |
| Director | M.C. Tzeng | Master of Institute of Applied Chemistry, Chung Yuan University     | Deputy General Manager of Operation/Partnership Factory, Mainstream Technology Division, Taiwan Semiconductor Manufacturing Co., Ltd.<br><br>Associate Manager of Northern Plant of Taiwan Semiconductor Manufacturing Co., Ltd.<br><br>Assistant Manager of Second Factory of Taiwan Semiconductor Manufacturing Co., Ltd. | None                 | 0                      |
| Director | David Yeh  | Master of Electrical Engineering, University of Michigan, Ann Arbor | General Manager, Greater China Ecosystem and Partner Department, Amazon Web Services (AWS Amazon Web Services)<br><br>Vice President and General Manager of Amazon (China) Global Store Business Division   | None                 | 0                      |

| Type     | Name         | Academic Background  | Experience   | All Current Position | Shareholdings (Note 1) |
|----------|--------------|--|--|----------------------|------------------------|
|          |              |  | Senior Director of Asia Pacific and Greater China, Microsoft (China) Co., Ltd. Asia Pacific Technical Support Center   |                      |                        |
| Director | Michael Wang | Bachelor of Mechanical Engineering, National Taiwan University | <p>Special Assistant to the Chairman of Taiwan Taxi Co., Ltd.</p> <p>Director /Deputy General Manager of Acer Business Group</p> <p>General Manager of Third Wave of Information Corp.</p> <p>Vice President of Systems&amp;Technology Corp.</p> <p>Vice President of Xieneng Technology Corp.</p> | None                 | 0                      |

Note1: Number of shares held as of April 11, 2023

## Attachment 4

### Independent Auditors' Report

To the Board of Directors  
Acer E-Enabling Service Business Inc.:

#### Opinion

We have audited the consolidated financial statements of Acer E-Enabling Service Business Inc., which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its 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”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in 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 Certified Public Accountants Code of Professional Ethics in Republic of China (the “Code” ), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 financial statements for the year ended December 31, 2022 are stated as follows:

Refer to Note 4(m) for accounting policy on revenue recognition and Note 5 for uncertainty of accounting estimations and assumptions for revenue recognition.

#### Description of key audit matter:

The Company recognizes revenue when control of the products has been transferred to the customers depending on the various trade terms agreed with customers in each individual sale transaction. The timing of revenue recognition is individually determined when the performance obligation has been satisfied based on each term with the customer. Consequently, the revenue recognition has 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; assessing whether revenue is recognized based on the trade terms with customers through reviewing the related sales contracts or other trade documents and the accuracy of the timing of revenue recognition and the performance obligation satisfied to customers; 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.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditing standards generally accepted in 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 aggregated, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 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 financial statements, including the disclosures, and whether the 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 equity method to express an opinion on the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Steven Shih and Lilian Kao.

KPMG

Taipei, Taiwan (Republic of China)  
March 14, 2023



|                                     |  | December 31, 2022   |            | December 31, 2021 |            |      | December 31, 2022 |   | December 31, 2021 |   |  |
|-------------------------------------|--|---------------------|------------|-------------------|------------|------|-------------------|---|-------------------|---|--|
|                                     |  | Amount              | %          | Amount            | %          |      | Amount            | % | Amount            | % |  |
| <b>Assets</b>                       |  |                     |            |                   |            |      |                   |   |                   |   |  |
| <b>Current assets:</b>              |  |                     |            |                   |            |      |                   |   |                   |   |  |
| 1100                                | Cash and cash equivalents (note 6(a))  | \$ 2,399,258        | 45         | \$ 1,620,323      | 39         | 2130 |                   |   |                   |   |  |
| 1110                                | Financial assets measured at fair value through profit or loss—<br>current (note 6(b))               | -                   | -          | 191               | -          | 2170 |                   |   |                   |   |  |
| 1140                                | Contract assets—current (notes 6(p) and 7)   | 75,916              | 1          | 61,166            | 2          | 2219 |                   |   |                   |   |  |
| 1170                                | Notes and accounts receivable, net (notes 6(d) and (p))  | 1,937,751           | 36         | 1,771,398         | 43         | 2220 |                   |   |                   |   |  |
| 1180                                | Accounts receivable from related parties (notes 6(d), (p) and 7)                                     | 47,614              | 1          | 60,490            | 1          | 2230 |                   |   |                   |   |  |
| 1200                                | Other receivables  | 1,292               | -          | -                 | -          | 2280 |                   |   |                   |   |  |
| 1210                                | Other receivables from related parties (note 7)  | 4,500               | -          | 1,814             | -          | 2300 |                   |   |                   |   |  |
| 1300                                | Inventories(note 6(e))   | 438,805             | 8          | 310,457           | 8          |      |                   |   |                   |   |  |
| 1410                                | Prepay expenses and other current assets   | 2,968               | -          | 2,576             | -          |      |                   |   |                   |   |  |
| 1476                                | Other financial assets(note 6(a))  | 200,000             | 4          | -                 | -          | 2580 |                   |   |                   |   |  |
|                                     | <b>Total current assets</b>  | <u>5,108,104</u>    | <u>95</u>  | <u>3,828,451</u>  | <u>93</u>  |      |                   |   |                   |   |  |
| <b>Non-current assets:</b>          |  |                     |            |                   |            |      |                   |   |                   |   |  |
| 1517                                | Financial assets measured at fair value through other comprehensive<br>income—non-current(note 6(c)) | 24,892              | 1          | 29,316            | 1          |      |                   |   |                   |   |  |
| 1550                                | Investments accounted for using the equity method(note 6(f))   | 10,785              | -          | -                 | -          |      |                   |   |                   |   |  |
| 1600                                | Property, plant and equipment (note 6(g))  | 1,537               | -          | 3,519             | -          | 3110 |                   |   |                   |   |  |
| 1755                                | Right-of use assets (notes 6(h) and 7)   | 18,845              | -          | 12,377            | -          | 3200 |                   |   |                   |   |  |
| 1780                                | Intangible assets (note 6(i))  | 3,697               | -          | 5,905             | -          |      |                   |   |                   |   |  |
| 1840                                | Deferred income tax assets (note 6(l))   | 40,974              | 1          | 43,352            | 1          | 3310 |                   |   |                   |   |  |
| 1920                                | Refundable deposits  | 184,290             | 3          | 199,974           | 5          | 3320 |                   |   |                   |   |  |
|                                     | <b>Total non-current assets</b>  | <u>285,020</u>      | <u>5</u>   | <u>294,443</u>    | <u>7</u>   | 3350 |                   |   |                   |   |  |
|                                     |  |                     |            |                   |            | 3400 |                   |   |                   |   |  |
| <b>Total assets</b>                 |  | <u>\$ 5,393,124</u> | <u>100</u> | <u>4,122,858</u>  | <u>100</u> |      |                   |   |                   |   |  |
| <b>Liabilities and Equity</b>       |  |                     |            |                   |            |      |                   |   |                   |   |  |
| <b>Current liabilities:</b>         |  |                     |            |                   |            |      |                   |   |                   |   |  |
|                                     | Contract liabilities—current (note 6(p) and 7)   | 1,617,561           | 30         | 1,494,574         | 36         |      |                   |   |                   |   |  |
|                                     | Accounts payable   | 1,211,887           | 23         | 890,367           | 22         |      |                   |   |                   |   |  |
|                                     | Accounts payable to related parties (note 7)   | 103,720             | 2          | 93,690            | 2          |      |                   |   |                   |   |  |
|                                     | Other payables(note 6(q))  | 419,215             | 8          | 463,854           | 11         |      |                   |   |                   |   |  |
|                                     | Other payables to related parties (note 7)   | 10,614              | -          | 9,803             | -          |      |                   |   |                   |   |  |
|                                     | Current tax liabilities  | 66,337              | 1          | 86,583            | 2          |      |                   |   |                   |   |  |
|                                     | Lease liabilities-current (notes 6(j) and 7)   | 18,869              | -          | 11,331            | -          |      |                   |   |                   |   |  |
|                                     | Other current liabilities  | 19,496              | -          | 25,343            | 1          |      |                   |   |                   |   |  |
|                                     | <b>Total current liabilities</b>   | <u>3,467,699</u>    | <u>64</u>  | <u>3,075,545</u>  | <u>74</u>  |      |                   |   |                   |   |  |
| <b>Non-current liabilities:</b>     |  |                     |            |                   |            |      |                   |   |                   |   |  |
|                                     | Lease liabilities-non-current (notes 6(j) and 8)   | 132                 | -          | 1,219             | 1          |      |                   |   |                   |   |  |
|                                     | Net defined benefit liabilities  | 142,257             | 3          | 160,448           | 4          |      |                   |   |                   |   |  |
|                                     | Guarantee Deposits Received  | 2,476               | -          | 2,432             | -          |      |                   |   |                   |   |  |
|                                     | <b>Total non-current liabilities</b>   | <u>144,865</u>      | <u>3</u>   | <u>164,099</u>    | <u>4</u>   |      |                   |   |                   |   |  |
|                                     | <b>Total liabilities</b>   | <u>3,612,564</u>    | <u>67</u>  | <u>3,239,644</u>  | <u>78</u>  |      |                   |   |                   |   |  |
| <b>Equity (note 6(m)):</b>          |  |                     |            |                   |            |      |                   |   |                   |   |  |
|                                     | Common stock   | 414,490             | 8          | 364,490           | 9          |      |                   |   |                   |   |  |
|                                     | Capital surplus  | 628,098             | 12         | 32,033            | 1          |      |                   |   |                   |   |  |
|                                     | Retained earnings:   |                     |            |                   |            |      |                   |   |                   |   |  |
|                                     | Legal reserve  | 82,807              | 1          | 49,088            | 1          |      |                   |   |                   |   |  |
|                                     | Unappropriated earnings (accumulated deficit)  | 52,846              | 1          | 32,577            | 1          |      |                   |   |                   |   |  |
|                                     | Unappropriated retained earnings (accumulated deficit)   | 640,186             | 12         | 457,872           | 11         |      |                   |   |                   |   |  |
|                                     | Other equity   | (37,867)            | (1)        | (52,846)          | (1)        |      |                   |   |                   |   |  |
|                                     | <b>Total equity</b>  | <u>1,780,560</u>    | <u>33</u>  | <u>883,214</u>    | <u>22</u>  |      |                   |   |                   |   |  |
| <b>Total liabilities and equity</b> |  | <u>\$ 5,393,124</u> | <u>100</u> | <u>4,122,858</u>  | <u>100</u> |      |                   |   |                   |   |  |

(English Translation of Financial Statements Originally Issued in Chinese)

**ACER E-ENABLING SERVICE BUSINESS INC.**

**Statements of Comprehensive Income (Loss)**

**For the years ended December 31, 2022 and 2021**

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

|      |  | 2021              |            | 2020              |            |
|------|--|-------------------|------------|-------------------|------------|
|      |  | Amount            | %          | Amount            | %          |
| 4000 | Net revenue (notes 6(p) & 7 and 14)  | \$ 7,189,523      | 100        | \$ 6,203,675      | 100        |
| 5000 | Cost of revenue (note 6(e), (f), (g) , (h) , (k) & (q) and 7 and 12)   | (6,225,556)       | (87)       | (5,456,951)       | (88)       |
|      | <b>Gross profit</b>  | <b>963,967</b>    | <b>13</b>  | <b>321,209</b>    | <b>12</b>  |
|      | <b>Operating expenses (notes 6(d), (g) , (h) , (i) , (j) , (m) &amp; (q) and 7 and 12):</b>                                |                   |            |                   |            |
| 6100 | Selling expenses   | (303,164)         | (4)        | (291,160)         | (4)        |
| 6200 | General and administrative expenses  | (80,121)          | (1)        | (53,609)          | (1)        |
| 6300 | Research and development expenses  | (58,560)          | (1)        | (44,937)          | (1)        |
| 6450 | Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9                     | (4,056)           | -          | 5,296             | -          |
|      | <b>Total operating expenses</b>  | <b>(445,901)</b>  | <b>(6)</b> | <b>(384,410)</b>  | <b>(6)</b> |
|      | <b>Operating income (loss)</b>   | <b>518,066</b>    | <b>7</b>   | <b>362,314</b>    | <b>6</b>   |
|      | <b>Non-operating income and loss (notes 6(f) , (j)&amp;(s)):</b>   |                   |            |                   |            |
| 7100 | Interest income  | 6,637             | -          | 1,236             | -          |
| 7010 | Other income   | 22,525            | 1          | 2,779             | -          |
| 7020 | Other gains and losses — net   | (499)             | -          | (133)             | -          |
| 7050 | Finance costs  | 660               | -          | -                 | -          |
|      | <b>Total non-operating income and loss</b>   | <b>29,359</b>     | <b>1</b>   | <b>3,882</b>      | <b>-</b>   |
| 7900 | <b>Profit (loss) from continuing operations before tax</b>   | <b>547,425</b>    | <b>8</b>   | <b>366,196</b>    | <b>6</b>   |
| 7950 | Less: Income tax expenses (notes 6(l))   | (110,654)         | (2)        | (82,398)          | (1)        |
|      | <b>Profit (loss)</b>   | <b>436,771</b>    | <b>6</b>   | <b>283,798</b>    | <b>5</b>   |
|      | <b>Other comprehensive income (notes 6(l)&amp;(m)):</b>  |                   |            |                   |            |
| 8310 | <b>Items that will not be reclassified subsequently to profit or loss</b>  |                   |            |                   |            |
| 8311 | Remeasurements of defined benefit plans  | 24,253            | -          | (24,475)          | (1)        |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | (4,424)           | -          | (689)             | -          |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss             | (4,850)           | -          | 4,895             | -          |
|      | <b>Other comprehensive income</b>  | <b>14,979</b>     | <b>-</b>   | <b>(20,269)</b>   | <b>-</b>   |
|      | <b>Total comprehensive income (loss) for the year</b>  | <b>\$ 451,750</b> | <b>6</b>   | <b>\$ 263,529</b> | <b>4</b>   |
|      | <b>Earnings per share (in New Taiwan dollars) ((note 6(o)):</b>  |                   |            |                   |            |
| 9750 | Basic earnings (loss) per share  | <b>\$ 11.35</b>   |            | <b>7.79</b>       |            |
| 9850 | Diluted earnings (loss) per share  | <b>\$ 11.16</b>   |            | <b>7.72</b>       |            |

(English Translation of Financial Statements Originally Issued in Chinese)

**ACER E-ENABLING SERVICE BUSINESS INC.**

**Statements of Changes in Equity**

**For the years ended December 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

|  | Retained earnings |                 |               |                 |   | Other equity |  |   |          |              |
|--|-------------------|-----------------|---------------|-----------------|---|--------------|--|---|----------|--------------|
|  | Common stock      | Capital surplus | Legal reserve | Special reserve | Unappropriated earnings (accumulated deficit) | Total        | Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income | Remeasurements of defined benefit plans | Total    | Total equity |
| <b>Balance at January 1, 2021</b>                    | \$ 364,490        | 32,033          | 28,165        | -               | 355,146                                       | 383,311      | (1,765)  | (30,812)                                | (32,577) | 747,257      |
| Net loss for the year                                | -                 | -               | -             | -               | 283,798                                       | 283,798      | -  | -                                       | -        | 283,798      |
| Other comprehensive loss for the year                | -                 | -               | -             | -               | -   | -            | (689)  | (19,580)                                | (20,269) | (20,269)     |
| Total comprehensive loss for the year                | -                 | -               | -             | -               | 283,798                                       | 283,798      | (689)  | (19,580)                                | (20,269) | 263,529      |
| Appropriation approved by the stockholders:          |                   |                 |               |                 |   |              |  |   |          |              |
| Legal reserve  | -                 | -               | 20,293        | -               | (20,923)                                      | -            | -  | -                                       | -        | -            |
| Special reserve appropriated                         | -                 | -               | -             | 32,577          | (32,577)                                      | -            | -  | -                                       | -        | -            |
| Cash dividends of ordinary share                     | -                 | -               | -             | -               | (127,572)                                     | (127,572)    | -  | -                                       | -        | (127,572)    |
| <b>Balance at December 31, 2021</b>                  | 364,490           | 32,033          | 49,088        | 32,577          | 457,872                                       | 539,537      | (2,454)  | (50,392)                                | (52,846) | 883,214      |
| Net loss for the year                                | -                 | -               | -             | -               | 436,771                                       | 436,771      | -  | -                                       | -        | 436,771      |
| Other comprehensive loss for the year                | -                 | -               | -             | -               | -   | -            | (4,424)  | 19,403                                  | 14,979   | 14,979       |
| Total comprehensive loss for the year                | -                 | -               | -             | -               | 436,771                                       | 436,771      | (4,424)  | 19,403                                  | 14,979   | 451,750      |
| Appropriation and distribution of retained earnings: |                   |                 |               |                 |   |              |  |   |          |              |
| Legal reserve appropriated                           | -                 | -               | 33,719        | -               | (33,719)                                      | -            | -  | -                                       | -        | -            |
| Special reserve appropriated                         | -                 | -               | -             | 20,269          | (20,269)                                      | -            | -  | -                                       | -        | -            |
| Cash dividends of ordinary share                     | -                 | -               | -             | -               | (200,469)                                     | (200,469)    | -  | -                                       | -        | (200,469)    |
| Capital increase by cash                             | 50,000            | 589,692         | -             | -               | -   | -            | -  | -                                       | -        | 639,692      |
| Share-based payment transactions                     | -                 | 6,373           | -             | -               | -   | -            | -  | -                                       | -        | 6,373        |
| <b>Balance at December 31, 2022</b>                  | \$ 414,490        | 628,098         | 82,807        | 52,846          | 640,186                                       | 775,839      | (6,878)  | (30,989)                                | (37,867) | 1,780,560    |

(English Translation of Financial Statements Originally Issued in Chinese)

**ACER E-ENABLING SERVICE BUSINESS INC.**

**Statements of Cash Flows**

**For the years ended December 31, 2021 and 2020**

**(Expressed in Thousands of New Taiwan Dollars)**

|  | <u>2022</u>      | <u>2021</u>      |
|--|------------------|------------------|
| <b>Cash flows from operating activities:</b>   |                  |                  |
| Income (loss) before income tax  | \$ 547,425       | 366,196          |
| <b>Adjustments for:</b>  |                  |                  |
| <b>Adjustments to reconcile profit (loss):</b>   |                  |                  |
| Depreciation   | 24,019           | 23,925           |
| Amortization   | 7,596            | 5,348            |
| Expected Credit Loss and Gain  | 4,056            | (5,296)          |
| Interest expense   | 499              | 133              |
| Interest income  | (6,673)          | (1,236)          |
| Cash Dividend  | (1,199)          | -                |
| Share-based payment transactions   | 6,373            | -                |
| Rent concession benefit  | (3,136)          | (4,777)          |
| Investment interests recognized using the equity method                                | (660)            | -                |
| Loss on disposal of property, plant and equipment                                      | -                | 25               |
| Lease modification benefit   | (255)            | 462              |
| <b>Total profit and loss</b>   | <u>30,620</u>    | <u>18,584</u>    |
| <b>Changes in operating assets and liabilities:</b>                                    |                  |                  |
| <b>Net changes in operating assets:</b>  |                  |                  |
| Decrease (increase) in mandatory financial assets at fair value through profit or loss | 191              | (191)            |
| Contract assets  | (14,750)         | 1,462            |
| Notes and accounts receivable  | (170,409)        | (515,906)        |
| Accounts receivables from related parties  | 12,876           | (32,408)         |
| Other receivables from related parties   | (2,686)          | 92,162           |
| Inventories  | (128,348)        | (82,849)         |
| Prepayments and other current assets   | (392)            | (618)            |
| <b>Net changes in operating assets</b>   | <u>(303,518)</u> | <u>(538,348)</u> |
| <b>Net changes in operating liabilities:</b>   |                  |                  |
| Notes and accounts payable   | 321,520          | 97,288           |
| Payables to related parties  | 10,030           | 52,895           |
| Other payables   | (44,639)         | 132,772          |
| Other payables to related parties  | 811              | 6,671            |
| Contract liabilities   | 122,987          | 234,624          |
| Other current liabilities  | (5,847)          | 12,569           |
| Net defined benefit liabilities  | 6,062            | 21               |
| <b>Net changes in operating liabilities</b>  | <u>410,924</u>   | <u>536,840</u>   |
| <b>Total changes in operating assets and liabilities</b>                               | <u>107,406</u>   | <u>(1,508)</u>   |
| <b>Total adjustments</b>   | <u>138,026</u>   | <u>17,076</u>    |
| Cash provided by operations  | 685,451          | 383,272          |
| Interest received  | 5,381            | 1,236            |
| Interest paid  | (499)            | (133)            |
| Income taxes paid  | (133,372)        | (66,125)         |
| <b>Net cash from operating activities</b>  | <u>556,961</u>   | <u>318,250</u>   |

(Continued)

(English Translation of Financial Statements Originally Issued in Chinese)

**ACER E-ENABLING SERVICE BUSINESS INC.**

**Consolidated Statements of Cash Flows (Continued)**

**For the years ended December 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

|   | <u>2022</u>                | <u>2021</u>             |
|---|----------------------------|-------------------------|
| <b>Cash flows from investing activities:</b>                                  |                            |                         |
| Purchase of financial assets at fair value through other comprehensive income | -                          | (1,800)                 |
| Investments accounted for using the equity method                             | (10,125)                   | -                       |
| Additions to property, plant and equipment                                    | (211)                      | (2,257)                 |
| Additions to intangible assets  | (5,388)                    | (5,142)                 |
| Decrease(increase)in refundable deposits                                      | 15,684                     | (36,041)                |
| Increase in other financial assets  | (200,000)                  | -                       |
| Cash Dividend   | 1,199                      | -                       |
| <b>Net cash flows used in investing activities</b>                            | <u>(198,841)</u>           | <u>(45,240)</u>         |
| <b>Cash flows from financing activities:</b>                                  |                            |                         |
| Payment of lease liabilities  | (18,452)                   | (16,537)                |
| Guarantee Deposit   | 44                         | 353                     |
| Cash dividends paid   | (200,469)                  | (127,572)               |
| Capital increase by cash  | 639,692                    | -                       |
| <b>Net cash flows from (used in) financing activities</b>                     | <u>420,815</u>             | <u>(143,756)</u>        |
| <b>Net decrease in cash and cash equivalents</b>                              | 778,935                    | 129,254                 |
| <b>Cash and cash equivalents at beginning of period</b>                       | <u>1,620,323</u>           | <u>1,491,069</u>        |
| <b>Cash and cash equivalents at end of period</b>                             | <u><b>\$ 2,399,258</b></u> | <u><b>1,620,323</b></u> |

## Attachment 5

### Acer E-Enabling Service Business Inc. 2022 Statement of Profit & Loss Appropriation

|  | Unit: NT\$                |
|--|---------------------------|
| Beginning Balance of Un-appropriated Retained Earnings | 203,414,825               |
| Plus:2022 Net Income after Tax                         | 436,771,609               |
| Reversal of special surplus reserves                   | 14,978,283                |
| Deduct: Legal Reserve                                  | <u>(43,677,161)</u>       |
| Accumulative earnings available for appropriation      | <u>611,487,556</u>        |
| Appropriation Items:                                   |                           |
| Cash dividends to shareholders                         | <u>(310,867,500)</u>      |
| Ending Balance of Un-appropriated Retained Earnings    | <u><u>300,620,056</u></u> |

Chairman of Board:

Jason Chen

Corporate Officer:

Sandy Chou

Accounting Officer:

Kevin Cheng

## Attachment 6

### Acer E-Enabling Service Business Inc. Concurrent Positions of Director and Independent Director Candidates

| Type                    | Name   | All Current Position (Note)   |
|-------------------------|--|---|
| Director                | ACER<br>BEINGWARE<br>HOLDING INC.<br>Legal<br>Representative:<br>Jason Chen    | 1. Director, FocalTech Systems Co., Ltd.<br>2. Independent Director, Powerchip Semiconductor Manufacturing Corp<br>3. Chairman, Mu-Jin Investment Co., Ltd (*)<br>4. Chairman, Mu-Shi Investment Co., Ltd. (*)<br>5. Director, Supervisor or Manger, Acer Group |
| Director                | ACER<br>BEINGWARE<br>HOLDING INC.<br>Legal<br>Representative:<br>Maverick Shih | 1. Director, Kiwi Technology Inc.<br>2. Chairman, SATORO TAIWAN INC. (*)<br>3. Chairman, MAVs LAB. Inc. (*)<br>4. Director, Allxon Inc. (*)<br>5. Director, Rongxin Management Consultants Co., Ltd. (*)<br>6. Director, Supervisor or Manger, Acer Group       |
| Director                | ACER<br>BEINGWARE<br>HOLDING INC.<br>Legal<br>Representative:<br>Meggy Chen    | 1. Corp. CFO, Acer Inc.<br>2. Director, Supervisor or Manger, Acer Group  |
| Independent<br>Director | H.T. Chou  | None  |
| Independent<br>Director | M.C. Tzeng   | None  |
| Independent<br>Director | David Yeh  | None  |
| Independent<br>Director | Michael Wang   | None  |

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