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倚天酷基

Acer Gadget Inc.

Stock Code: 2432



2025 Annual Report

Publication Date: March 24, 2026

Website for Annual Reports: <https://mops.twse.com.tw>

Company Website: <https://www.acergadget.com>

I. Names, titles, contact numbers and emails of the Company's spokesperson and acting spokesperson:

Spokesperson's name: Allen Jong

Job title: President

Contact number: 02-26960296

Email: IR.AGT@acergadget.com

Deputy spokesperson's name: Chia-Hao Cheng

Job title: Chief Financial Officer

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II. Addresses and phone numbers of the headquarters, branches and factories:

(I) Headquarters: 7F.-5, No. 369, Fuxing N. Rd., Songshan Dist., Taipei City / 02-26960296

(II) Main business address: 24F, No. 110 and No. 112, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City

(III) Branches: None.

(IV) Factories: None.

III. Name, address, website, and phone number of the share registrar:

Name: Transfer Agency Department, Taishin Securities Co., Ltd.

Address: B1, No. 96, Sec.1, Jianguo N. Rd., Zhongshan Dist., Taipei City

Website: www.tssco.com.tw

Tel: (02)2504-8125

IV. Name, firm name, firm address, website, and phone number of the CPA for the most recent financial statements:

CPA's name: CPA Ching-Wen Kao and CPA Ken Tang

Firm name: KPMG Taiwan

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Website: www.kpmg.com.tw

Tel: (02)8101-6666

V. Names of overseas exchanges where the Company's marketable securities are traded, and methods for inquiring information about the overseas marketable securities:

Not applicable.

VI. Company website:

<https://www.acergadget.com>

Acer Gadget Inc.

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One. Report to Shareholders

I. Business policy and implementation overview

Acer Gadget Inc. (hereinafter referred to as “the Company”) continued in 2025 to focus on three major operating pillars: “deepening operations in the North American market and expanding the influence of proprietary sales channels,” “replicating successful North American experience to steadily advance global expansion,” and “optimizing the product mix and supply chain structure to strengthen profitability.” Through these efforts, the Company comprehensively promoted simultaneous growth in operational scale and profitability, substantially enhanced its independent operating capabilities, and further reduced its reliance on related-party transactions with the parent group.

In terms of market expansion, the Company continues to deepen its presence in the North American market, not only consolidating existing partnerships with offline retail channels but also increasing investment in its proprietary e-commerce operations. With a particular focus on the Amazon platform, the Company leverages integrated brand operations, precise data-driven advertising, and optimized marketing strategies to make e-commerce sales a primary driver of growth. At the same time, the Company has extended its accumulated market operating experience in North America to other cross-border e-commerce and emerging platforms, including Temu, TikTok Shop, and Amazon marketplaces in other countries, thereby steadily expanding its global footprint.

In terms of products and supply chain, the Company continues to strengthen its innovation momentum and product differentiation. In 2025, it successively launched a number of smart products, including AI translation earbuds, smart rings, and smart door locks, thereby expanding its smart lifestyle product portfolio and enhancing product value-added. In response to global supply chain restructuring and regional geopolitical risks, the Company has actively optimized its supply deployment by adopting strategies such as multi-sourcing, regional diversification, and shortening supply chain distances, thereby enhancing operational resilience and reducing reliance on a single market. At the same time, the Company continues to expand its customer base to diversify market risk and strengthen operational stability.

In summary, the Company has gradually established an operational foundation with international competitiveness and sustainable growth potential. Looking ahead, the Company will flexibly respond to changes in the industry and market environment, continue to strengthen its operational fundamentals and advance market expansion to enhance operating performance and increase shareholder value, and prudently plan its future operating direction in line with its overall development strategy.

II. Business plan implementation outcomes

In 2025, amid continued high uncertainty in the global political and economic environment and a more cautious consumer market, the Company adhered to its established operating guidelines, focusing on three major pillars: deepening operations in the North American market, expanding global e-commerce channels, and optimizing the product and supply chain structure. Overall operating performance maintained steady growth momentum and achieved breakthrough progress in several key areas. The specific results are as follows:

- (I) Operating momentum in the North American market increased significantly, with proprietary e-commerce becoming the primary growth engine.

In 2025, the Company continued to implement its established strategy of “deepening the North American market and strengthening proprietary brand channels,” maintaining a focus on the integrated online and offline deployment in the U.S. market. Leveraging the operational foundation previously established with major retail

channels and e-commerce platforms, the Company effectively expanded its revenue scale and strengthened the role of proprietary channels in driving market momentum.

E-commerce channels were one of the highlights of operations for the year. With the Amazon platform as the core, and on the basis of stable sales of established brands such as ACER and Nitro, overall sales momentum increased significantly and has become one of the primary sources of the Company's annual revenue growth. This demonstrates that the Company has reached maturity in proprietary e-commerce operations, brand management, and data-driven marketing capabilities, and possesses a sustainable business model.

Through continuous optimization of the product mix, enhancement of marketing momentum, and strengthening of customer experience, the Company has successfully transformed its proprietary channels from a supporting role into one of its core operating capabilities, effectively reducing reliance on single channels and parent group channels, and further strengthening its independent operating structure and market recognition.

- (II) Successful cross-border e-commerce experience rapidly replicated, accelerating global market expansion.

Building on its successful operating experience in the North American market, the Company actively replicated its mature cross-border e-commerce operating model to other global markets in 2025 and advanced its international expansion under a "platform-first, brand-synchronized" strategy.

In terms of online channels, in addition to continuing to deepen its presence on Amazon platforms in various countries, the Company has also introduced emerging cross-border e-commerce platforms such as TEMU and TikTok Shop, effectively transferring its successful North American product strategies, content marketing, and data analytics mechanisms to different regions, and continuously expanding brand reach and revenue contribution in Europe, Asia, and other emerging markets.

Through this replicable "global e-commerce expansion model," the Company has not only increased product visibility across markets in various countries but also successfully accumulated cross-border operating experience, enabling the Company to evolve from success in a single market to a multi-market global presence, thereby laying a solid foundation for mid-term and long-term operational growth.

These outcomes clearly demonstrate that the Company possesses mature cross-border operating capabilities and strong execution in expanding into international markets, further substantiating that the Company has the substantive capability to independently develop global markets.

- (III) Product innovation and supply chain adjustments have yielded results, with the profit structure continuing to improve

In response to the rapid changes in the consumer electronics and smart lifestyle product markets, the Company actively optimized the structure of its existing product lines during the year and continued to introduce innovative products aligned with future trends to enhance overall product value-added and profitability.

In terms of new product deployment, in 2025 the Company successively launched innovative smart devices, including AI translation earbuds, smart rings, and smart door locks, successfully enriching product line diversity and strengthening its market positioning in the smart lifestyle and AI application fields. This has enabled the product portfolio to gradually evolve from traditional 3C accessories to "smart technology solutions," enhancing gross margin potential and creating stronger competitive barriers.

In terms of supply chain management, in response to global geopolitical risks and supply chain uncertainties, the Company has continued to promote supplier

diversification and regionalization strategies, strengthened backup mechanisms across different production sites, and concurrently implemented more rigorous supplier evaluation and risk management systems. In addition, the Company has actively developed customers in emerging markets to diversify the risks associated with reliance on a single market and a single source of supply.

Through the dual optimization of products and the supply chain as described above, the Company has been able to effectively enhance operational resilience, improve its overall profit structure, and maintain steady growth momentum amid a volatile international environment, thereby laying a more solid foundation for its mid-term and long-term competitiveness.

Based on the operating results for 2025, the Company has gradually transformed from a business model that previously relied heavily on the parent group's resources into an independent company with capabilities in independent product development, proprietary channel operations, and independent brand management. Through the increased proportion of proprietary channels and the successful expansion into new markets, the proportion of transactions with related parties has continued to decline, and the operating structure has become more robust and transparent.

This transformation has not only significantly enhanced the Company's overall operational autonomy but also strengthened its attractiveness to external investors and the capital markets, thereby laying favorable conditions for further optimization of the Company's capital structure and the promotion of its long-term stable development.

III. Financial income and expenses and profitability

In 2025, amid continued high uncertainty in the global political and economic environment and a more cautious consumer market, the Company adhered to its established operating guidelines, focusing on three major pillars: deepening operations in the North American market, expanding global e-commerce channels, and optimizing the product and supply chain structure. Overall operating performance maintained steady growth momentum and achieved breakthrough progress in several key areas. The specific results are as follows:

IV. Financial income and expenses and profitability

Item	2025		2024 (after restatement) (Note)		NTD thousand
	Amount	%	Amount	%	YoY
Operating revenue	\$3,273,212	100%	\$2,605,483	100%	26%
Operating cost	(2,855,302)	-87%	(2,261,066)	-87%	26%
Gross operating profit	417,910	13%	344,417	13%	21%
Operating expenses	(290,542)	-9%	(230,268)	-9%	26%
Operating profit	127,368	4%	114,149	4%	12%
Non-operating revenue and expenses	23,133	1%	38,548	2%	-40%
Profit before tax	150,501	5%	152,697	6%	-1%
Income tax benefits (expenses)	(34,286)	-1%	(35,931)	-2%	-5%
Current net profit	\$116,215	4%	\$116,766	4%	0%

Note: On June 5, 2025, the Company acquired 100% equity of Xplova Inc. (renamed Acer Fashion Inc.), a

subsidiary of Acer Incorporated, from Acer BeingWare Holding Inc. in cash. In accordance with the IFRS Q&A issued by the Accounting Research and Development Foundation and Letter (2012) Ji-Mi-Zi No. 301, the transaction is considered a reorganization under common control and shall be treated as if the acquisition had occurred from the beginning. Accordingly, the 2024 consolidated financial statements have been retrospectively restated. Unless otherwise specified, the following tables are prepared on the same basis.

V. Profitability analysis

The Company's net revenue for 2025 reached NTD 3,273,212 thousand, a record high, representing a 26% increase compared to 2024. The expansion of operational scale drove a concurrent increase in gross profit, with full-year gross profit rising by 21% compared to the previous year, indicating that market demand momentum and product mix optimization strategies have delivered results. With revenue growth and increased investment in channel operations, operating expenses for the year amounted to NTD 290,542 thousand, representing a 26% increase compared to 2024, mainly due to higher expenditures on brand promotion, e-commerce operations, and personnel costs.

Driven by the above factors, the Company's operating income for 2025 reached NTD 127,368 thousand, an increase of NTD 13,219 thousand compared to the previous year. In addition, due to increases in interest income and dividend income from investments, non-operating income reached NTD 23,133 thousand, bringing profit before tax for the year to NTD 150,501 thousand. After recognizing income tax expense of NTD 34,286 thousand for the year, net income after tax amounted to NTD 116,215 thousand, a slight decrease of NTD 551 thousand compared to 2024, with overall profitability remaining stable.

VI. Research and development status

In 2025, the Company continued to increase its investment in R&D for smart devices and AI-related applications, focusing on high-growth areas such as "smart living," "personal wearables," "cross-language communication," and "smart home," and is committed to bringing innovative technologies into real-life scenarios. The specific R&D outcomes for the year include:

1. AI TransBuds: Integrating real-time speech recognition and AI language model technologies to significantly enhance translation accuracy and response speed, targeting application markets in cross-border business, travel, and education.
2. FreeSense Ring: Incorporating physiological data sensing and health monitoring technologies, focusing on personal health management and sports applications, entering the high-potential wearable device market.
3. Smart Locks: Integrating biometric identification, remote control, and smart home systems to enhance home security and convenience, effectively extending the product line into the smart residential application sector.

In addition, the Company has concurrently invested in R&D related to new materials, low-power technologies, and eco-friendly design, continuously strengthening ESG-oriented product development. In line with global market trends, it has also actively pursued patent deployment and technological reserves.

Going forward, the Company will continue to be market demand-oriented and innovation-driven, deepen its R&D capabilities, and develop highly differentiated and internationally competitive products, providing strong technological support for its long-term growth momentum.

Two. Corporate Governance Report

I. Information on directors, supervisors, President, Vice Presidents, Assistant Vice Presidents, and heads of departments and branches

(I) Directors and supervisors

1. Name, gender, age, nationality or place of registration, experience (education), shares held, and nature of Directors and supervisors

March 24, 2026. Unit: Shares

Job title	Name	Gender Age	Nationality or place of registration	Date of initial election	Date elected	Term of office	Shareholding at the time of election		Current shareholding		Shares currently held by spouse and underage children		Shares held in others' names		Main experience (education)	Positions in the Company and other companies	Chief officers, directors, or supervisors who are spouses or relatives within 2nd degree kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Chairman	Acer Incorporated	Male 51 to 60	Republic of China	September 30, 2022	November 7, 2025	3 years	39,308,288	63.54%	39,308,288	63.54%	0	0%	0	0%	Master of Business Administration, College of Law and Commerce, National Chung Hsing University Bachelor of Electrical Engineering, National Tsing Hua University Director of NB Product	Note 1	None	None	None	
	Representative: Jerry Kao						0	0	600,000	0.97%	0	0%	0	0%						
Director	Acer Incorporated	Male Over 60 years old	Republic of China	September 30, 2022	November 7, 2025	3 years	39,308,288	63.54%	39,308,288	63.54%	0	0%	0	0%	MBA, University of Missouri-Columbia, USA Bachelor of Transportation and Communication Management, National Cheng Kung University Global President and CEO of Acer Incorporated Senior Vice President, Global Marketing	Note 1	None	None	None	
	Representative: Jason Chen						0	0%	0	0%	0	0%	2,052,641	3.32%						
Director	Acer Incorporated	Female 51 to 60	Republic of China	September 30, 2022	November 7, 2025	3 years	39,308,288	63.54%	39,308,288	63.54%	0	0%	0	0%	MBA, University of Pittsburgh, USA Bachelor of Economics, National Tsing Hua University Regional CFO, Pan- Asia Pacific Operations, Acer Incorporated	Note 1	None	None	None	
	Representative: Yu-Ling Chen						0	0	10,000	0.02%	0	0%	0	0%						
Independent Director	Ming-Hui Lin	Male Over 60 years old	Republic of China	November 11, 2022	November 7, 2025	3 years	0	0%	0	0%	0	0%	0	0%	Master of Business Administration, National Chung Hsing University Bachelor of Transportation and Communication Management Science	None	None	None	None	

Job title	Name	Gender Age	Nationality or place of registration	Date of initial election	Date elected	Term of office	Shareholding at the time of election		Current shareholding		Shares currently held by spouse and underage children		Shares held in others' names		Main experience (education)	Positions in the Company and other companies	Chief officers, directors, or supervisors who are spouses or relatives within 2nd degree kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Independent Director	Chien-Kuang Wang	Male Over 60 years old	Republic of China	November 11, 2022	November 7, 2025	3 years	0	0%	0	0%	0	0%	0	0%	Bachelor and Master of Chemical Engineering, National Cheng Kung University Taiwan Semiconductor Manufacturing Co., Ltd. Senior Vice President of Corporate Planning Organization, Senior Vice President of Wafer Plant Operations, Vice President of Wafer Plant Operations, and Vice President of 12-inch Wafer Plants	Note 1	None	None	None	
Independent Director	Ying-Chi Yu	Male Over 60 years old	Republic of China	November 11, 2022	November 7, 2025	3 years	1,740	0.00%	1,740	0.00%	0	0%	0	0%	Master of Management, College of Management, National Chiayi University Chief Human Resources Officer, Director, and Manager of Acer Incorporated Director, Supervisor, and Lecturer of Chinese Human Resource Management Association	Note 1	None	None	None	
Independent Director	Pi-Wei Chin (Note)	Female 51 to 60	Republic of China	November 11, 2022	November 11, 2022	3 years	0	0%	0	0%	0	0%	0	0%	Bachelor of Transportation and Communication Management Science, National Cheng Kung University Executive Vice President of Li & Fung (Taiwan) Ltd.	Note 1	None	None	None	

Job title	Name	Gender Age	Nationality or place of registration	Date of initial election	Date elected	Term of office	Shareholding at the time of election		Current shareholding		Shares currently held by spouse and underage children		Shares held in others' names		Main experience (education)	Positions in the Company and other companies	Chief officers, directors, or supervisors who are spouses or relatives within 2nd degree kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Independent Director	Wei-Ling Chu (Note)	Female 41 to 50	Republic of China	November 7, 2025	November 7, 2025	3 years	0	0%	0	0%	0	0%	0	0%	Master's degree, Graduate Institute of Management, College of Management, National Chiao Tung University Vice President, Underwriting Department, Grand Fortune Securities Manager, Underwriting Department, Grand Cathay Securities Assistant Manager, Underwriting Department, Capital Securities	Note 1	None	None	None	

Note: At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.

Note 1: Directors holding concurrent positions:

Director	Company	Job title
Jerry Kao	Acer Incorporated	Chief Operating Officer
	Acer Gaming Inc.	Chairman
	DropZone Holding Limited	Director
	DropZone (Hong Kong) Limited	Director
	Acer Global Merchandise Philippines Inc.	Director
Jason Chen	Acer Incorporated	Chairman and CEO
	Powerchip Semiconductor Manufacturing Corporation	Independent Director
	Muzhen Investment Co., Ltd.	Chairman
	Mushi Investment Co., Ltd.	Chairman
	Acer Being Communication Inc.	Chairman
	Acer ITS Inc.	Chairman
	Acer Asset Management Incorporated	Chairman
	Acer BeingWare Holding Inc.	Chairman
	Acer e-Enabling Service Business Inc.	Chairman
	Acer SoftCapital Incorporated	Chairman
	Weblink International Inc.	Chairman
	Acer Digital Service Co.	Chairman
	Acer Foundation	Chairman
	Acer (Chongqing) Ltd.	Director
	Acer Healthcare Inc.	Director
	Acer Being Signage Inc.	Director
	Acer Cloud Technology (Taiwan) Inc.	Director
	Acer Gaming Inc.	Director
	Acer Computer (Shanghai) Ltd.	Director
	Pecer Bio-Medical Technology Incorporated	Director
	AOPEN Inc.	Director
	Protrade Applied Materials Corp.	Director
	FocalTech Systems Co., Ltd.	Director
	Acer Mobile Power System Inc.	Director
	Acer Medical Inc.	Director
	Yun Chuan Industry Co., Ltd.	Director
	Taipei Computer Association	Chairman
	Institute for Biotechnology and Medicine Industry	Director
	Acer America Corporation	Director
	Acer American Holdings Corp.	Director
	Acer Cloud Technology Inc.	Director
	Acer Computer (Far East) Limited	Director
Acer Europe SA	Director	
Acer European Holdings SA	Director	
Acer Holdings International, Incorporated	Director	
Acer Technology and Business Development Pte. Ltd.	Director	
Boardwalk Capital Holdings Limited	Director	
DropZone Holding Limited	Director	

Director	Company	Job title
	DropZone (Hong Kong) Limited	Director
Yu-Ling Chen	Acer Incorporated	Chief Accounting Officer
	Sertec (Beijing) Ltd.	Chairman
	Fu Yi Investment Co., Ltd.	Chairman
	Acer Energy Pack Inc.	Chairman
	Acer Information (Zhong Shan) Co., Ltd.	Director
	Acer SoftCapital Incorporated	Director
	Protrade Applied Materials Corp.	Director
	Haoyu Electric Co., Ltd.	Director
	Embedded City Limited	Director
	Solming Green Energy Co., Ltd.	Director
	Acer Fashion Inc.	Director
	Shanghai AST Technology Service Ltd.	Supervisor
	Wellife Inc.	Supervisor
	StarVR Corporation	Supervisor
	Acer (Chongqing) Ltd.	Supervisor
	Acer Being Communication Inc.	Supervisor
	Acer AI Cloud Inc.	Supervisor
	Acer Asset Management Incorporated	Supervisor
	Acer BeingWare Holding Inc.	Supervisor
	Acer Cloud Technology (Taiwan) Inc.	Supervisor
	Acer Computer (Shanghai) Ltd.	Supervisor
	Pecer Bio-Medical Technology Incorporated	Supervisor
	Aspire Service & Development Inc.	Supervisor
	Acer Digital Service Co.	Supervisor
	Acer Property Development Inc.	Supervisor
	Acer Mobile Power System Inc.	Supervisor
	Acer Cloud Technology (Chongqing) Ltd.	Supervisor
	Yun Chuan Industry Co., Ltd.	Supervisor
	Japan subsidiary of Acer International	Supervisor
	Acer Computer (Singapore) Pte. Ltd.	Director
	Acer Computer Australia Pty. Limited	Director
	Acer Computer Co., Ltd.	Director
	Acer Computer New Zealand limited	Director
	Acer Global Merchandise Philippines Inc.	Director
	Acer India Private Limited	Director
	Acer Marketing Services LLC	Director
	Acer Service Corporation	Director
	Acer Vietnam Co., Ltd.	Director
	PT Acer Indonesia	Commissioner
	PT. Acer Manufacturing Indonesia	Commissioner
Chien-Kuang Wang	TSMC Education & Culture Foundation	Director
Ying-Chi Yu	Lungyen Life Service Corporation	Independent Director

Director	Company	Job title
	ANTUNG CORPORATION Kang Yan Medical Management Consulting Co., Ltd.	Director Supervisor
Ming-Hui Lin	None	None
Pi-Wei Chin (Note)	Lim Chiu-Chung Culture and Arts Foundation	Chairman
Wei-Ling Chu (Note)	Advagene Biopharma Co., Ltd. Stark Technology Inc. Zilltek Technology Corp.	Independent Director Independent Director Independent Director

Note: At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.

2. Corporate shareholder's major shareholder

March 31, 2026

Name of corporate shareholder	Corporate shareholder's major shareholder	Shareholding ratio
Acer Incorporated	Yuanta/P-shares Taiwan Dividend Plus ETF	2.84%
	Fuh Hwa Taiwan Technology Dividend Highlight ETF	2.50%
	Hung Rouan Investment Corp.	2.42%
	Taiwan Cooperative Bank	1.77%
	United Taiwan High Dividend Recovery 30 ETF	1.61%
	Acer SoftCapital Incorporated	1.23%
	Stan Shih	1.15%
	Rongxin Management Consulting Co., Ltd.	0.75%
	Rongan Management Consultants Co., Ltd.	0.75%
	Labor Pension Fund (The New Fund)	0.73%

3. Major shareholders of major corporate shareholders

March 31, 2026

Name of corporate shareholder	Corporate shareholder's major shareholder	Shareholding ratio
Hongrong Investment Co., Ltd.	Shih Hsuen Huei	18.64%
	Shih Hsuen Lin	15.41%
	Shih Hsuen Rouan	15.41%
	Carolyn Yeh	14.68%
	Shih Fang Cheng	7.70%
	Yeh Ting Yu	6.42%
	Shih Yi Jia	4.86%
	Shih Yi Ching	3.09%
	Shih Tan Ying	3.09%
	Shih Yan Hsu	3.09%
Taiwan Cooperative Bank, Ltd.	Taiwan Cooperative Financial Holding Co., Ltd.	100%
Acer SoftCapital Incorporated	Acer Inc.	100%
Rongxin Management Consulting Co., Ltd.	Shih Hsuen Lin	54.58%
	Shih Fang Cheng	22.71%
	Shih Yi Jia	22.71%
Rong An Management Consulting Co., Ltd.	Shih Hsuen Rouan	43.57%
	Yeh Ting Yu	18.81%
	Yeh Jia Xuan	18.81%
	Yeh Bing Xue	18.81%

4. Professional knowledge and independence of Directors and supervisors

Name	Criteria	Professional qualifications and experience	Independence	Number of other public companies where he/she also serves as an independent director
Acer Incorporated Representative: Jerry Kao	<ol style="list-style-type: none"> 1. Jerry Kao joined Acer in 1995 and has served as President of Acer's Information Products Business since March 2016. He is responsible for the management of laptops, desktops, monitors, peripherals, virtual/augmented reality, and design and R&D, as well as product cycle management. In addition, he has been Acer's Co-Chief Operating Officer and President of Acer's IT Products Business since November 2018. 2. Jerry Kao holds a bachelor's degree in electrical engineering from National Tsing Hua University and a master's degree in business administration from National Chung Hsing University. 3. He specializes in the professional fields of information technology and management, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. He concurrently serves as a director of some group companies. Neither his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company. 	None	
Acer Incorporated Representative: Jason Chen	<ol style="list-style-type: none"> 1. Jason Chen served as the Global President and CEO of Acer from 2014, when he joined the Company, to 2017. He has been the Chairman and CEO of Acer since 2017, where he led the team in corporate transformation and actively expanded the Company into new business territories. 2. Jason Chen worked for TSMC from 2005 to 2013, where he held the highest position as Senior Vice President of TSMC's Global Marketing Business; from 1991 to 2005, he served Intel Corporation for 14 years, and then went to its U.S. headquarters to be in charge of sales and marketing, and assumed the position of Global Vice President. Thus, he is familiar with the global market environment. Before that, he worked for IBM Taiwan from 1988 to 1991. 3. He has expertise in the professional fields of information technology and finance, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. He concurrently serves as a director of some group companies. Neither his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company. 	1	
Acer Incorporated Representative: Yu-Ling Chen	<ol style="list-style-type: none"> 1. In addition to being the corporate director representative of Acer, Yu-Ling Chen is currently the Chief Accounting Officer of Acer. 2. Yu-Ling Chen holds a master's degree in business administration from the University of Pittsburgh, USA. 3. She has expertise in the professional field of finance and accounting, and does not fall under any conditions 	<ol style="list-style-type: none"> 1. Neither she nor her spouse nor her relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, 	None	

Name \ Criteria	Professional qualifications and experience	Independence	Number of other public companies where he/she also serves as an independent director
	set forth in Article 30 of the Company Act.	supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company.	
Ming-Hui Lin	<ol style="list-style-type: none"> 1. Ming-Hui Lin served as the Chairman and President of Jih Sun Futures Co., Ltd. 2. Ming-Hui Lin holds a master's degree in business administration from National Chung Hsing University. 3. She has expertise in the professional field of finance and accounting, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. Neither she nor her spouse nor her relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company. 	None
Chien-Kuang Wang	<ol style="list-style-type: none"> 1. Chien-Kuang Wang is currently a director of TSMC Education & Culture Foundation. 2. Chien-Kuang Wang served various positions in TSMC, including Senior Vice President of Corporate Planning Organization, Senior Vice President of Wafer Plant Operations, Vice President of Wafer Plant Operations, and Vice President of 12-inch Wafer Plants. 3. Chien-Kuang Wang holds a master's degree in chemical engineering from National Cheng Kung University. 4. He specializes in the professional field of semiconductors, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. Neither she nor her spouse nor her relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company. 	None
Ying-Chi Yu	<ol style="list-style-type: none"> 1. Ying-Chi Yu currently serves as an independent director of Lungyen Life Service Corporation, a director of Antung Corporation, and supervisor of Kang Yan Liang Yao Health Management Consulting Co., Ltd. 2. Ying-Chi Yu served as the Chief Human Resources Officer of Acer, and the director and lecturer of Chinese Human Resource Management Association. 3. Ying-Chi Yu holds a master's degree in management from the College of Management, National Chiayi University. 4. He specializes in the professional field of human resources, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<ol style="list-style-type: none"> 1. Neither she nor her spouse nor her relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. He holds 1,740 shares (0.00%) in the Company, which were subscribed by him as a former shareholder of Acer when participating in Acer Gadget's seasoned equity offering plan. In addition, neither his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company. 	2
Pi-Wei Chin (Note)	1. Pi-Wei Chin is currently the	1. Neither she nor her spouse nor her	None

Name	Criteria	Professional qualifications and experience	Independence	Number of other public companies where he/she also serves as an independent director
	2. Pi-Wei Chin was the Executive Vice President of Li & Fung (Taiwan) Ltd. 3. Pi-Wei Chin holds a bachelor's degree in transportation and communication management science from National Cheng Kung University. 4. She specializes in the professional fields of marketing and cultural education, and does not fall under any conditions set forth in Article 30 of the Company Act.	relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company.		
Wei-Ling Chu (Note)	1. Wei-Ling Chu currently serves as an independent director of Advagene Biopharma Co., Ltd., an independent director of Stark Technology Inc., and an independent director of Zilltek Technology Corp. 2. Wei-Ling Chu previously served as Vice President of Underwriting at Grand Fortune Securities, Manager of the Underwriting at Grand Cathay Securities, and Assistant Manager of Underwriting at Capital Securities. 3. Wei-Ling Chu holds a Master's degree from the Graduate Institute of Management, College of Management, National Chiao Tung University. 4. She has expertise in the professional field of finance and accounting, and does not fall under any conditions set forth in Article 30 of the Company Act.	1. Neither she nor her spouse nor her relatives within the 2nd degree of kinship have served as a director, supervisor or employee of a group company. 2. Neither he nor his spouse nor his relatives within the 2nd degree of kinship hold shares in the Company. 3. Neither he nor his spouse nor his relatives within the 2nd degree of kinship have served as a director, supervisor or employee of companies having specific relationships with the Company, nor have they provided commercial, legal, financial or accounting services to any group company.	3	

Note: At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.

5. Board diversity policy

The Company's Board of Directors shall provide guidance on the Company's strategies, supervise the management, and be accountable to the Company and shareholders. The operations and arrangements of the corporate governance system shall ensure that the Board of Directors exercises its functions and powers in accordance with laws and regulations, the Company's Articles of Incorporation, or resolutions adopted by the shareholders' meetings.

The structure of the Company's Board of Directors shall be based on the scale of the Company's business development and the shareholdings of major shareholders, and an appropriate number of directors shall be determined based on the needs of practical operations.

Diversity shall be taken into consideration when it comes to the composition of the Board of Directors. It is advisable that no more than one-third of the board seats

are occupied by directors who concurrently serve as the Company's managers. An appropriate policy for diversity in terms of its own operation, business model, and development needs must be adopted. It is advisable to include but not limit the following standards for the two major aspects:

- (1) Basic criteria and values: gender, age, nationality, culture, etc.
- (2) Professional knowledge and skills: professional backgrounds (such as law, finance, accounting, industry, marketing, and technology), professional skills, and industry experience.

Board members shall generally possess the necessary knowledge, skills, and literacy to perform their duties. In order to achieve the ideal goal of corporate governance, the Board of Directors as a whole shall have the following capabilities:

- (1) The ability to make operational judgments.
- (2) Accounting and financial analysis.
- (3) Operation and management.
- (4) Crisis management.
- (5) Industry knowledge.
- (6) International market outlook.
- (7) Leadership.
- (8) Decision-making.

6. Specific management goals for Board diversity

Board diversity helps the Board function effectively. The election of the Company's board members is in accordance with the Company's Articles of Incorporation, and the candidate nomination system is adopted after the public offering to ensure the diversity and independence of board members.

The Company currently has two female directors. For the next election of directors, we hope to invite two or more female candidates and select directors with different professional knowledge and skills to provide with different perspectives and contributions to further strengthen the functions of the Board of Directors.

7. Board diversity implementation

- (1) Expertise in the operation and marketing of global brand products and services: Mr. Jerry Kao, Mr. Jason Chen, Ms. Pi-Wei Chin (Note).
- (2) Accounting and finance expertise: Ms. Yu-Ling Chen, Mr. Ming-Hui Lin, Ms. Wei-Ling Chu (Note).
- (3) Expertise in the semiconductor industry: Mr. Jason Chen and Mr. Chien-Kuang Wang.
- (4) Human resource expertise: Mr. Ying-Chi Yu.

Name	Gender	Nationality	Category	Age			Marketing	Semi-conductor	Culture and education	Human resources	Financial and accounting
				41~50	51~60	61~70					
Jerry Kao	Male	R.O.C	General Director		V		V				
Jason Chen	Male	R.O.C	General Director			V	V	V			
Yu-Ling Chen	Female	R.O.C	General Director		V						V
Ming-Hui Lin	Male	R.O.C	Independent Director			V					V
Chien-Kuang Wang	Male	R.O.C	Independent Director			V		V			
Ying-Chi Yu	Male	R.O.C	Independent Director			V				V	
Pi-Wei Chin (Note)	Female	R.O.C	Independent Director		V		V		V		
Wei-Ling Chu (Note)	Female	R.O.C	Independent Director	V							V

Note: At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.

To promote and implement Board of Directors diversity, the Company currently has two female directors participating in board operations, accounting for 28.57% of board seats, which exceeds the average of 20.08% for all listed companies and 21.15% for all TPEX listed companies in 2025. The Company has consistently prioritized professional competence and practical experience, while comprehensively evaluating various diversity indicators. Among these, having at least one-third of board seats held by a single gender is an established diversity objective of the Board of Directors. Going forward, the Company will continue to align with its overall operating strategy and development direction, prudently identify suitable director candidates, and progressively promote and implement gender diversity objectives.

8. Independence of the Board of Directors

The Company's Board of Directors consists of seven directors, including four independent directors, accounting for 4/7 of the board seats. They are generally equipped with the necessary knowledge, skills and literacy to perform their duties. The Board of Directors is committed to continuously evaluating the independence of directors, which will take into account all relevant factors, including: whether relevant directors can continue to raise constructive questions for the management and other directors, and whether the opinions expressed are independent of the management or other directors. The above-mentioned board members are not in the circumstances described in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act, and none of the directors is related to each other as spouse or relative within the 2nd degree of kinship.

The Company established the Audit Committee in accordance with the law to replace supervisors. Hence, Article 26-3, Paragraph 4 of the Securities and Exchange Act does not apply.

(II) President, Vice Presidents, Assistant Vice Presidents, and heads of departments and branches

March 24, 2026. Unit: Shares

Job title	Nationality	Name	Gender	Date of election (appointment)	Shareholding		Shares held by spouse and underage children		Shares held in others' names		Main experience (education)	Positions in other companies	Managers who are his/her spouse or relative within the 2nd degree of kinship			Managers' acquisition of employee stock warrants	Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship		
President	R.O.C	Allen Jong	Male	September 30, 2022	0	0%	0	0%	1,060,000	1.71%	Director of Gadget Product Business Group, Acer Incorporated Bachelor of Electrical Engineering, National Taiwan University	None	None	None	None	None	None
Vice President/COO	R.O.C	Jen-Yang Chen (Note)	Male	September 30, 2022	400,000	0.65%	0	0%	0	0%	Senior Director, Gadget Product Business Group, Acer Incorporated MBA, University of Detroit Mercy Bachelor of Physics, Tamkang University	None	None	None	None	None	None
Chief Operating Officer	R.O.C	Kuo-Hsien Chang (Note)	Male	September 30, 2022	0	0%	0	0%	0	0%	President of E-TEN Information Systems Co., Ltd. Master of Electrical Engineering, University of Washington Bachelor of Electrical Engineering, Chung Yuan Christian University	None	None	None	None	None	None

Chief Financial and Accounting Officer	R.O.C	Chia-Hao Cheng	Male	September 30, 2022	200,000	0.32%	0	0%	0	0%	Finance Director of Vakos Holdings Limited Taiwan Branch (SAMOA) Master of Accounting, Tamkang University Bachelor of Finance and Cooperative Management, National Taipei University	None	None	None	None	None	None
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Note: On May 6, 2025, the Board of Directors approved a change in managers. Mr. Kuo-Hsien Chang retired upon reaching the mandatory retirement age, and effective July 1, 2025, Mr. Jen-Yang Chen, the current Vice President, assumed the position.

(III) Where the Chairman and the President or any other person of an equivalent post (the top-level manager) are the same person, spouses or relatives within the 1st degree of kinship, the reasons, rationality, necessity, and measures to be taken in response thereto shall be explained.
(Table 1 and Table 1-1): Not applicable

II. Remuneration paid to Directors, supervisors, President, and Vice Presidents in the most recent year

(I) Remuneration paid to directors, supervisors, President, and Vice Presidents in the most recent year (2025)

1. Remuneration to Directors

2025; Unit: NTD thousand

Job title	Name	Remuneration to directors								Sum of A, B, C, and D as a percentage of profit after tax (%)		Remuneration for concurrently serving as an employee								Sum of A, B, C, D, E, F and G as a percentage of profit after tax (%)		Remuneration received from invested businesses other than subsidiaries or the parent company (Note 1)
		Compensation (A)		Post-employment pension (B)		Director remuneration (C)		Business execution expenses (D)		The Company	All companies included in the financial statements	Salaries, bonuses, allowances, etc. (E)		Post-employment pension (F)		Employee remuneration (G)				The Company	All companies included in the financial statements	
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements			The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements				
		Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares	Amount in cash	Amount in shares			
Corporate Director	Acer Incorporated	900	900	0	0	0	0	0	0	900	900	0	0	0	0	0	0	0	0	900	900	0
Chairman	Acer Incorporated Representative: Jerry Kao																					
Director	Acer Incorporated Representative: Jason Chen	0	0	0	0	0	0	105	105	105	105	0	0	0	0	0	0	0	0	105	105	38,732
Director	Acer Incorporated Representative: Yu-Ling Chen																					
Independent Director	Ming-Hui Lin																					
Independent Director	Chien-Kuang Wang																					
Independent Director	Ying-Chi Yu	1,425	1,425	0	0	960	960	85	85	2,470	2,470	0	0	0	0	0	0	0	0	2,470	2,470	0
Independent Director	Pi-Wei Chin (Term until November 6, 2025)																					
Independent Director	Wei-Ling Chu (Term starts on November 7, 2025)																					

1. Please specify the policy, system, standard and structure for the payment of remuneration to independent directors and explain the correlation between the amount of remuneration and their responsibilities, risks, time invested and other factors: Not applicable.
 2. Other than the disclosure in the above table, remuneration received by the Company's directors for providing services (such as serving as a non-employee consultant of the parent company/all companies listed in the financial statements/invested businesses, etc.) in the most recent year: None.

Note 1: "Remuneration received from invested businesses other than subsidiaries or the parent company" disclosed in the above table refers to the total amount of remuneration paid by the parent company, Acer Incorporated.

Remuneration Range Table

	Director's name
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Range of remuneration paid to the Company's directors	Sum of the first four remunerations (A+B+C+D)		Sum of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements	The Company	Parent company and all invested businesses
Less than NTD 1,000,000	Acer Incorporated, Jason Chen, Yu-Ling Chen, Jerry Kao, Ming-Hui Lin, Chien-Kuang Wang, Ying-Chi Yu, Pi-Wei Chin, Wei-Ling Chu	Acer Incorporated, Jason Chen, Yu-Ling Chen, Jerry Kao, Ming-Hui Lin, Chien-Kuang Wang, Ying-Chi Yu, Pi-Wei Chin, Wei-Ling Chu	Acer Incorporated, Jason Chen, Yu-Ling Chen, Jerry Kao, Ming-Hui Lin, Chien-Kuang Wang, Ying-Chi Yu, Pi-Wei Chin, Wei-Ling Chu	Acer Incorporated, Ming-Hui Lin, Chien-Kuang Wang, Ying-Chi Yu, Pi-Wei Chin, Wei-Ling Chu
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)	-	-	-	-
NTD 2,000,000 (inclusive) - NTD 3,500,000 (exclusive)	-	-	-	-
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)	-	-	-	-
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)	-	-	-	Jason Chen, Yu-Ling Chen
NTD 10,000,000 (inclusive) - NTD 15,000,000 (exclusive)	-	-	-	-
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)	-	-	-	Jerry Kao
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)	-	-	-	-
NTD 50,000,000 (inclusive) - NTD 100,000,000 (exclusive)	-	-	-	-
More than NTD 100,000,000	-	-	-	-
Total	9 people in total	9 people in total	9 people in total	9 people in total

2. Remuneration to supervisors: Not applicable

3. Remuneration to the President and Vice Presidents

2025; Unit: NTD thousand

Job title	Name	Salary (A)		Post-employment pension (B)		Bonuses and allowances, etc. (C)		Employee remuneration (D)				Sum of A, B, C, and D as a percentage of profit after tax		Remuneration received from invested businesses other than subsidiaries or the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount in cash	Amount in shares	Amount in cash	Amount in shares			
President	Allen Jong	9,122	9,122	346	346	5,774	5,774	3,170	0	3,170	0	18,412 15.84%	18,412 15.84%	0
Chief Operating Officer	Jen-Yang Chen													
Chief Operating Officer (Retired in June 2025)	Kuo-Hsien Chang (Note)													
Chief Financial and Accounting Officer	Chia-Hao Cheng													

Note: On May 6, 2025, the Board of Directors approved a change in managers. Mr. Kuo-Hsien Chang retired upon reaching the mandatory retirement age and stepped down effective July 1, 2025; however, as remuneration was still paid in 2025, he is therefore still disclosed.

Remuneration Range Table

Range of remuneration paid to the Company's President and Vice Presidents	President and Vice Presidents' names	
	The Company	All companies included in the financial statements
Less than NTD 1,000,000	-	-
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)	-	-
NTD 2,000,000 (inclusive) - NTD 3,500,000 (exclusive)	Chia-Hao Cheng , Kuo-Hsien Chang (Note)	Chia-Hao Cheng , Kuo-Hsien Chang (Note)
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)	Jen-Yang Chen	Jen-Yang Chen
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)	Allen Jong	Allen Jong
NTD 10,000,000 (inclusive) - NTD 15,000,000 (exclusive)	-	-
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)	-	-
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)	-	-
NTD 50,000,000 (inclusive) - NTD 100,000,000 (exclusive)	-	-
More than NTD 100,000,000	-	-
Total	4 people in total	4 people in total

Note: On May 6, 2025, the Board of Directors approved a change in managers. Mr. Kuo-Hsien Chang retired upon reaching the mandatory retirement age and stepped down effective July 1, 2025; however, as remuneration was still paid in 2025, he is therefore still disclosed.

4. Names of managers receiving employee remuneration in the most recent year (2025) and the distribution of the remuneration:

	Job title	Name	Amount in shares	Amount in cash	Total	Total as a percentage of profit after tax (%)
Manager	President	Allen Jong	0	3,170	3,170	2.73%
	Vice President	Jen-Yang Chen				
	Chief Operating Officer	Kuo-Hsien Chang (Note)				
	Chief Financial Officer	Chia-Hao Cheng				

Note: On May 6, 2025, the Board of Directors approved a change in managers. Mr. Kuo-Hsien Chang retired upon reaching the mandatory retirement age and stepped down effective July 1, 2025; however, as remuneration was still paid in 2025, he is therefore still disclosed.

(II) Explain and analyze the ratio of the total remuneration paid by the Company and all companies included in the consolidated financial statements to the Company's directors, the President, and Vice Presidents to net income after tax for the most recent two years, and separately describe the policies, standards, and structure of remuneration, the procedures for determining remuneration, and its relationship with operating performance and future risks.

1. Analysis of the ratio of total remuneration paid to the Company's directors, the President, and Vice Presidents to net income after tax for the most recent two years

Unit: NTD thousand

Item	The Company				All companies in the consolidated financial statements			
	2025		2024 (after restatement) (Note)		2025		2024 (after restatement) (Note)	
	Total	As a percentage of net profit after tax	Total	As a percentage of net profit after tax	Total	As a percentage of net profit after tax	Total	As a percentage of net profit after tax
Remuneration to directors	3,475	2.99%	3,400	2.91%	3,475	2.99%	3,400	2.91%
Remuneration to the President and Vice Presidents	18,412	15.84%	18,813	16.11%	18,412	15.84%	18,813	16.11%
Net profit after tax	116,215	-	116,766	-	116,215	-	116,766	-

Note: Same as the preceding note.

2. Policies, standards, and structure of directors' remuneration, procedures for determining remuneration, correlation to performance, and its relationship with future risks

(1) Policies, standards, and structure of remuneration:

The Company's policy for the remuneration of directors is implemented in accordance with Article 17 of the Company's Articles of Incorporation and the "Principles for the Payment of Directors' Remuneration," as

reviewed by the Remuneration Committee and approved by the Board of Directors. Based on the directors' level of participation in the Company's operations and their contributions, and with reference to industry standards, remuneration is reviewed and approved by the Remuneration Committee, resolved by the Board of Directors, and reported to the annual general shareholders' meeting in accordance with applicable regulations. In addition to fixed remuneration and business-related expenses (including travel allowances), directors' remuneration is determined based on the Company's operating results and with reference to their contributions to the Company's performance, as proposed by the Remuneration Committee and approved by the Board of Directors prior to distribution.

- (2) Procedures for determining remuneration:
In accordance with Article 20 of the Company's Articles of Incorporation, if the Company generates a profit for the year, after offsetting accumulated losses, an amount not exceeding 0.8% shall be appropriated as directors' remuneration. The distribution method shall be proposed by the Remuneration Committee, determined by the Board of Directors, and reported to the shareholders' meeting. The amounts of fixed remuneration are recommended by the Chairman with reference to domestic and international industry standards and become effective upon approval by the Board of Directors.
- (3) Correlation between performance evaluation and remuneration:
The procedures for determining remuneration are based on the Company's "Regulations Governing the Board Performance Evaluation" (including performance evaluations of each committee) as the basis for assessment. The remuneration of the Company's directors is determined based on an overall consideration of their level of participation in the Company's operations and the results of performance evaluations (such as the effort devoted to Company affairs, meeting attendance rate, and continuing education). The overall results of the Board of Directors performance evaluation are reported to the Board of Directors in the first quarter of the following year, and the directors' remuneration for that year is discussed and resolved at that meeting. In addition, pursuant to the Company's Remuneration Committee Organizational Charter, the responsibilities of the Remuneration Committee include regularly reviewing and evaluating the policies, systems, standards, and structure of performance evaluation and remuneration for directors and managers.
- (4) Relationship with operating performance and future risks
In addition to being determined with reference to the Company's past operating performance, the standards, structure, and system for the remuneration of the Company's directors will also be flexibly adjusted in accordance with future risk factors. In addition, the Company's Remuneration Committee will perform its duties by regularly reviewing and evaluating directors' remuneration and submitting its recommendations to the Board of Directors for discussion, with the aim of achieving a balance between sustainable operations and risk management.

3. Policies, standards, and structure of remuneration for the President and Vice

Presidents, procedures for determining remuneration, correlation to performance, and its relationship with future risks

- (1) **Policies, standards, and structure of remuneration:**
The remuneration paid by the Company to managers can be categorized into three components: salary, bonuses, and employee compensation. Salary, which corresponds to the remuneration referred to under the Company Act, is determined based on factors such as job responsibilities, the overall environment, and market standards, and is set at a level sufficient to reflect the duties of the position. Bonuses are linked to both financial and non-financial performance targets to reflect job performance. Employee remuneration is determined in accordance with the Company's Articles of Incorporation and, after being reviewed by the Remuneration Committee and approved by the Board of Directors, is reported to the annual general shareholders' meeting in accordance with applicable regulations.
- (2) **Procedures for determining remuneration:**
In accordance with Article 20 of the Company's Articles of Incorporation, if the Company generates a profit for the year, after offsetting accumulated losses, an amount not less than 2% shall be appropriated as employee remuneration. The actual ratio and amount of employee remuneration to be distributed are determined by the Board of Directors and reported to the shareholders' meeting.
- (3) **Correlation between performance evaluation and remuneration:**
Employee remuneration is implemented in accordance with the Company's bonus policy, which covers the achievement of the Company's operating objectives and individual annual targets. Company objectives include both financial metrics (such as the achievement rates of revenue and net income) and non-financial indicators (such as professional development and the level of participation in subsidiary operations), as well as individual annual targets (such as annual operational management capability) and corporate social responsibility indicators (such as the planning and participation in various CSR activities). Based on the achievement results described above, the actual ratio and amount of employee remuneration to be distributed are determined in the first quarter of the following year by the Remuneration Committee and the Board of Directors, and are highly correlated with the Company's operating performance.
- (4) **Relationship with operating performance and future risks:**
The remuneration of the Company's managers, in addition to being determined with reference to relevant industry standards and the Company's past operating performance, will have its standards, structure, and system reviewed and adjusted in a timely manner in accordance with actual operating conditions and changes in applicable regulations, and shall not incentivize managers to undertake actions that exceed the Company's risk tolerance for the purpose of pursuing remuneration. In addition, the Company's Remuneration Committee will regularly evaluate the remuneration of managers and submit its recommendations to the Board of Directors for discussion, with the aim of achieving a balance between sustainable operations and risk

management. In addition, the Company has established a Risk Management and Sustainable Development Committee, which reports to the Board of Directors, to ensure linkage between operating performance and future risk management.

III. Operation of corporate governance

(I) Information on the operation of the Board of Directors

1. The Company's Board of Directors convened 7 times (A) in the most recent year (2025). The attendance of directors is as follows:

Job title	Name	Number of attendances in person (as non-voting participants) B	Number of attendances by proxy	In-person attendance rate (as non-voting participants) (%) [B/A]	Remarks
Chairman	Acer Incorporated Representative: Jerry Kao	7	0	100%	
Director	Acer Incorporated Representative: Jason Chen	7	0	100%	
Director	Acer Incorporated Representative: Yu-Ling Chen	7	0	100%	
Independent Director	Ming-Hui Lin	7	0	100%	
Independent Director	Chien-Kuang Wang	7	0	100%	
Independent Director	Ying-Chi Yu	7	0	100%	
Independent Director	Pi-Wei Chin	6	0	100%	At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected, and Ms. Pi-Wei Chin was dismissed as a director.
Independent Director	Wei-Ling Chu	1	0	100%	At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected, and Ms. Wei-Ling Chu was elected as a director.

2. Other information to be disclosed:

- (1) If any of the following circumstances exists with respect to the operation of the Board of Directors, the date and session of the Board meeting, the content of the proposal, the opinions of all Independent Directors, and the Company's handling of the opinions shall be specified:

- A. Matters set forth in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee in accordance with the Securities and Exchange Act; therefore, Article 14-3 of the Securities and Exchange Act is not applicable. For matters set forth in

Article 14-5 of the Securities and Exchange Act, please refer to the section on the operation of the Audit Committee in this annual report.

- B. Board meeting resolutions to which Independent Directors raised objections or qualified opinions recorded or stated in writing, other than those aforementioned:

(2) Implementation of directors' recusal from proposals having conflicts of interest

Board of Directors Date and term	Proposal content	Implementation of directors' recusal from proposals having conflicts of interest
March 11, 2025 1st Board meeting in 2025	1. Distribution of remuneration to employees and directors in 2024	<ol style="list-style-type: none"> 1. Employee remuneration: Upon the Chair's inquiry, all attending directors raised no objections, and the proposal was approved as presented. 2. Directors' remuneration: As all independent directors have a personal interest in directors' remuneration, they abstained from participating in the discussion and voting on this matter in accordance with Article 206 of the Company Act and relevant regulations. Upon the Chair's inquiry, all attending directors representing Acer Incorporated as a corporate shareholder raised no objections, and the proposal was approved as presented.
	2. Acquisition of the right-of-use assets of real estate from related parties	Directors representing Acer Incorporated as a corporate shareholder, Mr. Jerry Kao, Mr. Jason Chen, and Ms. Yu-Ling Chen, abstained from participating in the discussion and voting on this matter due to a conflict of interest involving the corporate entity they represent, in accordance with Article 206 of the Company Act and relevant regulations. Upon the acting Chair's inquiry, all independent directors raised no objections, and the proposal was approved as presented.

- (3) TWSE/TPEX listed companies shall disclose the cycle, period, scope, method, and items of the self-evaluation (or peer evaluation) of the Board of Directors:

The implementation of the Board of Directors' evaluation is as follows:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation item
Once a year	Evaluation of the performance from January 1, 2025 to December 31, 2025	Board of Directors' performance evaluation Individual board members' performance evaluation Functional committees' performance evaluation	Board of Directors' self-evaluation Board members' self-evaluation	<p>Board of Directors' self-evaluation</p> <ol style="list-style-type: none"> 1. Participation in the Company's management 2. Improvement of the Board's decision-making quality 3. Composition and structure of the Board 4. Election and continuing education of directors 5. Internal control <p>Board members' self-evaluation</p>

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation item
				6. Alignment with the Company's goals and missions 7. Awareness of the duties of a director 8. Participation in the Company's operation 9. Internal relationship management and communication 10. Election and continuing education of directors 11. Internal control Functional committees' self-evaluation 12. Participation in the Company's operation 13. Awareness of the duties of functional committees 14. Improvement of functional committees' decision-making quality 15. Composition of functional committees and election of their members 16. Internal control

On October 4, 2022, the Board of Directors approved the "Procedures for the Board of Directors' Performance Evaluation," which stipulate that the Board of Directors shall conduct a performance evaluation for the Board of Directors, its members, the Remuneration Committee, and the Audit Committee at least once a year.

The evaluation results for 2025 are as follows, and the performance evaluation results were reported at the first Board of Directors meeting in 2026.

Evaluation category	Evaluation item	Evaluation result
Board of Directors' performance evaluation	1. Participation in the Company's management 2. Improvement of the Board's decision-making quality 3. Composition and structure of the Board 4. Election and continuing education of directors 5. Internal control	Overall operation rating: Good
Board members' performance evaluation	1. Alignment with the Company's goals and missions 2. Awareness of the duties of a director 3. Participation in the Company's operation 4. Internal relationship management and communication 5. Directors' professionalism and continuing education 6. Internal control	Overall rating: Good
Audit Committee's performance evaluation	1. Alignment with the Company's goals and missions 2. Awareness of the duties of a director	Overall operation rating: Good

	<ol style="list-style-type: none"> 3. Participation in the Company's operation 4. Internal relationship management and communication 5. Directors' professionalism and continuing education 6. Internal control 	
Remuneration Committee's performance evaluation	<ol style="list-style-type: none"> 1. Alignment with the Company's goals and missions 2. Awareness of the duties of a director 3. Participation in the Company's operation 4. Internal relationship management and communication 5. Directors' professionalism and continuing education 6. Internal control 	Overall operation rating: Good

(4) Enhancement of the functionality of the Board of Directors in the current year and the most recent year and the evaluation thereof

- A. The Company has established the "Regulations Governing the Procedure for Board of Directors' Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" and announced important resolutions on the Market Observation Post System immediately after board meetings to ensure full disclosure of information and protect the rights and interests of shareholders.
- B. The Company has established the Audit Committee and the Remuneration Committee to assist the Board of Directors in fulfilling its supervisory duties, actively strengthen the functions of the Board of Directors, and implement corporate governance. We are also committed to complying with the best practice principles for TWSE/TPEX listed companies. In addition, to improve information transparency, the Company's website has an investor section to keep the Company's information updated. Moreover, all of the current board members have participated in corporate governance-related courses.
- C. In order to implement corporate governance and improve the functions of the Board of Directors, the Company conducts a performance evaluation for the Board of Directors and functional committees every year. The performance evaluation in 2025 was completed by board members performing a self-evaluation.
- D. To protect directors from the risks they bear in fulfilling their duties, the Company takes out directors' liability insurance for them every year to ensure sufficient insurance indemnity and coverage requirements and makes a report to the Board of Directors on a regular basis.

(II) Operation of the Audit Committee

The Audit Committee aims to reinforce the supervisory function of the Board of Directors, strengthen its management mechanism, and assist its in improving corporate governance performance. The main functions and powers of the Audit Committee include assisting the Board of Directors in supervising the quality and integrity of the Company's implementation of accounting, auditing, financial reporting processes, and financial

control.

The functions and powers of the Audit Committee are as follows:

- Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- Evaluate the effectiveness of the internal control system.
- Establish or amend the procedures for material financial business activities such as the acquisition or disposal of assets, engagement in derivative transactions, loaning of funds to others, and endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
- Matters involving the interests of directors.
- Material asset or derivative transactions.
- Material loans, endorsements, or guarantees.
- Offer, issue or conduct private placement of marketable equity securities.
- Appoint or dismiss CPAs or determine their remuneration (including reviewing their qualifications, independence and performance).
- Appoint the Chief Financial Officer, Chief Accounting Officer or Chief Internal Auditor.
- Financial statements.
- Regulatory compliance.
- Supervise the Company's risk appetite and strategies.
- Review the fulfillment of duties by the Audit Committee.
- Complete the Audit Committee's self-evaluation questionnaire.
- Other important matters specified by the Company or the competent authority.

According to the laws of the Republic of China, the Audit Committee shall consist of all independent directors. The Company's Audit Committee complies with the above provision.

In order to perform its duties, the Audit Committee has the right to conduct any appropriate review and investigation in accordance with its Articles of Incorporation, and has direct communication channels with the Company's internal auditor and CPAs. The Audit Committee is also entitled to hire and supervise lawyers, accountants or other consultants to assist in performing its duties.

The Audit Committee shall convene a regular meeting at least once per quarter. Please refer to the annual reports of the Company for details of the Committee's meetings and the attendance rate of each Committee member.

Operation of the Audit Committee :

The number of Audit Committee meetings convened in the most recent year (2025) was 5 (A). The attendance of independent directors is as follows:

Job title	Name	Number of attendances in person (B)	Number of attendances by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Ming-Hui Lin	5	0	100%	At the extraordinary shareholders' meeting on November 7, 2025, the Company conducted a full re-election of directors; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.
Member	Chien-Kuang Wang	5	0	100%	
Member	Ying-Chi Yu	5	0	100%	
Member	Pi-Wei Chin	5	0	100%	
Member	Wei-Ling Chu	0	0	0	

Other information to be disclosed (Audit Committee):

1. If any of the following circumstances exists with respect to the operation of the Audit Committee, the date and session of the Committee meeting, the content of the proposal, the objections, qualified opinions, or material suggestions from Independent Directors, the resolutions of the Audit Committee, and the Company's handling of the opinions of Committee members shall be specified:
 - (1) Matters listed in Article 14-5 of the Securities and Exchange Act: as shown in the table below.
 - (2) Resolutions not passed by the Audit Committee but approved by two-thirds or more of all Directors, other than those aforementioned: As shown in the table below.

Audit Committee Date and term	Proposal content	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions not passed by the Audit Committee but approved by two- thirds or more of all directors
March 11, 2025 1st Audit Committee meeting in 2025	1. Proposal for approval of the Company's business report and financial statements for 2024	V	None
	2. Proposal for discussion on earnings distribution in 2024	V	None
	3. Proposal for approval of the 2024 "Statement on the Internal Control System"	V	None
	4. Proposal to amend the Company's internal regulations	V	None
	5. Proposal to appoint CPAs for reviewing and auditing the financial statements and evaluate the independence of the CPAs	V	None
	6. Acquisition of the right-of-use assets of real estate from related parties	V	None
	Audit Committee's resolution: Passed by all members of the Audit Committee.		
Handling of the Audit Committee's opinions by the Company: All attending directors of the Board of Directors approved the proposals and opinions submitted by the Audit Committee (personnel with conflicts of interest have abstained from participating in the discussion and voting).			
May 6, 2025 2nd Audit Committee meeting in 2025	1. Proposal for approval of the CPA-reviewed consolidated financial statements for Q1 2025.	V	None
	2. Proposed acquisition of 100% equity in a subsidiary of a related party	V	None
	3. Proposed approval of the Company's fashion business division spin-off and transfer to a subsidiary	V	None
	Audit Committee's resolution: Passed by all members of the Audit Committee.		
Handling of the Audit Committee's opinions by the Company: All attending directors of the Board of Directors approved the proposals and opinions submitted by the Audit Committee.			
August 5, 2025 3rd Audit Committee meeting in 2025	1. Proposal for approval of the CPA-reviewed consolidated financial statements for Q2 2025.	V	None
	2. Matters related to the Company's loans of funds to others	V	None
	Audit Committee's resolution: Passed by all members of the Audit Committee.		
Handling of the Audit Committee's opinions by the Company: All attending directors of the Board of Directors approved the proposals and opinions submitted by the Audit Committee.			
October 8, 2025 4th Audit Committee meeting in 2025	1. Proposed approval of the Company's fashion business division spin-off and transfer to an existing subsidiary	V	None
	Audit Committee's resolution: Passed by all members of the Audit Committee.		
Handling of the Audit Committee's opinions by the Company: All attending directors of the Board of Directors approved the proposals and opinions submitted by the Audit Committee.			

Audit Committee Date and term	Proposal content	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions not passed by the Audit Committee but approved by two-thirds or more of all directors
November 4, 2025 5th Audit Committee meeting in 2025	1. Proposal for approval of the CPA-reviewed consolidated financial statements for Q3 2025.	V	None
	2. Proposal for approval of the audit plan for 2026	V	None
	3. Proposal to (add) amend the Company's internal regulations	V	None
	Audit Committee's resolution: Passed by all members of the Audit Committee.		
	Handling of the Audit Committee's opinions by the Company: All attending directors of the Board of Directors approved the proposals and opinions submitted by the Audit Committee.		

2. For the recusal of an Independent Director from a proposal due to a conflict of interest, the name of the Independent Director, the content of the proposal, the reason for recusal, and his/her participation in voting shall be disclosed: None.
3. Communication between Independent Directors and the Chief Internal Auditor and CPAs:

- (1) In addition to reporting the implementation status of internal audits to the independent directors on a monthly basis, the Company's Chief Internal Auditor also regularly presents internal audit reports at each quarterly Audit Committee meeting and communicates audit results and the status of improvements to internal control deficiencies with the committee members. In the event of special circumstances, the Chief Internal Auditor also reports to the Audit Committee members on a timely basis. Furthermore, one-on-one meetings with independent directors were conducted at the 12th Audit Committee Meeting of the 1st term on May 6, 2025, and the 13th Audit Committee Meeting of the 1st term on August 5, 2025. A summary of the key communication matters is as follows:

Date	Communication meeting	Communication focus	Communication results
March 11, 2025	Audit Committee	<ul style="list-style-type: none"> ● Internal audit follow-up report for Q4 2024 ● 2024 "Statement on the Internal Control System" 	After the Independent Directors further inquired about the relevant contents and details of the report and obtained the answers and explanation from the Chief Internal Auditor, the Independent Directors had no further opinions
May 6, 2025	Audit Committee	<ul style="list-style-type: none"> ● Internal audit follow-up report for Q1 2025 	After the Independent Directors further inquired about the relevant contents and details of the report and obtained the answers and explanation from the substitute of the Chief Internal Auditor, the Independent Directors had no further opinions
August 5, 2025	Audit Committee	<ul style="list-style-type: none"> ● Internal audit follow-up report for Q2 2025 	After the Independent Directors further inquired about the relevant contents and details of the report and obtained the answers and explanation from the Chief Internal Auditor, the Independent Directors had no further opinions
November 4, 2025	Audit Committee	<ul style="list-style-type: none"> ● Internal audit follow-up report for Q3 2025 ● 2026 "annual audit plan" 	After the Independent Directors further inquired about the relevant contents and details of the report and obtained the answers and explanation from the Chief Internal Auditor, the Independent Directors had no further opinions

- (2) The Company’s CPA regularly reports to the Audit Committee every six months on the results of audits or reviews of financial statements, as well as other communication matters required by relevant regulations. In the event of special circumstances, the CPA also reports to the Audit Committee on a timely basis. In addition, one-on-one meetings with independent directors were conducted at the 12th Audit Committee Meeting of the 1st term on March 11, 2025, and the 15th Audit Committee Meeting of the 1st term on November 4, 2025. A summary of the key communication matters is as follows:

Date	Communication meeting	Communication focus	Communication results
March 11, 2025	Audit Committee	<ul style="list-style-type: none"> ● Audit results for the 2024 financial statements ● Update report of relevant laws and regulations 	After the Independent Directors further inquired about the relevant contents and details of the report and obtained the answers and explanation from the CPAs, the Independent Directors had no further opinions
November 4, 2025	Audit Committee	<ul style="list-style-type: none"> ● Audit results for the 2025 Q3 financial statements ● Communication of key audit matters for the 2025 financial statements 	After the Independent Directors further inquired about the relevant contents and details of the report and obtained the answers and explanation from the CPAs, the Independent Directors had no further opinions

(III) The operation of corporate governance, any deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
I. Has the company established and disclosed its corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Board approved the amendment to the "Corporate Governance Best Practice Principles" on March 11, 2025, and the Company disclosed its "Corporate Governance Best Practice Principles" on the corporate website and MOPS.	No significant deviation
II. Company's shareholding structure and shareholders' rights and interests				
(I) Does the company establish internal operating procedures to handle shareholders' suggestions, doubts, disputes and litigation matters, and implement the procedures?	V		(I) In order to protect the rights and interests of shareholders, the Company has appointed a spokesperson and acting spokesperson to handle shareholders' suggestions.	No significant deviation
(II) Does the company keep track of major shareholders who actually control the Company and their ultimate controllers?	V		(II) Through the reporting of insider shareholding changes and the roster of shareholders provided by the share registration agent, the Company keeps proper track of major shareholders that actually control the Company and their ultimate controllers.	No significant deviation
(III) Does the company establish and implement risk control and firewall mechanisms with its affiliates?	V		(III) The Company has established the "Regulations Governing Transactions with Related Parties," "Operating Procedures for Endorsements and Guarantees," "Operating Procedures for the Loaning of Funds to Others," and "Procedures for the Acquisition or Disposal of Assets" in accordance with relevant laws and regulations to establish a risk control mechanism.	No significant deviation
(IV) Does the company establish internal regulations to prohibit insiders from trading marketable securities using undisclosed information in the market?	V		(IV) The Company has the "Regulations Governing the Prevention of Insider Trading" in place to prohibit insiders from trading marketable securities using undisclosed information in the market.	No significant deviation
III. Board of directors' composition and duties				
(I) Does the board of directors formulate and implement any diversity policies, set specific management goals, and implement the goals?	V		(I) The Company has established the "Procedures for the Election of Directors." Diversity is a factor that is valued in the composition of the Board of Directors. Currently, the Company has seven directors, including four independent directors. They generally have the necessary knowledge, skills and literacy to perform their duties. With their expertise, they can provide sound suggestions to the Board of Directors on the implementation of the Company's internal control system and related proposals.	No significant deviation
(II) In addition to establishing a remuneration committee and an audit committee as required by law, does the company set up	V		(II) In addition to establishing a Remuneration Committee and an Audit Committee in accordance with applicable regulations, the Company has also established a Risk Management and Sustainable Development Committee to strengthen its oversight	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary	
other functional committees voluntarily?				
(III) Does the company establish procedures and methods for evaluating the performance of the board of directors, conduct annual performance evaluations regularly, report the results of the performance evaluations to the board of directors, and use them as a reference for individual directors' remuneration and nomination for reappointment?	V		mechanisms for risk governance and sustainable development. Going forward, the Company will continue to evaluate the establishment of other functional committees based on regulatory requirements and actual operational needs. (III) The Board of Directors has passed the "Procedures for the Board of Directors' Performance Evaluation" on October 4, 2022. The performance of directors is evaluated every year, and the evaluation results will be used as a reference for individual directors' remuneration and nomination for reappointment. The 2025 evaluation results were reported to the Board of Directors on March 5, 2026.	No significant deviation
(IV) Does the company regularly evaluate the independence of CPAs?	V		(IV) Assessing the qualifications and independence of CPAs is one of the main duties of the Company's Audit Committee. The Committee regularly evaluates the independence of CPAs every year and submits a report to the Audit Committee and the Board of Directors for approval. After the latest evaluation was approved by the Audit Committee on March 5, 2026, it was submitted to the Board of Directors for approval on March 5, 2026. The Audit Committee conducted a comprehensive evaluation based on the statement of independence issued by the CPAs and in accordance with related regulations. Important evaluation items are as follows: 1. Does the Company's management respect the objective and challenging audit process put forward by CPAs? 2. Whether the non-audit services provided by CPAs may impair the independence of the audit. 3. Whether the accounting firm has established independence regulations, requiring the firm, its personnel and other personnel subject to independence requirements to maintain independence in accordance with the code of professional ethics for certified public accountants, and has prohibited any personnel from engaging in insider trading and misusing inside information or any misleading act in the securities or capital market. 4. Whether the lead auditor and concurring auditors are rotated on a regular basis when their tenure has reached the prescribed term. 5. Obtaining information on the 13 Audit Quality Indicators (AQIs) provided by the CPA firm and evaluating the audit quality of the CPA firm and the audit team in accordance with the "Guide to the Audit Committee's Interpretation of Audit Quality Indicators (AQI)" issued by the competent authority. The evaluation results are as follows: The independence between the CPAs and the Company complies	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			with the Republic of China's Certified Public Accountant Act, the code of professional ethics for certified public accountants, and the SEC and PCAOB of the United States. The CPAs appointed by the Company have been rotated regularly within the prescribed time frames. There has been no significant deviation between the AQIs of the CPA firm and those of industry peers.	
IV. Whether the TWSE/TPEX listed company appoints an appropriate number of competent corporate governance personnel and designates a Chief Corporate Governance Officer to be in charge of corporate governance-related matters (including but not limited to providing directors and supervisors with the information needed to perform their duties, assisting them in compliance with laws and regulations, handling matters related to Board of Directors' meetings and shareholders' meetings in accordance with the law, and preparing minutes of Board of Directors' meetings and shareholders' meetings).	V		<p>On December 8, 2022, the Board of Directors resolved to appoint the Company's Chief Financial Officer Chia-Hao Cheng as the Chief Corporate Governance Officer of the Company. He is responsible for providing directors with the information required to perform their duties, assisting them in complying with laws and regulations, handling matters related to board meetings and shareholders' meetings, preparing minutes of board meetings and shareholders' meetings, and overseeing other corporate governance affairs. The business execution in 2025 includes the following:</p> <ol style="list-style-type: none"> 1. Assisting independent directors and general directors in performing their duties, providing required information, and arranging continuing education for directors: <ol style="list-style-type: none"> (1) Informing board members on the revision and development of laws and regulations related to corporate governance. (2) Compiling and providing sufficient meeting materials to meeting members, and offering appropriate and timely information and administrative assistance. (3) Arranging meetings of independent directors and CPAs to understand the Company's financial and business status; when necessary, assisting directors (including independent directors) in discussing with the Chief Internal Auditor internal control-related matters. 2. Assisting in ensuring the compliance of the procedures and resolutions of board meetings and shareholders' meetings with laws and regulations: <ol style="list-style-type: none"> (1) Reporting the implementation of corporate governance-related items to the Board of Directors, independent directors and Audit Committee. (2) Making sure that the Company's shareholders' meetings and board meetings are in compliance with relevant laws and corporate governance practices. (3) Assisting and reminding directors to comply with laws and regulations when performing their duties or adopting formal resolutions at board meetings. (4) Reviewing important resolutions of the Board of Directors to be published to ensure their legality and correctness as well as the synchronization of trading information for investors. 3. Assembling board meeting proposals and issuing a notice of the agenda with the information required for the meeting seven days before the meeting. If it is necessary to avoid a conflict of interest, a reminder shall be given in advance, and the minutes of the Board of Directors' meeting shall be prepared within 20 days after the meeting. 	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary	
			4. Supervising the pre-registration of the date of the shareholders' meeting, and preparing a meeting notice, meeting handbook, meeting minutes and carrying out registration of amendments to the Articles of Incorporation prior to the statutory deadline.	
V. Does the company create channels for communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on the Company's website, and appropriately respond to important corporate social responsibility issues of stakeholders' concern?	V		The Company has established a spokesperson system and regularly discloses important financial, business, and other relevant information on MOPS. It has also set up a stakeholder section on its website to provide reporting and grievance channels, communication methods and responses, rights policies, and complaint procedures, enabling stakeholders to quickly understand the Company's operating conditions and safeguard their rights and interests.	No significant deviation
VI. Does the company commission a professional shareholder services agent to handle shareholders' meeting affairs?	V		The Company commissions the Transfer Agency Department of Taishin Securities Co., Ltd. to handle shareholders' meeting affairs.	No significant deviation
VII. Information Disclosure				
(I) Does the company set up a website to disclose its financial, business, and corporate governance information?	V		(I) An investor section is in place on the Company's website to regularly disclose the Company's financial, business, and corporate governance information.	No significant deviation
(II) Does the company adopt other means of information disclosure (e.g. setting up an English website, appointing dedicated personnel to collect and disclose information on the company, implementing a spokesperson system, posting the proceedings of investor conferences on the company's website)?	V		(II) The Company has established a spokesperson system, and has designated a person to collect and disclose material matters. We disclose relevant information on the "Market Observation Post System" in accordance with regulations.	No significant deviation
(III) Does the company announce and report its annual financial statements within two months after the end of each fiscal year, and announce and report its financial statements for the first, second, and third quarters and the operations of each month prior to the prescribed deadline?		V	(III) The Company announced and reported the financial statements for Q1, Q2, and Q3 and the operations of each month in advance of the prescribed deadline. However, although it was difficult for the Company to announce and report the annual financial statements within two months after the end of the fiscal year. Also, the Company still made public announcements and reports within the time limit specified in Article 36 of the Securities and Exchange Act.	There are only slight differences in the timing of the announcement and filing of the annual financial statements; otherwise, there are no material differences from the Corporate Governance Best Practice Principles.
VIII. Does the company have other important information that is helpful in understanding the	V		(I) The Company has always protected the rights and interests of employees. In addition to basic statutory protections, the Company also provides good welfare measures.	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
implementation of corporate governance (including but not limited to employees' rights and interests, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, and the purchase of liability insurance for directors and supervisors)?			(II) The Company fully discloses relevant information through the Market Observation Post System and the Company's website so that investors can understand the Company's operations. (III) The Company's Board members and supervisors have participated in continuing education courses on finance, risk management, business, commerce, accounting, law or corporate social responsibility. These courses covering corporate governance topics were organized by designated institutions under the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies." (IV) The Company has clearly stipulated in the Board of Directors' Meeting Rules that directors shall recuse themselves from the discussion and voting of proposals related to their interests. (V) The Company has taken out liability insurance for directors and managers.	
IX. Please describe the improvements made based on the corporate governance evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year, and propose prioritized enhancements and measures for deficiencies that have not yet been corrected: None.				

(IV) If the Company has established a Remuneration Committee or Nomination Committee, the composition and operation of the Committee shall be disclosed

1. Information on Remuneration Committee members

Criteria		Professional qualifications and experience	Independence	Number of other public companies where he/she also serves as a Remuneration Committee member
Identity	Name			
Independent Director	Ying-Chi Yu	<ol style="list-style-type: none"> 1. Ying-Chi Yu is currently an independent director of the Company, an independent director of Lungyen Life Service Corporation and a director of Antung Corporation. He also served as the Chief Human Resources Officer of Acer Incorporated, and the director and lecturer of Chinese Human Resource Management Association. 2. Ying-Chi Yu holds a master's degree in management from the College of Management, National Chiayi University. 3. He specializes in the professional field of human resources, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<p>None of the four independent directors of the Company is an employee, manager, director, supervisor of the Company or any of the affiliates thereof; or is the spouse, a relative within the 2nd degree of kinship, or a lineal relative within the 3rd degree of kinship of the aforesaid persons; or is a natural-person shareholder who holds 1% or more of the Company's total issued shares or holds shares as one of the top ten shareholders, by himself/herself or in the name of his/her spouse, underage children, or others; or is a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the Company's total issued shares, or that ranks among the top five shareholders, or that designates its representative to serve as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act; or is a director, supervisor, or employee of another company whose majority of director seats or voting shares is controlled by the same person who controls those of the Company; or is a director, supervisor, or employee of another company or institution who is the Chairman or President of the Company, holds an equivalent position in the Company, or is the spouse thereof; or is a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution that has a financial or business relationship with the Company; or is a professional</p>	1
Independent Director	Ming-Hui Lin	<ol style="list-style-type: none"> 1. Ming-Hui Lin currently serves as an independent director of the Company, and was the Chairman and President of Jih Sun Futures Co., Ltd. 2. Ming-Hui Lin holds a master's degree in business administration from National Chung Hsing University. 3. He specializes in the professional field of finance and accounting, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<p>None of the four independent directors of the Company is an employee, manager, director, supervisor of the Company or any of the affiliates thereof; or is the spouse, a relative within the 2nd degree of kinship, or a lineal relative within the 3rd degree of kinship of the aforesaid persons; or is a natural-person shareholder who holds 1% or more of the Company's total issued shares or holds shares as one of the top ten shareholders, by himself/herself or in the name of his/her spouse, underage children, or others; or is a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the Company's total issued shares, or that ranks among the top five shareholders, or that designates its representative to serve as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act; or is a director, supervisor, or employee of another company whose majority of director seats or voting shares is controlled by the same person who controls those of the Company; or is a director, supervisor, or employee of another company or institution who is the Chairman or President of the Company, holds an equivalent position in the Company, or is the spouse thereof; or is a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution that has a financial or business relationship with the Company; or is a professional</p>	0
Independent Director	Chien-Kuang Wang	<ol style="list-style-type: none"> 1. Chien-Kuang Wang is currently an independent director of the Company and a director of TSMC Education & Culture Foundation. He served various positions in TSMC, including Senior Vice President of Corporate Planning Organization, Senior Vice President of Wafer Plant Operations, Vice President of Wafer Plant Operations, and Vice President of 12-inch Wafer Plants. 2. Chien-Kuang Wang holds a master's degree in chemical engineering from National Cheng Kung University. 3. He specializes in the professional field of semiconductors, and does not fall under any conditions set forth in Article 30 of the Company Act. 	<p>None of the four independent directors of the Company is an employee, manager, director, supervisor of the Company or any of the affiliates thereof; or is the spouse, a relative within the 2nd degree of kinship, or a lineal relative within the 3rd degree of kinship of the aforesaid persons; or is a natural-person shareholder who holds 1% or more of the Company's total issued shares or holds shares as one of the top ten shareholders, by himself/herself or in the name of his/her spouse, underage children, or others; or is a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the Company's total issued shares, or that ranks among the top five shareholders, or that designates its representative to serve as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act; or is a director, supervisor, or employee of another company whose majority of director seats or voting shares is controlled by the same person who controls those of the Company; or is a director, supervisor, or employee of another company or institution who is the Chairman or President of the Company, holds an equivalent position in the Company, or is the spouse thereof; or is a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution that has a financial or business relationship with the Company; or is a professional</p>	0

Identity		Criteria	Professional qualifications and experience	Independence	Number of other public companies where he/she also serves as a Remuneration Committee member
Name					
Independent Director	Pi-Wei Chin (Note)	<ol style="list-style-type: none"> Pi-Wei Chin is currently the Chairman of Lim Chiu-Chung Culture and Arts Foundation. She was the Executive Vice President of Li & Fung (Taiwan) Ltd. Pi-Wei Chin holds a bachelor's degree in transportation and communication management science from National Cheng Kung University. She specializes in the professional fields of marketing and cultural education, and does not fall under any conditions set forth in Article 30 of the Company Act. 	individual who, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides audit services to the Company or any affiliate thereof, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate thereof for which the cumulative compensation received in the most recent two years has not exceeded NTD 500,000, or the spouse thereof; and none of them is the spouse or a relative within the 2nd degree of kinship of any other directors.	0	
Independent Director	Wei-Ling Chu (Note)	<ol style="list-style-type: none"> Wei-Ling Chu currently serves as an independent director of the Company, as well as an independent director of Advagene Biopharma Co., Ltd., an independent director of Stark Technology Inc., and an independent director of Zilltek Technology Corp. Wei-Ling Chu previously served as Vice President of Underwriting at Grand Fortune Securities, Manager of the Underwriting at Grand Cathay Securities, and Assistant Manager of Underwriting at Capital Securities. Wei-Ling Chu holds a Master's degree from the Graduate Institute of Management, College of Management, National Chiao Tung University. She has expertise in the professional field of finance and accounting, and does not fall under any conditions set forth in Article 30 of the Company Act. 	individual who, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides audit services to the Company or any affiliate thereof, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate thereof for which the cumulative compensation received in the most recent two years has not exceeded NTD 500,000, or the spouse thereof; and none of them is the spouse or a relative within the 2nd degree of kinship of any other directors.	3	

Note: At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.

2. Information on the operation of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of 4 members
- (2) Current members' term of office: The Company established the Remuneration Committee on November 11, 2022. The term of the members of the 1st Remuneration Committee is from November 11, 2022 to November 7, 2025. The Remuneration Committee met a total of 3 times (A) in the most recent year (2025). Members' qualifications and attendance are as follows:

Job title	Name	Number of attendances in person (B)	Number of attendances by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Ying-Chi Yu	3	0	100.00	At the extraordinary shareholders' meeting on November 7, 2025, the Company conducted a full re-election of directors; Ms. Pi-Wei Chin was dismissed as a director,
Member	Chien-Kuang Wang	3	0	100.00	
Member	Ming-Hui Lin	3	0	100.00	
Member	Pi-Wei Chin (Note)	3	0	100.00	

Member	Wei-Ling Chu (Note)	0	0	0.00	and Ms. Wei-Ling Chu was elected as a director.
Other information to be disclosed:					
I. If the Board of Directors does not adopt or amend the suggestions of the Remuneration Committee, the date and session of the board meeting, the content of the proposal, the resolutions of the Board of Directors, and the Company's handling of the Remuneration Committee's opinions shall be disclosed (If the salary/remuneration passed by the Board of Director is higher than that suggested by the Remuneration Committee, the difference and the reasons therefor shall be specified): None.					
II. If a member has a dissenting or qualified opinion on a resolution of the Remuneration Committee and it is on record or stated in writing, the date and session of the Remuneration Committee meeting, the content of the proposal, the opinions of all members, and the handling of the opinions shall be specified: None.					

(3) Major resolutions of the Remuneration Committee during the year:

Date	Meeting title	Important resolutions Contents	Resolution results	The Company's handling of the Remuneration Committee's opinions
2025.3.11	8th meeting of the 1st Remuneration Committee in 2025	1. Proposal for the remuneration to employees and directors in 2024	For the remuneration to employees, the proposal was unanimously approved by all attending members upon the chairperson's inquiry and was submitted to the Board for discussion. As the remuneration to Directors involves the personal interests of all Independent Directors, all attending members unanimously agreed not to review the proposal upon the chairperson's inquiry and directly submitted it to the Board for review and discussion.	All attending directors of the Board of Directors unanimously approved the proposals and opinions submitted by the Remuneration Committee (personnel with conflicts of interest have abstained from participating in the discussion and voting).
		2. Discussion of remuneration to managers	The proposal was unanimously approved by all attending members upon the chairperson's inquiry and was submitted to the Board for discussion.	
		3. Approval of the scope of the Company's entry-level employees	The proposal was unanimously approved by all attending members upon the chairperson's inquiry and was submitted to the Board for discussion.	
2025.5.6	9th meeting of the 1st Remuneration Committee in 2025	1. Proposed changes in the Company's managers	The proposal was unanimously approved by all attending members upon the chairperson's inquiry and was submitted to the Board for discussion.	All attending directors of the Board of Directors unanimously approved the proposals and opinions submitted by the Remuneration Committee (personnel with conflicts of interest have abstained from participating in the discussion and voting).
		2. Discussion of remuneration to managers	The proposal was unanimously approved by all attending members upon the chairperson's inquiry and was submitted to the Board for discussion.	

Date	Meeting title	Important resolutions Contents	Resolution results	The Company's handling of the Remuneration Committee's opinions
2025.11.4	10th meeting of the 1st Remuneration Committee in 2025	1. Proposal on recommended indicators for the managers' target bonuses in 2026	The proposal was unanimously approved by all attending members upon the chairperson's inquiry and was submitted to the Board for discussion.	All attending directors of the Board of Directors unanimously approved the proposals and opinions submitted by the Remuneration Committee (personnel with conflicts of interest have abstained from participating in the discussion and voting).

(4) Duties and responsibilities of the Remuneration Committee

The responsibilities of the Remuneration Committee include establishing and regularly reviewing the policies, systems, standards, and structure for the performance evaluation and remuneration of directors and managers, as well as periodically evaluating and determining the remuneration of such personnel.

When performing the aforementioned duties, the Remuneration Committee shall act in accordance with the following principles:

- Ensure that the Company's remuneration arrangements comply with applicable regulations and are sufficient to attract outstanding talent.
- The performance evaluation and remuneration of directors and managers shall be determined with reference to prevailing industry standards, taking into account the time invested, responsibilities assumed, achievement of individual objectives, performance in other positions held, and the remuneration granted by the Company in recent years to individuals in comparable positions. In addition, the reasonableness of the linkage between individual performance and the Company's operating performance and future risks shall be assessed based on the achievement of the Company's short-term and long-term business objectives and its financial condition.
- Remuneration should not incentivize directors and managers to undertake actions that exceed the Company's risk appetite in pursuit of remuneration.
- The proportion of remuneration linked to short-term performance for directors and senior managers, as well as the timing of payment of certain variable remuneration, shall be determined with consideration of industry characteristics and the nature of the Company's business.
- The content and amount of remuneration for directors and managers shall take into account its reasonableness, and the determination of such remuneration should not materially deviate from financial performance.
- Members of the Committee shall not participate in the discussion or voting on decisions regarding their own remuneration.

In compliance with applicable laws and regulations.

3. Information on the Nomination Committee members and operation: None.

(V) Implementation of sustainable development, any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
I. Does the company establish a governance structure for the promotion of sustainable development, and set up a full-time (or part-time) unit to promote sustainable development, with the senior management authorized by the board of directors to manage the unit? How the board of directors supervise the unit?	V		<p>The Company has established a comprehensive sustainable development governance framework, with the Board of Directors bearing ultimate oversight responsibility. To strengthen the institutionalized operation of sustainable governance, the Company formally established the “Risk Management and Sustainable Development Committee” under the Board of Directors on November 7, 2025. A majority of its members are independent directors to ensure governance independence and supervisory effectiveness.</p> <p>Prior to the establishment of the Committee, the Company had already set up a “Sustainable Development Task Force,” convened by the General Manager, as a dedicated (or part-time) unit responsible for promoting sustainable development, facilitating cross-departmental collaboration and execution, and implementing the planning and advancement of ESG-related matters by senior management.</p> <p>The Board of Directors has authorized senior management to advance various sustainable development strategies, with the “Risk Management and Sustainable Development Committee” responsible for reviewing and overseeing key sustainability matters, including climate risk management, GHG inventories, and the preparation of sustainability reports, to ensure that strategic direction and execution outcomes align with the Company’s overall operating policies.</p> <p>The Committee convenes at least once a year and regularly reports to the Board of Directors on the achievement of ESG objectives and implementation progress, thereby strengthening the Board of Directors’ substantive oversight function.</p> <p>Specific implementation includes that on August 5, 2025, the progress of GHG inventory and the preparation of the sustainability report was reported to the Board of Directors, indicating that the Company’s sustainable governance has been formally elevated to the Board level, and that its current operations do not materially differ from the requirements of relevant regulations and practical</p>	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			guidelines.	
II. Does the company conduct risk assessments on environmental, social and corporate governance issues related to company operations in accordance with the principle of materiality, and establish relevant risk management policies or strategies?	V		Does the Company conduct risk assessments on environmental, social and corporate governance issues related to company operations in accordance with the principle of materiality, and establish relevant risk management policies or strategies? <ul style="list-style-type: none"> I. Risk assessment and materiality identification process <ul style="list-style-type: none"> • Material topic identification: The Company has established the “Sustainable Development Best Practice Principles,” the “Sustainable Information Management Procedures,” and the “Risk Management Policy and Procedures,” and annually updates its material topic identification process on a rolling basis to systematically identify issues such as climate risks, GHG emissions, and resource management, ensuring effective responses to stakeholder concerns. • Climate risk assessment (TCFD): In accordance with the TCFD framework, the Company identifies physical risks (such as supply chain disruptions caused by extreme weather) and transition risks (such as enhanced regulatory requirements and carbon fees), evaluates their short-term, mid-term, and long-term impacts on strategy and financials, and formulates response strategies such as mitigation, transfer, or avoidance. II. Environmental risk management strategies <ul style="list-style-type: none"> • Management policies: The Company has established the “Sustainable Development Best Practice Principles” and the “Risk Management Policy and Procedures,” incorporating climate risks into the overall enterprise risk management framework. • Specific implementation: <ul style="list-style-type: none"> (1) Energy and carbon emissions: Conduct GHG inventories and set a net-zero target for 2050, reducing Scope 1 and Scope 2 emissions through energy transition and efficiency improvements. (2) Resource management: Establish water usage and waste management 	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>targets, implement the 3R principles (reduce, reuse, recycle), with a target of achieving a 10% reduction in waste compared to the base year by 2030.</p> <p>III. Social risk management strategies</p> <ul style="list-style-type: none"> Employee and social engagement: Through the annual “Employee Satisfaction and Engagement Survey,” the Company identifies potential issues related to career development and the working environment, and formulates improvement plans accordingly. At the same time, the Company strengthens social connections and corporate culture by participating in community care, blood donation activities, and support for cultural development. Personal data protection: The Company has established the “Personal Data Management Principles” and various supporting procedures. Through annual personal data inventories (such as those conducted in the fourth quarter of 2025) and employee training, it mitigates risks related to information security and privacy breaches. <p>IV. Corporate governance risk management strategies</p> <ul style="list-style-type: none"> Ethical corporate management and compliance: The Company has established the “Ethical Corporate Management Best Practice Principles” and the “Code of Ethical Conduct,” which are promoted by the Finance Department, with regular reports on compliance submitted to the Board of Directors (such as the report on May 6, 2025). Internal control and fraud prevention: The Company has established the “Procedures for Prevention of Insider Trading,” the “Related Party Transactions Management Procedures,” and a whistleblowing system. Through regular internal control audits conducted by the internal audit unit, a system of checks and balances has been established. 	
III. Environmental Issues (I) Does the Company establish an appropriate environmental management	V		In accordance with its asset-light, non-manufacturing industry characteristics, the Company has integrated Acer Group resources to establish an environmental management system and, on November 7, 2025, formally established the “Risk	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
system based on the characteristics of its industry?			Management and Sustainable Development Committee” under the Board of Directors to strengthen its oversight function. Operating sites have been incorporated into the Group’s ISO 50001 energy management system (certification validity period: December 25, 2024 to December 25, 2027) and ISO 14001 environmental management system (certification validity period: October 7, 2024 to October 31, 2026). Through IT systems, electricity consumption and water usage are monitored, and reduction targets for 2030 have been established. Waste management implements the 3R principles, with a target of achieving a 10% reduction in waste by 2030 compared to the base year (2022). In response to climate change, the Company identifies risks in accordance with the TCFD framework and has set a net-zero carbon emissions target for 2050. In 2024, it completed GHG inventories for Scope 1, Scope 2, and Scope 3, along with third-party verification. All environmental performance indicators have established systematic tracking, monitoring, and improvement mechanisms to ensure the deep integration of sustainability strategies with daily operations.	
(II) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?	V		<p>The Company is committed to improving energy efficiency and introducing renewable materials with lower environmental impact, incorporating these into its core policy of achieving “net-zero carbon emissions by 2050.” A summary is as follows:</p> <ol style="list-style-type: none"> Energy management and efficiency improvement: <ul style="list-style-type: none"> Systematic management: In accordance with the Acer Group’s energy management policy, the Company has incorporated its office premises into the ISO 50001 energy management system (certification validity period: December 25, 2024 to December 25, 2027), and has completed the establishment and tracking of mid-term and long-term energy-saving targets for office areas for the period from 2023 to 2030. Specific improvement measures: Enhance energy efficiency through technological upgrades, including the gradual replacement of LED lighting, optimization of high-efficiency HVAC systems, and implementation of 	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>building energy management systems (BEMS), thereby continuously reducing the operational carbon footprint.</p> <ul style="list-style-type: none"> Renewable energy planning: Evaluate the installation of self-owned solar power systems or the procurement of renewable energy through corporate power purchase agreements (PPA) and renewable energy certificates (T-REC), and gradually increase the proportion of renewable energy usage to align with the Group's goal of achieving 100% renewable energy usage by 2035. <p>2. Renewable materials and circular economy:</p> <ul style="list-style-type: none"> Product and packaging optimization: The product planning team evaluates the introduction of recyclable or low environmental impact materials into packaging materials and certain components based on material characteristics and supply chain maturity. Implementation of the 3R principles: Strengthen resource circulation through Reduce, Reuse, and Recycle. The Company has set a clear target of reducing waste generation by 10% by 2030 compared to 2022. Supply chain influence: Require suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct and encourage partners to improve energy efficiency and adopt green electricity, thereby jointly reducing the environmental impact of the value chain. <p>3. Implementation status and current challenges: The Company currently operates under an asset-light model without its own manufacturing facilities, and its primary energy and material consumption arises from the office environment. Although the Company is currently still in the inventory and assessment stage and has not yet established independent quantitative indicators, its current practices fully comply with the parent company's environmental policies and internationally recognized standards, and there are no material differences from the spirit of relevant best practice principles.</p>	
(III) Does the Company evaluate the potential	V		The Company references the Task Force on Climate-related Financial Disclosures	No significant

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
risks and opportunities posed by climate change to the Company at present and in the future, and take countermeasures in response?			(TCFD) framework to assess the potential risks and opportunities of climate change on its operations across the short-term, mid-term, and long-term. Short-term risks primarily arise from extreme weather events that may cause supply chain disruptions and asset damage; mid-term risks involve increasingly stringent climate-related regulations and the introduction of carbon pricing mechanisms, leading to higher operating costs and capital expenditures; in the long term, changes in carbon taxes and emissions trading systems driven by global net-zero trends may affect the overall cost structure. Corresponding opportunities lie in the increasing market demand for low-carbon and green products, which will help the Company adjust its product mix and strengthen its competitive advantage. To address the relevant risks and capture transformation opportunities, the Company has completed GHG inventories for Scope 1, Scope 2, and Scope 3 for 2024 and obtained third-party verification, thereby establishing a carbon emissions baseline. It continues to promote improvements in energy efficiency, the adoption of renewable energy, and supply chain carbon reduction management. The Company has completed the preliminary identification and disclosure of climate risks; however, scenario analysis and quantitative financial assessments have not yet been conducted. Going forward, the Company will progressively enhance its TCFD-related assessment and management mechanisms in line with international trends and regulatory requirements.	deviation
(IV) Does the Company gather statistics on its GHG emissions, water consumption, and total weight of waste in the past two years, and formulate policies for GHG reduction and water consumption reduction, or waste management?	V		Acer Group continues to collect electricity, water, and waste information through its online system in accordance with the GRI Sustainability Reporting Standards (GRI Standards) and the GHG Protocol and in line with the Group's consolidated financial reporting boundaries, and commissions a third-party verification agency to conduct verification. Since 2022, the Company has been included in Acer's greenhouse gas inventory, collection of electricity, water, and waste information, and third-party verification. The following is a description of relevant management practices: 1. GHG emissions: The Company has designated 2026 as the formal carbon	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>reduction baseline year and, in alignment with the Group’s 2050 net-zero carbon emissions target, is advancing “three major aspects and nine strategies,” including reducing energy consumption and adopting renewable energy. It is also gradually transitioning from traditional energy sources to renewable energy (such as solar and wind power), and has implemented the ISO 50001 energy management system (certification validity period: December 25, 2024 to December 25, 2027) to optimize the energy efficiency of air conditioning and lighting equipment. GHG inventory data for 2023 and 2024 have both obtained SGS third-party verification statements (ISO 14064-1) to ensure data reliability.</p> <p>2. Water consumption: In accordance with the Acer Group’s environmental management policy, the Company has established resource monitoring and improvement mechanisms through the ISO 14001 environmental management system (certification validity period: October 7, 2024 to October 31, 2026). As the Company has no self-operated plants, the main source of water consumption is from daily use in offices, including A/C cooling, cleaning and maintenance, and domestic water consumption of employees. The water sources are mostly from the tap water system, which has limited effects on water resources. To improve water consumption efficiency, the Company monitors water resource usage in coordination with the Acer Group through its office leasing management system, tracks trend changes, and implements corresponding water-saving measures, including: (1) promoting water conservation among employees to reduce unnecessary water use and raise awareness, and (2) water resource monitoring and management, whereby water usage is tracked annually through IT systems and optimized with reference to targets set by the parent company. As of the publication date of this annual report, water usage data for 2025 are still under inventory and verification. For the latest information, please refer to the ESG information summary in the Company’s sustainability report</p>	

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor																					
	Yes	No	Summary																						
			<p>available on its website.</p> <p>3. Waste: The Company has no manufacturing plant, and the main sources of waste are general domestic waste. To reduce waste production, we encourage our employees to reduce the use of disposable plastics, cutlery, and paper cups and promote the reuse of waste through various recycling measures and regular business waste recycling and management through recycling, reuse, and reduction so as to reinforce the reuse of waste. For waste treatment, we adhere to laws, regulations, and the environmental management policy of the Company. General domestic garbage is transported to local incinerators by the suppliers of buildings or local sanitation teams. Recycled objects are classified and collected and then delivered to recycling companies or local recycling trucks. Waste batteries, waste light tubes, waste chassis, hardware waste, and other business wastes are collected and delivered to qualified contractors for handling to ensure that the course of clearance and treatment will not harm the environment and ecology. To effectively carry out target management, we collect data on global waste and the changing trends through the office lease management system and the IT system of Acer Group, conduct examinations of anomalies and clarify the reasons thereof quarterly, and examine the achievement of targets each year. We refer to the mid-to-long-term waste production target set by the parent company to reduce 10% by 2030 as compared to the base year (2022).</p> <p>4. Information on water, waste, and GHGs has been verified by a third-party verification body, SGS, and disclosed in the sustainability report:</p> <table border="1"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="3">Greenhouse gas emissions (tons of carbon dioxide equivalent)</th> <th rowspan="2">Water consumption (m3)</th> <th rowspan="2">Total weight of waste (kg)</th> </tr> <tr> <th>Scope 1</th> <th>Scope 2 (market-based)</th> <th>Scope 3</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>0.26</td> <td>43.34</td> <td>50.0</td> <td>719.00</td> <td>1.9898</td> </tr> <tr> <td>2025</td> <td>Note</td> <td>Note</td> <td>Note</td> <td>Note</td> <td>Note</td> </tr> </tbody> </table>	Year	Greenhouse gas emissions (tons of carbon dioxide equivalent)			Water consumption (m3)	Total weight of waste (kg)	Scope 1	Scope 2 (market-based)	Scope 3	2024	0.26	43.34	50.0	719.00	1.9898	2025	Note	Note	Note	Note	Note	
Year	Greenhouse gas emissions (tons of carbon dioxide equivalent)				Water consumption (m3)	Total weight of waste (kg)																			
	Scope 1	Scope 2 (market-based)	Scope 3																						
2024	0.26	43.34	50.0	719.00	1.9898																				
2025	Note	Note	Note	Note	Note																				

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>Note: The Company continues to compile statistics on GHG emissions, water usage, and total waste weight. As of the publication date of this annual report, data for 2025 are still undergoing verification. For the latest information, please refer to the ESG information summary in the Company's sustainability report available on its website.</p> <p>* The Company does not produce any hazardous waste.</p> <p>* The scope of inventory includes Acer Gadget and its subsidiaries in its consolidated financial statements.</p>	
<p>IV. Social Issues</p> <p>(I) Does the Company establish relevant management policies and procedures in accordance with applicable laws and international human rights conventions?</p>	V		<p>The Company complies with relevant labor laws and international human rights standards and conventions, and has established comprehensive human rights management policies and procedures, regarding them as a fundamental pillar of sustainable operations. The Company not only implements these requirements within its internal operations but also extends them to supply chain management. The specific implementation is as follows:</p> <p>I. Policy formulation and compliance with international standards The Company respects human rights and regards them as a fundamental pillar of sustainable operations. We reference various international human rights standards and conventions as the basis for formulating human rights policies and management systems, including:</p> <ul style="list-style-type: none"> • Universal Declaration of Human Rights (UDHR) • United Nations Global Compact (UNGC) • The UN Guiding Principles on Business and Human Rights (UNGPR) • The International Labour Organization (ILO) eight core labor conventions • Local government labor laws and internationally recognized human rights standards <p>The Company requires all employees, suppliers, and business partners to comply with the above principles and to implement human rights protection in their daily operations.</p> <p>II. Key human rights focus areas of the Company</p>	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor				
	Yes	No	Summary					
			<p>The Company places importance on and continues to manage the following human rights-related issues:</p> <ul style="list-style-type: none"> • Freely chosen employment and prohibition of forced labor • Young workers and prohibition of child labor • Reasonable working hours and leave entitlements • Remuneration and benefits system • Humane treatment, anti-discrimination, and anti-harassment • Labor-management communication and freedom of association • Personal data protection and privacy rights <p>The Company provides accessible complaint and communication channels to ensure that employees' rights and interests are promptly addressed and safeguarded.</p> <p>III. Human rights management policies and specific programs</p> <table border="1"> <thead> <tr> <th>Human rights management policy</th> <th>2025 Implementation status</th> </tr> </thead> <tbody> <tr> <td>Providing a safe and healthy work environment to help employees maintain physical and mental health and work-life balance</td> <td> <ul style="list-style-type: none"> • In 2025, the Company continued to promote a variety of employee care activities, including cultural and artistic events, music salons, mind-body balance workshops, film screenings, and mindfulness sessions, to help employees relieve stress and enhance psychological resilience. • Organized hiking activities, badminton tournaments, and other sports events to encourage employees to maintain healthy lifestyles. • Continued to promote the ONE Lecture series and seminars related to physical and mental well-being to strengthen employees' personal development and work-life balance. • Provide regular health checkups and </td> </tr> </tbody> </table>	Human rights management policy	2025 Implementation status	Providing a safe and healthy work environment to help employees maintain physical and mental health and work-life balance	<ul style="list-style-type: none"> • In 2025, the Company continued to promote a variety of employee care activities, including cultural and artistic events, music salons, mind-body balance workshops, film screenings, and mindfulness sessions, to help employees relieve stress and enhance psychological resilience. • Organized hiking activities, badminton tournaments, and other sports events to encourage employees to maintain healthy lifestyles. • Continued to promote the ONE Lecture series and seminars related to physical and mental well-being to strengthen employees' personal development and work-life balance. • Provide regular health checkups and 	
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Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>massage services by visually impaired therapists to help employees relieve work-related stress.</p> <ul style="list-style-type: none"> Continue to provide the Employee Assistance Program (EAP) and introduce additional mental and physical support resources for employees. 	
			<p>Prohibiting forced labor and abiding by the labor laws and regulations of the local government</p> <ul style="list-style-type: none"> In 2025, all employees' working hours complied with the Labor Standards Act, with no violations or excessive working hours. Continue to promote flexible work arrangements and leave policies to help employees balance family and work needs. 	
			<p>Foster a diverse and respectful workplace environment</p> <ul style="list-style-type: none"> Continue to promote diversity, equality, and gender respect, and complete relevant training on these topics during the year. Foster a multicultural exchange environment through cultural and co-learning activities, enabling employees to feel respected and supported. 	
			<p>Safeguard employees' rights and freedom of association</p> <ol style="list-style-type: none"> In 2025, the employee complaint and feedback mechanism operated smoothly, with no instances of obstruction. The Company holds labor-management meetings and employee welfare committee meetings on a quarterly basis to maintain a stable two-way communication mechanism. Labor-management communication was normal, and there were no significant labor disputes during the year. Continue to promote an open 	

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor				
	Yes	No	Summary					
			<table border="1"> <tr> <td></td> <td>communication culture, encouraging employees to provide feedback through various channels and receive responses.</td> </tr> <tr> <td>Support employees' family and caregiving needs</td> <td> <ul style="list-style-type: none"> • Continue to promote the Acercares childcare support program to assist employees in balancing family caregiving needs. • Organize annual Family Day events to support employees' family relationships and parent-child interaction. </td> </tr> </table> <p>IV. Human rights governance structure</p> <p>The Company integrates human rights issues into its overall sustainable development governance framework, with the Board of Directors bearing ultimate oversight responsibility. To strengthen the institutionalized operation of sustainability and risk governance, the Company formally established the "Risk Management and Sustainable Development Committee" under the Board of Directors on November 7, 2025. The Committee is responsible for reviewing and overseeing material sustainability issues, including human rights risks, to ensure that related management measures are aligned with the Company's business strategy.</p> <p>In terms of the human rights management implementation mechanism, the "Sustainable Development Task Force," convened by the General Manager, is responsible for overall planning and execution. Depending on the nature of the issues, it integrates cross-functional resources from human resources, occupational health and safety, legal affairs, information security, and relevant operating units to promote human rights protection measures and risk management practices, thereby fulfilling senior management's responsibility for human rights governance.</p> <p>The "Risk Management and Sustainable Development Committee" holds meetings in accordance with its annual work plan and, when necessary, submits material</p>		communication culture, encouraging employees to provide feedback through various channels and receive responses.	Support employees' family and caregiving needs	<ul style="list-style-type: none"> • Continue to promote the Acercares childcare support program to assist employees in balancing family caregiving needs. • Organize annual Family Day events to support employees' family relationships and parent-child interaction. 	
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Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>sustainability or risk issues to the Board of Directors for review or reporting. Human rights-related matters are also reviewed and supervised within the scope of sustainability and risk management issues to strengthen the Board of Directors' oversight function over human rights governance.</p> <p>The Company will continue to enhance its human rights management mechanisms and disclosure transparency in line with business development and regulatory requirements, ensuring consistency between its governance framework and practical operations.</p>	
(II) Does the Company establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits) and have employee remuneration appropriately reflect the Company's business results or performance?	V		<p>Employee rewards and benefits, and workplace diversity and equality</p> <p>(1) Employee remuneration: The Company participates in market remuneration surveys every year and adjusts salaries with reference to the general salary level in the market, economic trends, and other indicators to maintain overall salary competitiveness. In 2025, the Company granted three festival bonuses to both managerial and non-managerial employees in Taiwan, adjusted their salary and gave performance bonuses and employee rewards based on the Company's operations and individual performance. We also offered attractive remuneration, salary adjustment, and promotion packages, motivating all employees to work together for the Company's goals.</p> <p>(2) Employee welfare measures The Company has set up the Employee Welfare Committee to plan and provide various high-quality benefits for employees, such as: employee travel subsidies, cash gifts for three festivals and birthdays, marriage allowance, maternity allowance, funeral allowance, etc.; organize sports competitions, family days, art seminars, club activities, and health promotion programs to enrich the life of employees and enhance the relationship among them. An employee health check program is provided annually, and visually impaired massage therapists are hired to provide</p>	

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>massage services for employees to relax. For the leave system, employees are provided with annual leave for new employees, sick leave with full pay, volunteer leave, and Lohas leave, which are better than the leave system under the Labor Standards Act. Also, we offer group medical insurance, cash gifts for weddings, funerals, and giving birth,, festival gifts and bonuses, birthday cash gifts, flexible benefit points, and so on to share profits with every employee.</p> <p>(3) Retirement system: The Company has established a retirement protection scheme for employees in accordance with the Labor Pension Act. A monthly contribution equivalent to 6% of employees' salaries is made to individual retirement accounts administered by the Bureau of Labor Insurance. Employees may also voluntarily contribute additional retirement savings in accordance with regulations to ensure retirement security.</p> <p>(4) Workplace diversity and equality</p> <p>A. We strive to realize equal pay and equal promotion opportunities for men and women for equal work and keep the percentage of female executive positions at higher than 50% to promote sustainable and inclusive economic growth. This year, female employees accounted for an average of 51%, and female chief officers accounted for an average of 17%.</p> <p>B. The Company implements a plan for the adjustment of work location of employees for parental requirements. One month before the expected day of delivery, female employees may apply for work from home. Employees with children less than three years old may apply for working from home for up to two days each week to further optimize the balance between work, life, and family.</p> <p>C. The Company endeavors to create gender equality in the workplace, regardless of gender, and respect employees with different gender</p>	

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>identities, sexual orientations, and gender temperaments. By promoting gender equality-related mechanisms and providing maternity-friendly measures, we introduce the concept of equality into the workplace and create a gender-friendly workplace that respects diversity.</p> <p>According to the 2025 employee satisfaction survey, the Company's overall satisfaction score was 4.23 (out of 5), higher than the Acer Group's overall average of 4.03, with an employee response rate of 89%, indicating a high level of employee recognition of the benefits system and management support.</p>	
(III) Does the Company provide employees with a safe and healthy work environment and give them safety and health education on a regular basis?	V		<p>The Company is committed to providing a safe and healthy working environment and has obtained certification for the ISO 14001 Environmental Management System (certification validity period: October 7, 2024 to October 31, 2026) and the ISO 45001 Occupational Health and Safety Management System (certification validity period: October 7, 2024 to October 31, 2026). In accordance with relevant labor regulations and occupational health and safety management principles, occupational health and safety matters are incorporated into the Company's human rights management policies for implementation and governance. The Company continuously strengthens workplace safety management through measures such as access control and surveillance management, fire safety equipment maintenance, and emergency response drills. It also regularly conducts safety and health training to enhance employees' safety awareness and self-care capabilities. In terms of employee health management, the Company provides regular health checkups, an Employee Assistance Program (EAP), and a variety of physical and mental health promotion activities. In 2025, the Company did not experience any fire incidents or major occupational accidents.</p>	No significant deviation
(IV) Does the Company develop an effective career development training program for employees?	V		<p>As a people-oriented company, we value talent cultivation, arrange internal and external training courses from time to time based on our strategic development plan and the needs of each department, and pay attention to the development of both generalists and specialists, so that each employee can develop their own</p>	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			<p>career path based on their interests and goals. Relevant measures are as follows:</p> <ol style="list-style-type: none"> (1) The Company formulates comprehensive competency training plans for managers and employees at all levels, including for the professional skills of different positions, general knowledge courses such as office computer application training, and training courses for managers at all levels, forming a complete education and training system for employees to ensure both personal growth and company development. (2) Orientation, personal mentors, and a new employee training plan are arranged for new employees immediately after they join the Company, so that they can quickly get familiar with the team's operations. (3) Each year, supervisors propose promotion recommendations based on employees' job performance and development potential. Job adjustments are made after comprehensively considering organizational needs and talent development plans, providing employees with career development pathways in both professional and managerial tracks and strengthening talent development resilience. 	
(V) Does the Company comply with relevant laws and regulations and international standards regarding issues such as customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant policies and complaint procedures for the protection of consumer or customer rights?	V		<p>The Company complies with relevant regulations and internal compliance systems regarding customer health and safety, customer privacy, marketing, and labeling in its products and services, and ensures proper implementation through employee training. In terms of customer data and privacy protection, the Company follows the Acer Group's information security policies and personal data protection procedures, adopting measures such as data collection notification, verification controls, and backup mechanisms to safeguard information security. In addition, the Company has established multiple customer service and complaint channels, and handles, responds to, and tracks improvements in accordance with internal procedures. In 2025, there were no violations of regulations related to marketing, labeling, or customer privacy.</p>	No significant deviation

Promotion item	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
(VI) Has the Company established a supplier management policy requiring suppliers to comply with relevant standards regarding environmental protection, occupational health and safety, or labor and human rights, and what is its implementation status?	V		The Company has established a supplier management policy and follows the Acer Group Responsible Supply Chain Management mechanism (ARSM), requiring suppliers to comply with relevant standards regarding environmental protection, occupational health and safety, and labor and human rights. In addition to signing commercial contracts, all suppliers are also required to commit to complying with the RBA Code of Conduct, integrity and corporate social responsibility requirements, and personal data protection requirements. The Company identifies and manages potential high-risk suppliers through systematic supplier selection, annual self-assessments, evaluations, and corrective action tracking processes, and requires improvement plans to be submitted based on evaluation results.	No significant deviation
V. Does the Company prepare reports disclosing the Company's non-financial information, such as a Sustainability Report, in accordance with international reporting standards or guidelines? Do the said reports obtain assurance from a third-party verification body?	V	V	The Company prepares a sustainability report on a regular basis in accordance with internationally recognized sustainability reporting standards to disclose non-financial information. The report is primarily prepared with reference to the GRI Standards and the SASB industry framework, in compliance with relevant domestic regulatory requirements, and also incorporates the TCFD framework for the disclosure of climate-related risks and opportunities. The current sustainability report has not yet obtained overall assurance or verification from a third-party assurance provider; however, certain environmental data have been subject to external verification. In particular, the 2024 greenhouse gas emissions data have been verified by SGS in accordance with relevant international standards. The Company will continue to strengthen its sustainability governance processes and evaluate the feasibility of gradually introducing full external assurance for its sustainability report.	The Company has established the "Sustainable Development Best Practice Principles" and will implement them based on the Company's needs or according to laws and regulations.
VI. If the company has established its own sustainable development principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe any deviation between its current practices and its sustainable development principles: The Company has established the "Sustainable Development Best Practice Principles" in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies," with the Company's practical operations taken into consideration. We have duly implemented ethical management pursuant to the relevant laws and regulations to specify what the Company's personnel shall keep an eye on when performing their duties.				

Promotion item	Implementation		Summary	Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No		
VII. Other important information that is helpful in understanding the implementation of sustainable development: None.				

VIII. Companies meeting certain requirements shall disclose climate-related information

(I) Climate-related implementation

Item	Implementation
<p>(1) Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.</p>	<p>The Company has established a clear climate governance structure in which the Board of Directors and management work in coordination to implement oversight and management of climate-related risks and opportunities. At the Board level, the Company has established a Risk Management and Sustainable Development Committee under the Board of Directors, which is responsible for reviewing sustainability strategies, overseeing material climate and ESG issues, examining GHG inventory and climate risk assessment results, and regularly reporting relevant implementation status to the Board of Directors. At the management level, the President leads a cross-functional Sustainable Development Task Force responsible for integrating climate risks into the Company’s overall risk management framework, continuously monitoring climate regulations, carbon pricing mechanisms, and market trends, and formulating specific response measures and annual action plans. Through a dual-layer governance mechanism consisting of Board-level oversight and management-level execution, the Company ensures that climate-related issues are effectively integrated into its operational decision-making and sustainability strategy.</p>
<p>(2) Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short-, medium-, and long-term).</p>	<ol style="list-style-type: none"> 1. Short-term impact: Risks and opportunities: extreme weather events (such as typhoons, floods, and fires) Impact on operations and financial performance: In the short term, it may lead to supply chain disruptions, transportation delays, and increased maintenance and operating costs, as well as damage to fixed assets and loss of capacity, and may also result in higher logistics costs and insurance expenses. 2. Mid-term impact: Risks and opportunities: Increasingly stringent regulatory requirements and rising demand for green products. Impact on operations and financial performance: This drives the Company to adjust its product portfolio to meet low-carbon demand; meanwhile, stricter regulations will increase operating costs and capital expenditures. 3. Long-term impact: Risks and opportunities: Global net-zero trends and the implementation of new carbon tax and emissions trading systems. Impact on operations and financial performance: It will significantly reshape the cost structure; however, green innovation may also create new market opportunities and growth momentum for the Company.

<p>(3) Describe the financial impact of extreme climate events and transition actions.</p>	<p>The Company has systematically identified and assessed the potential financial impacts of extreme climate events (physical risks) and net-zero transition actions (transition risks and opportunities). Physical risks may lead to damage to fixed assets, business interruptions, and increased logistics and insurance costs, thereby affecting operating costs and revenue performance. In terms of transition actions, in response to stricter regulations and net-zero targets, capital expenditures and operating costs for equipment upgrades and energy efficiency improvements may increase in the short to mid term. In the long term, carbon pricing mechanisms such as carbon fees, carbon taxes, or emissions trading systems may affect the overall cost structure. In addition, investment in green innovation and low-carbon products may also create mid-term and long-term market opportunities and competitive advantages. Relevant climate risks have been incorporated into the Company’s overall risk management framework and are overseen by the Board-level Risk Management and Sustainable Development Committee to strengthen the Company’s financial resilience.</p>
<p>(4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>Integrating the processes of climate risk identification, assessment and management into the overall risk management system is required for the Company to maintain long-term stable operations, and helps the Company better respond to the potential threats posed by climate change, so as to improve the Company's adaptability and competitiveness. The general steps of the integration process are as follows:</p> <ul style="list-style-type: none"> ● Identification of climate risks (physical risks and transition risks) ● Assessment of likelihood, impact severity, and financial impact ● Integrated into the overall risk management system. ● Formulate strategies (mitigation, transfer, acceptance, and avoidance) and monitor their implementation.
<p>(5) If scenario analysis is used to assess resilience in the face of climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.</p>	<ul style="list-style-type: none"> ● Scenario judgment: Describe the climate pattern in the region where the Company is located and the expected impact of climate change. ● List the parameters: Include climate change forecast models, related policies and regulations, and market trends. ● Set out the assumptions: Make the forecast of possible scenarios of future climate change risks based on scientific models and regional data sources. ● Analysis factors: Business impacts, supply chain stability, technology and innovation capabilities, customer requirements, human resources, and others. ● Major financial impact: Assess the possible major impact on the financial position of the Company under the above scenarios, parameters, assumptions and analysis factors (i.e., the decrease in income, the increase in cost, and asset impairment). ● Conclusion: Establish a scenario analysis through the above steps to assess the Company's resilience in the face of climate change risks.
<p>(6) If there is a transition plan in response to the management of climate-</p>	<p>The Company has formulated a transition plan to address climate-related risks, with “net-zero carbon emissions by 2050” as its long-term vision, and has incorporated climate risks into its overall risk</p>

<p>related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>management framework. Through specific indicators and phased targets, the Company identifies and manages both physical risks and transition risks. The key elements of the transition plan cover energy efficiency improvement, the use of renewable energy, the promotion of low-carbon products and services, and green supply chain management.</p> <p>The Company has completed its GHG inventory and established an emissions baseline. It plans to designate 2026 as the formal carbon reduction base year and gradually set mid-term and long-term carbon reduction and energy-saving targets. In addition, it strengthens operational resilience by adopting indicators such as energy consumption, carbon emissions, water resources, and waste management. The implementation status of the relevant indicators and targets is overseen by the Board-level Risk Management and Sustainable Development Committee, and is regularly reviewed and reported by the management to ensure the continued execution of the transition plan.</p>
<p>(7) If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.</p>	<p>The Company has not yet adopted internal carbon pricing. In the future, it will make planning subject to strategic planning and operating requirements.</p>
<p>(8) If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planned schedule, and the progress of each year shall be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the source and amount of the carbon offsets or the amount of the RECs shall be described.</p>	<p>Activities covered by the targets:</p> <ul style="list-style-type: none"> • Reduction of GHG emissions: Including direct emissions (e.g. factory emissions, vehicle emissions) and indirect emissions (e.g. supply chain emissions). • Energy efficiency improvement: Reduce energy consumption through energy-saving measures and technology upgrades. • Increase of renewable energy use: Increase the proportion of renewable energy in the energy structure, such as solar power and wind power. • Resource recycling: Promote the effective recycling of resources and reduce waste generation and emissions. • Climate risk management: Strengthen risk management against climate change and extreme climate events. <p>Scope of greenhouse gas emissions:</p> <ul style="list-style-type: none"> • Scope 1: Direct emissions, such as carbon dioxide and methane emissions from the Company's internal production activities. • Scope 2: Indirect energy emissions, such as carbon dioxide emissions from the use of electricity and heat. • Scope 3: Other indirect emissions, including emissions from the supply chain and the use of products, such as the production, transportation, and manufacturing of raw materials. <p>Planned schedule:</p> <ul style="list-style-type: none"> • Short-term targets: Usually set for one to five years, used to identify fast and feasible measures to achieve immediate benefits and progress. • Mid-term targets: Set for five to ten years, used to implement broader changes, such as energy structure

	<p>adjustments and technology upgrades.</p> <ul style="list-style-type: none"> • Long-term targets: Usually set for more than ten years, used to achieve more challenging targets. The Company will establish a monitoring and reporting mechanism to determine the annual progress and achievement status, perform regular measurement and assessment, and adjust the action plan based on the actual progress. This information will help the Company determine climate-related targets and formulate corresponding action plans to achieve the climate targets and the goal of sustainable development.
<p>(9) GHG inventory and assurance status, reduction targets, strategies, and specific action plans</p>	<p>(I) Base year for GHG reduction and reduction targets As a member of Acer Group, the Company has launched nine strategies in three major aspects in response to the Group's policy to achieve Acer's goal of net zero carbon emission by 2050. We are committed to focusing on the three aspects of corporate sustainable operations, products and services, and value chain and executing the nine strategies of energy consumption reduction, use of renewable energy, negative carbon offsetting, low-carbon products and services, use of renewable materials, investment in smart and green energy applications, carbon reduction targets and commitments, green manufacturing and logistics, and practice of low-carbon circular economy, in order to seek a balance between product management and environmental performance, comprehensively reducing carbon footprints.</p> <p>(II) GHG reduction strategies and specific action plans</p> <ol style="list-style-type: none"> 1. Energy structure transition: Promote the development of renewable energy (e.g. wind power, solar power) and other low-carbon energy sources to reduce dependence on fossil fuels. 2. Energy efficiency improvement: Improve energy efficiency and reduce GHG emissions through technological innovation and policy support. 3. Energy conservation and emission reduction policies: Formulate and implement energy conservation and emission reduction policies to encourage the application and promotion of energy-saving and emission reduction technologies. <p>(III) Achievement status of GHG reduction targets The Company continues to compile statistics on GHG emissions, water consumption, and total waste weight. As of the publication date of the annual report, the information for 2025 is still undergoing verification. The latest information can be found in the ESG information summary of the sustainability report on the Company's website.</p>
<p>(II) Greenhouse gas inventory and assurance in the most recent two years</p> <p>(1) Greenhouse gas inventory information</p>	
<p>Implementation</p>	

The information on GHG emissions in 2024 and 2025 is as follows:

Year	Greenhouse gas emissions (tons of carbon dioxide equivalent)			Intensity (tons CO2e/NTD million)
	Scope 1	Scope 2 (market-based)	Scope 3	
2024	0.26	43.34	50.0	0.0008
2025	(Note 2)	(Note 2)	(Note 2)	(Note 2)

Note 1: The scope of greenhouse gas emission inventory is consistent with the boundary of the Group's consolidated financial statements

Note 2: As of the publication date of the annual report, the information for 2025 is still undergoing verification. The latest information can be found in the ESG information summary of the sustainability report on the Company's website.

(2) Greenhouse gas assurance information

The Company is a member of the Acer Group. The Acer Group has commissioned SGS Taiwan as the GHG emissions assurance body to conduct verification of GHG emissions for direct and indirect categories (Scope 1, Scope 2, and Scope 3), and has obtained the ISO 14064-1:2018 GHG verification statement. In 2024, an unqualified opinion was issued. The information for 2025 is still in the process of verification as of the publication date of the annual report.

(3) Greenhouse gas reduction targets, strategies, and concrete action plans

The Company has launched nine strategies in three major aspects in response to the Group's policy to achieve Acer's goal of net zero carbon emission by 2050. We are committed to focusing on the three aspects of corporate sustainable operations, products and services, and value chain and executing the nine strategies of energy consumption reduction, use of renewable energy, negative carbon offsetting, low-carbon products and services, use of renewable materials, investment in smart and green energy applications, carbon reduction targets and commitments, green manufacturing and logistics, and practice of low-carbon circular economy, in order to seek a balance between product management and environmental performance, comprehensively reducing carbon footprints.

Concrete action plans:

- Energy structure transition: Promote the development of renewable energy (e.g. wind power, solar power) and other low-carbon energy sources to reduce dependence on fossil fuels.
- Energy efficiency improvement: Improve energy efficiency and reduce greenhouse gas emissions through technological innovation and policy support.
- Energy conservation and emission reduction policies: Formulate and implement energy conservation and emission reduction policies to encourage the application and promotion of energy-saving and emission reduction technologies.

Achievement status of reduction targets:

To effectively address climate change risks, Acer Gadget discloses its GHG emissions in accordance with the GRI 305 series indicators, and formulates energy transition and carbon emission management strategies based on the relevant guidelines of SASB for the hardware manufacturing industry.

Based on the 2024 inventory results, Acer Gadget's Scope 1 carbon emissions amounted to 0.26 tons of CO₂e, mainly derived from fuel consumption of owned equipment and facilities; Scope 2 (market-based) carbon emissions amounted to 43.34 tons of CO₂e, primarily from emissions generated by indirect electricity consumption. The Company has completed energy audits for its major operating sites, based on which a carbon emission baseline has been established and phased carbon reduction targets have been set accordingly.

(VI) Implementation of ethical management, any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons therefor

Evaluation item	Operation (Note)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
I. Establishment of Ethical Management Policies and Plans				
(I) Does the company establish an ethical management policy, have it approved by the board of directors, and explicitly specify the Company's policies and practices on ethical management, as well as the commitment of the board of directors and senior management to actively implement management policies in its regulations or external documents?	V		(I) The Company adopted the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" by resolution of the Board of Directors on December 8, 2022, as important guidelines for its operations and decision-making. In addition, the Company has established the "Procedures for Prevention of Insider Trading," the "Code of Ethical Conduct," and the "Regulations for Prevention of Sexual Harassment in the Workplace, Complaint Handling, and Disciplinary Measures" to strengthen its governance foundation and actively implement and comply with ethical corporate management.	No significant deviation
(II) Does the company develop an assessment mechanism for the risk of unethical conduct, analyze and assess the business activities with higher risk of unethical conduct within the business scope on a regular basis, and establish a program for the prevention of unethical conduct accordingly, which at least cover preventive measures against the acts set forth in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	V		(II) The Company has established a mechanism for assessing and managing the risks of unethical conduct, jointly supervised by the Board of Directors and the management. Based on the nature of its operations, the Company regularly identifies and evaluates business activities with higher risks of unethical conduct and formulates corresponding preventive measures accordingly. The Company has established and implemented the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct." The relevant preventive measures cover the acts specified in Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," and are supported by complementary systems for the prevention of insider trading, anti-	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
(III) Does the company have operating procedures, behavioral guidelines, punishment and complaint systems specified in the program for the prevention of unethical conduct? Are they thoroughly implemented? Is the said program regularly reviewed and amended?	V		<p>corruption, complaint handling, and disciplinary measures. In addition, through supplier integrity commitments, orientation training for new employees, internal and external whistleblowing channels, and regular internal control audits, the Company strengthens its risk prevention and supervision mechanisms. The implementation status is reported to the Board of Directors at least once a year. No reports related to ethical corporate management or material violations occurred in 2025.</p> <p>(III) The Company has clearly stipulated the relevant operating procedures and guidelines for conduct in its program for the prevention of unethical conduct, and has established disciplinary and complaint mechanisms for violations to ensure that the system is comprehensive and enforceable. The relevant regulations have been incorporated into the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," the "Code of Ethical Conduct," and the complaint and disciplinary procedures, and are implemented through employee training, supplier integrity commitments, internal audits, and whistleblowing channels. The implementation status is regularly compiled by the responsible unit and reported to the Board of Directors and disclosed on the Company's website, with continuous review and improvement of the relevant preventive measures.</p>	No significant deviation
II. Implementation of Ethical Management (I) Does the Company evaluate the record of integrity of its counterparts and specify ethical conduct clauses in the contracts signed with the counterparts?	V		(I) The Company evaluates the integrity records of counterparties prior to engaging in transactions and explicitly stipulates integrity-related clauses in contracts signed with suppliers and other counterparties. The Company requires suppliers to sign an "Integrity Commitment Letter" and incorporates integrity commitments into	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
(II) Does the Company set up a dedicated unit subordinate to the Board of Directors to promote corporate ethical corporate management, and have the unit report the Company's ethical corporate management policies and programs for the prevention of unethical conduct as well as their supervision and implementation to the Board of Directors (at least once a year)?	V		<p>contractual agreements. In addition, the finance unit conducts counterparty due diligence and evaluation, and jointly reviews contract terms with the legal unit to reduce the likelihood of engaging in transactions with parties posing risks of unethical conduct and to ensure that transactions comply with the principles of ethical corporate management.</p> <p>(II) Under the supervision of the Board of Directors, the Company's Finance, Human Resources, and Audit Departments work together to promote ethical corporate management. All employees and stakeholders are required to comply with relevant regulations and make a report to the Board of Directors to concretely implement corporate integrity management. The specific implementation status for this year is as follows:</p> <ol style="list-style-type: none"> 1. Regular promotion of insider trading regulations: In January, August, and October 2025, common types of violations in reporting changes in insider shareholdings were communicated to current directors and managers. 2. Blackout period trading reminders: Prior to the Board of Directors approving the financial statements for each quarter of 2025 (February 7, April 18, July 18, and October 17), insiders were reminded to comply with the stock trading blackout period regulations before the announcement of the financial statements. 3. Annual legal compliance training: At least once a year, relevant legal regulations, including "Prevention of Insider Trading" and the "Ethical Corporate Management Best Practice Principles," are communicated to managers and employees, and such training is also conducted for new employees during orientation. 	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
(III) Does the Company formulate policies to prevent conflicts of interest, provide appropriate channels for communication, and implement them thoroughly?	V		(III) In addition to establishing the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct," the Company has also formulated conflict of interest prevention policies, including the "Corporate Governance Best Practice Principles," the "Code of Ethical Conduct," and the "Procedures for Prevention of Insider Trading," and provides a complaint and whistleblowing mailbox (WhistleblowerAGT@acergadget.com) on the Company's website.	No significant deviation
(IV) Does the Company establish an effective accounting system and internal control system to implement ethical management, and has the internal audit unit draw up relevant audit plans based on the assessment results for the risk of unethical conduct, and audit compliance with the program for the prevention of unethical conduct accordingly, or commission a CPA to do so?	V		(IV) To implement ethical corporate management, the Company has established comprehensive accounting and internal control systems and has incorporated the prevention of unethical conduct into its overall internal control framework. The Company's internal audit unit conducts regular internal control audits of internal operational processes on an annual basis and has established mutual supervision and check-and-balance mechanisms. In addition, the Company engages CPAs to audit the financial statements, and the Audit Committee and relevant functional committees continuously oversee the effectiveness of the accounting, internal control, and compliance systems to ensure the effective implementation of the ethical corporate management framework.	No significant deviation
(V) Does the company organize internal and external training on ethical management on a regular basis?	V		(V) The "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," and the "Code of Ethical Conduct" established by the Company serve as the highest standards of conduct for all employees in performing business activities. The Company also regularly conducts internal and external education and training and promotional activities related to ethical corporate management. Specifically, integrity and legal compliance training are included in the onboarding process for	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			new employees, and in-service training is provided to managers and employees at least once a year to promote relevant regulations on the prevention of insider trading, anti-bribery, and anti-corruption. In 2025, specialized courses were also conducted to enhance employees' awareness of material information and the protection of trade secrets, as well as related legal responsibilities, to ensure the effective implementation of the ethical corporate management system.	
III. Operation of the Company's Whistleblowing System (I) Does the company establish specific whistleblowing and reward systems, create a convenient channel for whistleblowing, and assign appropriate dedicated personnel to reported subjects?	V		(I) The Company stipulates in the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," and the "Code of Ethical Conduct" that a specific whistleblowing system must be in place, and provides a complaint and whistleblowing mailbox (WhistleblowerAGT@acergadget.com) on the Company's website. Employees or stakeholders who discover any illegal acts or violations of corporate governance may file complaints or reports through this mailbox, which will be handled by designated responsible personnel assigned by the relevant unit based on the nature of the report.	No significant deviation
(II) Does the company establish standard operating procedures for the investigation of reported matters, specify follow-up measures to be taken after the investigation is completed, and develop relevant confidentiality mechanisms?	V		(II) The Company stipulates in the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" that a whistleblowing system and related investigation procedures must be in place, and publicly discloses on the Company's website (https://www.acergadget.com/) the standard operating procedures for handling whistleblowing cases and the related confidentiality mechanisms.	No significant deviation

Evaluation item	Operation (Note)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
(III) Does the company take measures to protect whistleblowers from improper treatment due to whistleblowing?	V		(III) The Company explicitly stipulates in the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" that whistleblowers shall be protected from improper treatment as a result of making reports.	No significant deviation
IV. Enhancement of Information Disclosure Does the company disclose its ethical management principles and the effectiveness of their implementation on its website and the Market Observation Post System?	V		The Company has established a website to disclose the "Ethical Management Best Practice Principles" and the "Operating Procedures for Ethical Management and Behavioral Guidelines," and makes timely announcements and updates on the Market Observation Post System.	No significant deviation
V. If the company has established its own ethical management principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please describe any deviation between its current practices and its ethical management principles: The Company has established the "Ethical Management Best Practice Principles" and "Operating Procedures for Ethical Management and Behavioral Guidelines" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," with the Company's practical operations taken into consideration. We have duly implemented ethical management pursuant to the relevant laws and regulations to specify what the Company's personnel shall keep an eye on when performing their duties.				
VI. Other important information that is helpful in understanding the implementation of the Company's ethical management: We comply with relevant laws and regulations and our internal control system and strictly prohibit unethical conduct or violations of laws and regulations.				

(VII) Other important information that allows for a better understanding of the implementation of the Company's corporate governance:

Directors' continuing education:

Job title	Name	Course date		Organizer	Course name	Continuing education hours
		From	To			
Independent Director	Chien-Kuang Wang	August 15, 2025	August 15, 2025	Taiwan Corporate Governance Association	IFRS 18 Presentation and Disclosure in Financial Statements and the Approach to Sustainable "Innovation" - Responding to Social Changes by Establishing Differentiated Innovation Strategies	3.0
		August 15, 2025	August 15, 2025	Taiwan Corporate Governance Association	Global Sustainability Regulatory Trends and Climate-related Disclosures	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Securities Laws and Corporate Governance	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Analysis of the Global Economic Situation Following the Election of Trump	3.0
Independent Director	Wei-Ling Chu (Note)	July 9, 2025	July 9, 2025	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6.0
		May 5, 2025	May 5, 2025	Securities & Futures Institute of the Republic of China	NVIDIA's Trillion-Dollar Miracle: New Perspectives on the Semiconductor Industry Revolution Behind Artificial Intelligence	3.0
Independent Director	Ying-Chi Yu	August 15, 2025	August 15, 2025	Taiwan Corporate Governance Association	Global Sustainability Regulatory Trends and Climate-related Disclosures	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Analysis of the Global Economic Situation Following the Election of Trump	3.0
Independent Director	Ming-Hui Lin	August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Securities Laws and Corporate Governance	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Analysis of the Global Economic Situation Following the Election of Trump	3.0
Director	Jerry Kao	August 15, 2025	August 15, 2025	Taiwan Corporate Governance Association	Global Sustainability Regulatory Trends and Climate-related Disclosures	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Securities Laws and Corporate Governance	3.0
Director	Jason Chen	September 16, 2025	September 16, 2025	Securities & Futures Institute of the Republic of China	Ethical Corporate Management and Anti-Fraud Forensic Practices (Including Gender Equality)	3.0
		September 16, 2025	September 16, 2025	Securities & Futures Institute of the Republic of China	AI Development and Information Security Risks	3.0

Job title	Name	Course date		Organizer	Course name	Continuing education hours
		From	To			
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Analysis of the Global Economic Situation Following the Election of Trump	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Securities Laws and Corporate Governance	3.0
Director	Yu-Ling Chen	August 15, 2025	August 15, 2025	Taiwan Corporate Governance Association	Global Sustainability Regulatory Trends and Climate-related Disclosures	3.0
		August 15, 2025	August 15, 2025	Taiwan Corporate Governance Association	IFRS 18 Presentation and Disclosure in Financial Statements and the Approach to Sustainable "Innovation" - Responding to Social Changes by Establishing Differentiated Innovation Strategies	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Securities Laws and Corporate Governance	3.0
		August 14, 2025	August 14, 2025	Taiwan Corporate Governance Association	Analysis of the Global Economic Situation Following the Election of Trump	3.0
		May 23, 2025	May 23, 2025	Taiwan Corporate Governance Association	[Professional Course for Corporate Governance Officers] Responsibilities and Roles of Corporate Governance Officers	3.0

Note: At the extraordinary shareholders' meeting on November 7, 2025, directors were re-elected; Ms. Pi-Wei Chin was dismissed as a director, and Ms. Wei-Ling Chu was elected as a director.

Chief Corporate Governance Officer's business execution and continuing education:

1. The business execution in 2025 is as follows:

- (1) Assisting Independent Directors and general Directors in performing their duties, providing required information, and arranging continuing education for Directors:
 - A. Informing Board members on the revision and development of laws and regulations related to corporate governance.
 - B. Compiling and providing sufficient meeting materials to meeting members, and offering appropriate and timely information and administrative assistance.
 - C. Arranging meetings of Independent Directors and CPAs to understand the Company's financial and business status; when necessary, assisting directors (including independent directors) in discussing with the Chief Internal Auditor internal control-related matters.
- (2) Assisting in ensuring the compliance of the procedures and resolutions of Board meetings and shareholders' meetings with laws and regulations:

- A. Reporting the implementation of corporate governance-related items to the Board of Directors, Independent Directors and Audit Committee.
 - B. Making sure that the Company's shareholders' meetings and Board meetings are in compliance with relevant laws and corporate governance practices.
 - C. Assisting and reminding Directors to comply with laws and regulations when performing their duties or adopting formal resolutions at Board meetings.
 - D. Reviewing important resolutions of the Board of Directors to be published to ensure their legality and correctness, as well as the synchronization of trading information for investors.
- (3) Assembling Board meeting proposals and issuing a notice of the agenda with the information required for the meeting seven days before the meeting. If it is necessary to avoid a conflict of interest, a reminder shall be given in advance, and the minutes of the Board meeting shall be prepared within 20 days after the meeting.
- (4) Supervising the pre-registration of the date of the shareholders' meeting, and preparing a meeting notice, meeting handbook, meeting minutes and carrying out registration of amendments to the Articles of Incorporation prior to the statutory deadline.

2. The continuing education in 2025 is as follows:

Organizer	Course name	Continuing education duration	Continuing education hours
Securities & Futures Institute of the Republic of China	Insider Trading Prevention Meeting for 2025	May 16, 2025	3.0
Taiwan Investors Relations Institute	Corporate Governance and Securities Regulations	May 16, 2025	3.0
Business Council for Sustainable Development, Taiwan	CDP-Aligned IFRS S2 Q&A Training Course to Strengthen Climate Information Disclosure and Enhance Corporate Climate Resilience	August 11, 2025	6.0
Taiwan Corporate Governance Association	Securities Laws and Corporate Governance	August 14, 2025	3.0
Taiwan Corporate Governance Association	Analysis of the Global Economic Situation Following the Election of Trump	August 14, 2025	3.0
Taiwan Corporate Governance Association	IFRS 18 Presentation and Disclosure in Financial Statements and the Approach to Sustainable "Innovation" - Responding to Social Changes by Establishing Differentiated Innovation Strategies	August 15, 2025	3.0
Taiwan Corporate Governance Association	Global Sustainability Regulatory Trends and Climate-related Disclosures	August 15, 2025	3.0

(VIII) Matters to be disclosed regarding the implementation of the internal control system:

1. Internal Control Statement: Please refer to the MOPS website [URL:

<https://mops.twse.com.tw> > Single Company > Corporate Governance > Corporate Regulations/Internal Control > Internal Control Statement Announcement]. Enter the year and company code to search for the internal control statement announcement.

2. CPA Review Report on the Internal Control System under an Engagement: Please refer to the MOPS website [URL: <https://mops.twse.com.tw> > Single Company > Corporate Governance > Corporate Regulations/Internal Control > Internal Control Statement Announcement]. Enter the year and company code to search for the internal control statement announcement.

(IX) Important resolutions of the shareholders' meeting and the Board of Directors in the most recent year and up to the publication date of this annual report

1. Important resolutions of the Board meeting

Date	Meeting title	Important resolution
March 11, 2025	1st Board meeting in 2025	<ul style="list-style-type: none"> ● Proposal for the remuneration to employees and directors in 2024 ● Proposal for approval of the Company's business report and financial statements for 2024 ● Proposal for discussion on earnings distribution in 2024 ● Proposal for approval of the 2024 "Statement on the Internal Control System" ● Approval of the scope of the Company's entry-level employees ● Amendment to the Articles of Incorporation ● Proposal to amend the Company's internal regulations ● Proposal on matters related to the convening of the Company's annual general shareholders' meeting in 2025 ● Proposal to appoint CPAs for reviewing and auditing the financial statements and evaluate the independence of the CPAs ● Acquisition of the right-of-use assets of real estate from related parties ● The Company renewed its credit facilities with financial institutions ● Discussion of remuneration to managers
May 6, 2025	2nd Board meeting in 2025	<ul style="list-style-type: none"> ● Proposal for approval of the CPA-reviewed consolidated financial statements for Q1 2025 ● Proposal of the acquisition of 100% equity in an affiliate's subsidiary ● Proposal for approval of the spin-off and transfer of the Company's lifestyle business to a subsidiary ● Renewal of contracts with financial institutions ● Proposed changes in the Company's managers ● Discussion of remuneration to managers
August 5, 2025	3rd Board meeting in 2025	<ul style="list-style-type: none"> ● Proposal for approval of the CPA-reviewed consolidated financial statements for Q2 2025. ● Proposal for approval of the Company's sustainability report ● Matters related to the Company's lending of funds to others ● Renewal of contracts with financial institutions

September 15, 2025	4th Board meeting in 2025	<ul style="list-style-type: none"> ● Comprehensive re-election of seven directors of the Company (including four independent directors) and nomination of director (including independent director) candidates ● Proposal to lift the non-compete restrictions on newly appointed directors and their corporate representatives ● Proposal on matters related to the convening of the Company's 1st extraordinary shareholders' meeting in 2025
October 8, 2025	5th Board meeting in 2025	<ul style="list-style-type: none"> ● Proposed approval of the spin-off and transfer of the Company's lifestyle business to an existing subsidiary
November 4, 2025	6th Board meeting in 2025	<ul style="list-style-type: none"> ● Proposal for approval of the CPA-reviewed consolidated financial statements for Q3 2025. ● Proposal for approval of the business plan and budget for 2026 ● Proposal for approval of the audit plan for 2026 ● Proposal to (add) amend the Company's internal regulations ● Proposal on recommended indicators for the managers' target bonuses in 2026
November 7, 2025	7th Board meeting in 2025	<ul style="list-style-type: none"> ● Election of the Chairman ● Formation of various functional committees

2. Resolutions of shareholders' meetings and their implementation

Date	Meeting title	Resolution	Implementation
May 28, 2025	Annual general meeting	Approval of the 2024 financial statements, business report, and earnings distribution (statement)	Passed as proposed at the meeting
		Discussion of amendment to the Articles of Incorporation	Passed as proposed at the meeting
November 7, 2025	Extraordinary shareholders' meeting	Comprehensive re-election of the Company's directors (three general directors and four independent directors)	The list of elected candidates is as follows, and approval for the change of registration was obtained from the Ministry of Economic Affairs on November 7, 2025. Three general directors: Jerry Kao, Jason Chen, and Yu-Ling Chen Four independent directors: Ying-Chi Yu, Chien-Kuang Wang, Ming-Hui Lin, and Wei-Ling Chu
		Discussion on lifting the non-compete restrictions on newly appointed directors and their corporate representatives	Passed as proposed at the extraordinary shareholders' meeting

(X) The main content of any dissenting opinion from a director or supervisor with respect to a material resolution adopted by the Board of Directors which has been on record or stated in writing in the most recent year and up to the publication date of this annual report: None.

IV. Information on CPA fees

(I) Information on CPA fees

Unit: NTD thousand

CPA firm's name	CPA's name	Audit period by CPAs	Audit fee	Non-audit fee	Total	Remarks

KPMG Taiwan	CPA Ching-Wen Kao	2025	3,150	1,300	4,450	None
	CPA Ken Tang					

- (II) If the CPA firm is changed and the audit fees paid in the year of change are lower than those paid in the previous year, the amount of audit fees before and after the change and the reason therefor shall be disclosed: None.
- (III) If audit fees have been reduced by 10% or more from the previous year, the amount, percentage and reason for the reduction shall be disclosed: None.

V. Change of CPAs: None.

VI. Any of the Company's Chairman, President, or managers in charge of financial or accounting affairs being employed by the CPA firm or any of its affiliates in the most recent year: None.

VII. Transfer of equity and changes in equity pledge by a Director, supervisor, manager, or shareholder with a stake of more than 10% in the most recent year and up to the publication date of this annual report:

- (I) Changes in the shareholding and equity pledges of directors, supervisors, managers, and major shareholders:

Please refer to the MOPS website [URL: <https://mops.twse.com.tw> > Consolidated Statements > Shareholding Changes/Securities Issuance > Shareholding/Pledge/Transfer of Directors, Supervisors, and Major Shareholders > Shareholding Balances of Directors, Supervisors, Managers, and Major Shareholders > Summary Table of Shareholding Balances of Directors, Supervisors, Managers, and Major Shareholders].

- (II) Information on Directors, supervisors, managers, and major shareholders whose counterparts in equity transfer are related parties: None.
- (III) Information on equity pledges: None.

VIII. Information on the top ten shareholders who are related parties, spouses, or relatives within the 2nd degree of kinship:

March 24, 2026. Unit: Shares; %

NAME	THE UNDERSIGNED SHAREHOLDING		SHARES HELD BY SPOUSE AND UNDERAGE CHILDREN		TOTAL SHARES HELD IN THE NAME OF OTHERS		NAMES AND RELATIONSHIPS OF TOP TEN SHAREHOLDERS WHO ARE RELATED PARTIES, SPOUSES, OR RELATIVES WITHIN THE 2ND DEGREE OF KINSHIP		REMARKS
	NUMBER OF SHARES	SHAREHOLDING RATIO	NUMBER OF SHARES	SHAREHOLDING RATIO	NUMBER OF SHARES	SHAREHOLDING RATIO	NAME (OR NAME)	RELATIONSHIP	
Acer Incorporated REPRESENTATIVE: JASON CHEN	39,308,288	63.54	0	0	0	0	MUSHI INVESTMENT CO., LTD.	THE CHAIRMAN OF THE COMPANY	-
Hongrong Investment Co., Ltd. COMPANY REPRESENTATIVE: Carolyn Yeh	2,669,964	4.32	0	0	0	0	Acer Incorporated	CORPORATE DIRECTOR OF THE COMPANY	-
Mushi Investment Co., Ltd. REPRESENTATIVE: JASON CHEN	2,052,641	3.32	0	0	-	-	ACER INCORPORATED	THE CHAIRMAN OF THE COMPANY	-
Representative of Sung Yuan Capital Co., Ltd.: Allen Jong	1,060,000	1.71	0	0	0	0		The representative serves as the President of the company	-
Wei-Jen Chen	727,000	1.18	0	0	0	0	-	-	-
Jerry Kao	600,000	0.97	0	0	0	0	-	-	-
George Huang	547,470	0.89	0	0	0	0	-	-	-
Wen-Chieh Shih	457,000	0.74	0	0	0	0	-	-	-
Chih-Ning Chen	427,000	0.69	0	0	0	0	-	-	-
Jen-Yang Chen	400,000	0.65	0	0	0	0	-	-	-

IX. The number of shares held by the Company, the Directors, supervisors, and managers thereof, and the companies directly or indirectly controlled thereby in the same invested business, and the consolidated shareholding ratio:

December 31, 2025; Unit: Thousand shares

Invested business	The Company's investment		Investment of directors, supervisors, managers, and directly or indirectly controlled businesses		Consolidated investment	
	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)
GadgeTek (Shanghai) Limited	Note 1	100%	0	0	Note 1	100%
Acer Gadget America	500	100%	0	0	500	100%
Acer Fashion Inc. (Note 2)	4,292.217	100%	0	0	4,292.217	100%

Note 1: Since it is a limited company, no shares were issued

Note 2: The Company acquired the equity of Xplova Inc. (renamed Acer Fashion Inc.) from Acer BeingWare Holding Inc. on June 5, 2025. This transaction is a reorganization under common control and is therefore deemed as having acquired the subsidiary from the beginning.

Three. Capital Overview

I. Capital and Shares

(I) Source of share capital

1. Formation of shares

Unit: NTD/shares

Year/Month	Issue price (NTD)	Authorized share capital		Paid-in share capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Property other than cash for share payment	Others
2008.9	10	220,000,000	2,200,000,000	179,930,000	1,799,300,000	A stock swap with Acer to become its 100%-owned subsidiary	None	Note 1
2008.9	10	120,000,000	1,200,000,000	79,930,000	799,300,000	Refund of NTD 1,000,000,000 due to capital reduction	None	Note 2
2009.8	10	120,000,000	1,200,000,000	69,930,000	699,300,000	Refund of NTD 10,000,000 due to capital reduction	None	Note 3
2009.8	10	120,000,000	1,200,000,000	50,000,000	500,000,000	Capitalization of a capital surplus NTD 300,700,000 Refund of NTD 500,000,000 due to capital reduction	None	Note 4
2014.8	10	120,000,000	1,200,000,000	20,000,000	200,000,000	Refund of NTD 300,000,000 due to capital reduction	None	Note 5
2019.12	10	120,000,000	1,200,000,000	16,000,000	160,000,000	Capital reduction for offsetting a loss of NTD 40,000,000	None	Note 6
2020.12	10	120,000,000	1,200,000,000	10,000,000	100,000,000	Capital reduction for offsetting a loss of NTD 60,000,000	None	Note 7
2021.7	10	120,000,000	1,200,000,000	12,539,736	125,397,360	Stock swap worth NTD 25,397,360	None	Note 8
2022.6	10	120,000,000	1,200,000,000	30,000,000	300,000,000	Capitalization of a capital surplus NTD 174,602,640	None	Note 9
2022.8	18	120,000,000	1,200,000,000	60,000,000	600,000,000	Cash capital increase of NTD 300,000,000	None	Note 10
2023.7	26	120,000,000	1,200,000,000	61,860,000	618,600,000	Cash capital increase of NTD 18,600,000	None	Note 11

Note 1: The Company carried out a stock swap with Acer in September 2008. After the swap, the Company became a subsidiary 100% owned by Acer.

Note 2: Approved by Letter Jing-Shou-Shang-Zi No. 09701245260 dated September 30, 2008.

Note 3: Approved by Letter Jing-Shou-Shang-Zi No. 09801181530 dated August 19, 2009.

Note 4: Approved by Letter Jing-Shou-Shang-Zi No. 09901183100 dated August 12, 2010.

Note 5: Approved by Letter Fu-Chan-Ye-Shang-Zi No. 10387032300 dated August 25, 2014.

Note 6: Approved by Letter Fu-Chan-Ye-Shang-Zi No. 10857507600 dated December 27, 2019.

Note 7: Approved by Letter Fu-Chan-Ye-Shang-Zi No. 10957592600 dated December 25, 2020.

Note 8: Approved by Letter Fu-Chan-Ye-Shang-Zi No. 11050296410 dated July 12, 2021.

Note 9: Approved by Letter Fu-Chan-Ye-Shang-Zi No. 11149492810 dated June 7, 2022.

Note 10: Approved by Letter Jing-Shou-Shang-Zi No. 11101144460 dated August 16, 2022.

Note 11: Approved by Letter Jing-Shou-Shang-Zi No. 11230105650 dated July 13, 2023.

2. Types of shares

March 24, 2025. Unit: People; shares: %

Type of share capital	Authorized share capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common stock	61,860,000 shares	58,140,000 shares	120,000,000 shares	

3. Information on the offering and issuance of securities by the issuer approved under the shelf registration system: None.

(II) List of major shareholders

March 24, 2026. Unit: Shares

Name of major shareholder	Number of shares held	Shareholding ratio (%)
Acer Incorporated	39,308,288	63.54%
Hongrong Investment Co., Ltd.	2,669,964	4.32%
Mushi Investment Co., Ltd.	2,052,641	3.32%
Sung Yuan Capital Co., Ltd.	1,060,000	1.71%
Wei-Jen Chen	727,000	1.18%
Jerry Kao	600,000	0.97%
George Huang	547,470	0.89%
Wen-Chieh Shih	457,000	0.74%
Chih-Ning Chen	427,000	0.69%
Jen-Yang Chen	400,000	0.65%

(III) The Company's dividend policy and its implementation

1. Articles 20 and 21 of the Company's Articles of Incorporation regarding the distribution of dividends stipulate that:

“If the Company has earnings after year-end closing, the earnings shall be used to pay taxes and make up past losses first, and then 10% thereof shall be set aside as legal reserve unless the accumulated legal reserve has equaled or exceeded the Company’s paid-in capital. A certain portion of the earnings shall be set aside or reversed as special reserve as required by law or the competent authority. Any surplus together with any accumulated undistributed earnings may be used to distribute a shareholder dividend. The Board of Directors shall make a proposal on earnings distribution and submit it to the shareholders’ meeting for resolution of distribution of the shareholder dividend.”

If the Company distributes dividends and bonuses, capital reserve, or all or part of legal reserve in cash, the Board of Directors is authorized to resolve such distribution with the attendance of more than two-thirds of the directors and the approval of a majority of the directors present, and shall report the same to the shareholders' meeting.

The Company's dividend policy is to appropriate no less than 10% of distributable earnings to distribute a shareholder dividend according to current and future development plans, taking into account the investment environment, fund requirements, domestic and international competition, and the interests of shareholders. The dividend may be paid in cash or shares. However, the dividend may not be distributed if the Board of Directors resolves not to do so and the resolution is passed by the shareholders' meeting. Unless the Board of Directors resolves not to distribute a dividend in cash and the resolution is passed by the shareholders' meeting, the percentage of cash dividends shall not be less than 10% of the total dividends in dividend distribution in order to ensure a balanced and stable dividend policy.

2. Proposed (completed) dividend distribution for the current year

- (1) Pursuant to the authorization under the Articles of Incorporation, the Board of Directors of the Company resolved the distribution of dividends for 2025 as follows:

The Company's beginning undistributed earnings for 2025 amounted to NTD 5,371,326. After adding the net profit after tax for 2025 and appropriating legal reserve and special reserve in accordance with the law, the distributable earnings for the current period amounted to NTD 41,724,387, which are proposed to be fully distributed as shareholder dividends.

All shareholder dividends will be distributed in cash. The distribution will be calculated based on the shareholding ratio of shareholders recorded in the shareholders' register as of the ex-dividend date, with a tentative cash dividend of NTD 0.67449704 per share. The amount distributed to each shareholder will be rounded down to the nearest NTD, with any fractional amounts less than NTD 1 unconditionally disregarded and recognized as other income of the Company.

Pursuant to Article 241 of the Company Act, the Company proposes to distribute cash from capital reserve arising from share premiums on the issuance of common shares at an amount exceeding par value in the amount of NTD 63,437,613. The distribution will be calculated based on the number of shares held by shareholders recorded in the shareholders' register as of the capital reserve distribution record date, with a tentative distribution of NTD 1.02550296 per share. The amount distributed to each shareholder will be rounded down to the nearest NTD, with any fractional amounts less than NTD 1 unconditionally disregarded and recognized as other income of the Company.

The ex-dividend record date for the aforementioned earnings distribution is tentatively set as July 3, 2026, and the distribution date is tentatively set as July 23, 2026. In the event of any changes in laws or regulations, or the exercise of authority or required amendments by the competent authority that necessitate adjustments to the aforementioned schedule, the Chairman is fully authorized to make such adjustments.

- (2) The ex-dividend record date for the aforementioned capital reserve distribution is tentatively set as July 3, 2026, and the distribution date is tentatively set as July 23, 2026. In the event of any changes in laws or regulations, or the exercise of authority or required amendments by the competent authority that necessitate adjustments to the aforementioned schedule, it is proposed that the Board of Directors fully authorize the Chairman to make such adjustments.
- (IV) Effect of the proposed bonus stock dividends for the current year on the Company's operating performance and earnings per share: Not applicable.
- (V) Remuneration to employees, directors, and supervisors

1. Percentages or ranges of remuneration to employees, Directors, and supervisors set forth in the Company's Articles of Incorporation

If the Company records a profit in a fiscal year, the Company shall reserve a certain amount in advance to offset accumulated losses, and then appropriate no less than 2% as the remuneration of employees (based on the balance, no less than 1% shall be appropriated as the remuneration of non-executive employees) and no more than 8‰ as the remuneration of directors and supervisors.

The recipients of the remuneration of employees which may be distributed in shares or cash may include the employees of any controlled company or subsidiary who have met certain requirements set by the Board of Directors. The remuneration of directors and supervisors is distributed in cash.

2. The basis for estimating the amount of remuneration to employees, Directors, and supervisors, the basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimate:

The Company calculates estimates by multiplying the profit before tax without deduction of the remuneration of employees, directors, and supervisors by the distribution percentages for employee remuneration and the remuneration of directors and supervisors as specified in the Articles of Incorporation of the Company. If there is a significant change in the distribution amount resolved by the Board of Directors prior to the publication date of annual financial statements, the originally recognized annual expense is adjusted. If there is still a change in the amount after the publication date of annual financial statements, it will be treated as an accounting estimate change and accounted for in the following year.

3. Remuneration distribution approved by the Board of Directors:

- (1) If there is any difference between the amounts of employees' remuneration and the remuneration of directors and supervisors distributed in cash or shares and the estimates recognized as expenses, the difference, the reason therefor, and the treatment thereof shall be disclosed: On March 5, 2026, the Board of Directors resolved to distribute NTD 11,830 thousand as employee remuneration and NTD 960 thousand as Director remuneration in cash for 2025, and there was no difference between the estimates and the actual distributed amounts.

(2) The amount of employee remuneration distributed in shares as a percentage of the sum of the current profit after tax and total employee remuneration: The Company paid employee remuneration for 2025 fully in cash, and no employee remuneration was distributed in shares.

4. The actual distribution of remuneration to employees, Directors, and supervisors in the previous year (including the number of shares, amount, and stock price), and any difference from the recognized remuneration to employees, Directors, and supervisors, the reason therefor, and the treatment thereof shall be specified: Not applicable as no remuneration was distributed to employees, Directors, and supervisors due to accumulated losses from the previous year.

(VI) Shares repurchased by the Company: None.

II. Issuance of Corporate Bonds (including overseas corporate bonds) : None.

III. Issuance of Preferred Stock : None.

IV. Issuance of Global Depositary Receipts : None.

V. Issuance of Employee Stock Warrants : None.

VI Issuance of Restricted Stock Awards: None.

VII. Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares with Other Companies: None.

VIII. Implementation of the Capital Utilization Plan: None.

Four. Operational Overview

I. Business Activities

(I) Business scope

1. Main business activities

Smart Device Business Division

This business division focuses on the development, design, and marketing of peripheral products, covering both computer and non-computer peripherals. Computer peripherals mainly include multi-function expansion, mobile office, and gaming peripheral product lines, and integrate innovative design, R&D, and AI applications to enhance product performance and competitiveness; non-computer peripherals focus on areas such as outdoor mobile devices, audio and video recording and creator equipment, smart home security, and pet technology lifestyle. At the same time, this business division promotes environmentally sustainable development by adopting recycled and environmentally friendly materials to develop ESG-friendly products, and has launched green energy sustainable products (such as energy storage power bank series), which are sold through global e-commerce platforms and physical channels.

Fashion Business Division

This business division focuses on combining technology with fashion and sustainability and engages in the design, procurement, distribution, and marketing of luggage, bags, accessories, and smart wearables. Adopting “innovation, freedom, and sustainability” as the core value, it adopts environmental materials and high-performance designs to create functional and stylish products. Smart wearables cover health monitoring devices that combine AI with fashionable design to provide personalized health follow-up and entertainment and interactions. Through emotion marketing and cross-sector cooperation, it focuses on the global market. It integrates the supply chain and technical resources of the Group and is committed to becoming a leading technology and fashion brand to bring unrestrained, free, and worry-free living experiences.

Smart Mobility Business Division

This division focuses on the development, marketing, and sale of smart mobility products, and relevant services. It has rolled out smart mobility products such as electric-assist bicycles and electric scooters in the global market. It provides efficient power-assisted mobility products, enhances personal riding experience with AI, and uses multiple information and communication technologies to ensure cycling safety to realize the vision of green mobility and urban sustainability.

2. Proportion of main products

Unit: NTD thousand; %

Item	2024 (after restatement) (Note)		2025	
	Turnover	Proportion	Turnover	Proportion
Smart device products	1,789,729	68.69	2,591,310	79.17
Fashionable products	515,639	19.79	404,510	12.36
Smart mobility products	239,214	9.18	217,698	6.65
Others	60,901	2.34	59,694	1.82
Total	2,605,483	100.00	3,273,212	100.00

Note: Same as the preceding note.

3. The Company's current main products (services)

Smart Device Business Division

- (1) Computer peripheral categories: Multi-function expansion series, mobile office series, and gaming peripheral series, among other computer peripheral products, continuously incorporating high-speed transmission, multi-function expansion, and cross-device compatibility features to address the growing demand from diverse usage scenarios such as remote and hybrid work, cloud applications, and gaming entertainment.
- (2) Innovative accessories and AI-integrated peripheral categories: Focusing on computer peripheral products that enhance user experience through AI and software-hardware integration, such as the EasyCard wearable series integrating electronic ticketing and wearable applications, smart translation earbuds supporting multilingual scenarios and real-time communication needs, and ESG-friendly product lines adopting environmentally friendly materials and energy-efficient designs, gradually shaping an intelligent computer peripheral ecosystem.
- (3) Green energy and sustainable product categories: Extending the application scenarios of computer peripheral products by developing green energy solutions such as energy storage power bank series and related accessories, incorporating high-efficiency power management designs to address changes in power usage patterns of mobile devices and personal IT equipment, and to align with global trends in energy conservation, carbon reduction, and sustainable development.

Fashion Business Division

This business division focuses on integrating technology, fashion, and sustainability, providing product design, procurement, manufacturing management, channel distribution, and brand marketing for luggage, bags, smart wearable devices, and related accessories, and is committed to delivering comprehensive travel solutions that combine functionality, aesthetics, and sustainability.

- (1) Travel & Everyday Bags: Products include backpacks, handbags, tote bags, crossbody bags, waist bags, and laptop sleeves, integrating travel and everyday usage scenarios, with an emphasis on functional configurations, durable materials, and modern design aesthetics.
- (2) Luggage & Travel Gear: Offers multi-size hard-shell luggage ranging from 19.5 to 28 inches, using materials such as rPET and PC, balancing lightweight design, structural durability, and the use of sustainable materials to meet diverse needs from short trips to long-distance travel.
- (3) Smart wearable devices: Smart wearable products focus on health monitoring, AI applications, and personalized services, covering smart rings and more smart wearable devices in the future. By integrating physiological data sensing, contextual analysis, and intuitive and user-friendly product design, they provide daily health tracking, lifestyle management, and contextual application experiences, while balancing technological functionality, aesthetic design, and long-term wearing comfort.

Smart Mobility Business Division

This business division engages in the development, marketing, sales, and services of smart mobility product lines, offering products including Acer ebii and Predator eNomad-R (electric-assist bicycles), the eKinect, and a full range of electric scooters, covering application scenarios such as high-frequency use, daily commuting, and short-distance transportation.

4. New products (services) to be developed

Smart Device Business Division

With the rapid maturation of AI technologies and generative AI, and their widespread application in areas such as office collaboration, content creation, and personalized services, the Company continues its 2024 initiatives by focusing on the deep integration of AI technologies into computer peripheral products, continuously enhancing the overall user experience in both work and entertainment scenarios, and establishing this as a core direction for future product line development. The key focus areas of research and product planning for this project include, but are not limited to:

- Smart working environment: Development of computer peripheral products such as keyboards, mice, and monitors that can proactively learn user operation behaviors and work patterns, and provide personalized recommendations or automatically adjust settings, for example by adjusting shortcut key configurations, mouse sensitivity, or display modes based on different scenarios, to enhance efficiency and comfort during long hours of office work and content creation.
- Enhanced convenience for daily life and collaboration: Designing multifunctional computer peripheral devices equipped with voice assistants or multimodal interaction capabilities, supporting AI services such as meeting control, real-time communication, transcription, and summarization, to help users more efficiently manage daily work tasks

- and cross-platform collaboration workflows in remote and hybrid work environments.
- High-performance and intelligent computing support: Integrating AI algorithms and edge computing capabilities to optimize the overall performance of peripheral devices and host systems, for example through intelligent power and performance management, thermal control, and load balancing, to support creators, gamers, and professional users in achieving stable and energy-efficient user experiences under high computing demand scenarios.

Fashion Business Division

This business unit will focus on gaining in-depth insights into consumer pain points, and through systematic market research and user analysis, transform feedback into actionable product design and functional optimization, driving the overall upgrade of bags, luggage, apparel, and smart wearable devices.

For bag and luggage products, the Company integrates mature technologies with innovative applications to meet the needs of digital lifestyles, and adopts a high proportion of recycled or low-carbon materials to fulfill its sustainability commitments. At the same time, modular components that can be replaced and repaired by users are introduced to shorten repair time, extend product lifespan, and enhance the overall user experience.

In terms of smart wearable devices, the Company will continue to expand its product lines to include smart rings and other wearable devices, addressing diverse scenarios such as health management, daily life, sports, and work through differentiated positioning and design, lowering the barriers to adoption and enabling smart technology to be naturally integrated into various age groups and lifestyles.

In terms of functions and services, the Company will focus on data integration and long-term user value to build a cross-product smart wearable ecosystem. Through a unified app or web platform, various health and behavioral data are integrated and combined with AI analysis to provide meaningful feedback and contextualized recommendations, helping users establish sustainable health and lifestyle management habits, while enhancing user engagement and laying the foundation for future service expansion.

Product design will continue to follow a minimalist yet stylish design language, balancing long-term wearing comfort and visual consistency, making smart wearable devices an integral part of daily life. In addition, through collaboration with internal and external partners, the Company will comprehensively strengthen supply chain sustainability, implementing environmental principles from raw materials and manufacturing to after-sales services, and delivering a product experience that offers consumers freedom, peace of mind, and a sense of responsibility.

Smart Mobility Business Division

With the attention attached to ESG (environment, society, and corporate governance) concepts worldwide, energy conservation, carbon reduction, environmental protection, and healthy lifestyle have become the material directions of the development of modern society. Short-distance smart mobility vehicles rose rapidly due to such trends and became the emerging trend for personal mobility. Under such backgrounds, we combined the advantages of our Group in terms of technology and manufacturing and continued to invest in the R&D of smart IoT technologies with the purpose of creating high-performance mobility products that comply with environmental concepts and satisfy consumers' requirements.

- **Technology integration and innovative application:** Based on the self-developed ebii structure, we integrated our products with AI, anti-theft tracking, traffic safety, and multiple advanced technologies, and applied them in the product line of mid-to-high-end electric-assist bicycles and e-Scooters. This not only improves the use safety but also provides personalized traffic recommendations and real-time traffic information to users through data analysis and smart monitoring, which, in turn, reduces the occurrence of accidents and improves the overall riding experience.
- **Balance and optimization of product designs:** Adopting innovative product structures, we are committed to achieving the optimal balance between mass production efficiency, product repair convenience, and consumers' requirements. First, we pursue minimalism in the design of appearance that is in line with modern aesthetics to allow our products to not only have practical functions but also become representative of the fashion trend. Secondly, in terms of mass production procedures, we adopted modularized designs. This not only simplified the production procedures and reduced production costs but also provided convenience for product repair and part replacement, effectively shortening the cycle of after-sales services and improving customer satisfaction.
- **Integration of smart cities and ecosystems:** Short-distance smart mobility products are more than independent transportation tools but also an important part of constituting smart cities. Our product designs fully consider traffic and safety regulations of countries worldwide to promote flexible structures to accommodate requirements in different markets. Through the seamless combination of the city sharing systems and enterprise sharing platforms, we actively participate in and promote the construction of the infrastructures of smart cities so as to form a consolidated mobility ecosystem that covers individuals, enterprises, and public services. This not only helps to relieve the traffic congestion in cities but also provides data support for city management and facilitates public safety and the optimization of resource allocation.

Looking to the future, we will continue to focus on the innovative applications of smart IoT technologies and keep abreast of the changes in global environmental policies and market requirements. With in-depth cooperation with technology enterprises, city management departments, and user communities, we wish to promote a green travel revolution worldwide to create a safe, convenient, and eco-friendly mobility lifestyle. Meanwhile, we will continue to optimize the systems of product R&D, mass production, and

after-sales services to provide comprehensive mobility solutions to consumers and, in turn, maintain our leading advantages under the intensive market competition.

(II) Industry overview

1. Current state and development of the industry

Smart Device Business Division

- (1) Computer peripherals: Evolved from a department of Acer Group's IT Products Business Group to one of Acer Group's Golden Tigers, we have been growing slowly but surely with our peripheral accessories series as our foundation. Even though there has been intense competition in peripheral accessories, we uphold our original aspiration of innovation, and always maintain differentiation and originality in the competitive market. By applying for design, form, and technology patents for items as small as a connecting wire and as large as a gaming cockpit, the Company has developed short-term, medium-term, and long-term pathways for products while introducing innovative development technologies to stay resilient against the current changing world. The following is a description of computer peripherals:

A. Peripheral accessories series

In the post-pandemic era, remote office and mixed working models have become the new norm. According to market surveys, approximately 70% of enterprises worldwide have adopted or planned to adopt a mixed work model. This trend has created new requirements for computer peripherals, including:

- High-performance equipment to support the handling of multiple missions.
- Provide easily portable and flexible mobility solutions.
- Support safe and stable remote connection technologies.

This department continues its ongoing projects, focusing on the development of computer peripheral products suitable for mobile and remote work scenarios, with the following objectives:

- Improve work efficiency: Design smart equipment such as AI-enabled keyboards and mice that can learn users' habits automatically and optimize the operation.
- Improve the convenience of use: Promote light and easily portable displays and accessories to satisfy mobile office requirements.
- Enhance security: Integrate with high-end encryption technologies and biometric functions to ensure the data safety of remote work.

B. Gaming product series

Acer Gadget is committed to becoming the leading brand of global gaming peripherals and providing the ultimate gaming experience through innovative technologies and outstanding designs. Our mission is to promote the development of the gaming industry and to satisfy the constant pursuit of performance and immersion of the users.

According to the latest market research, the global esports industry is growing rapidly at a CAGR of 20% to 23%. The global market size is expected to increase from approximately US\$2.25 billion in 2023 to US\$5.72 billion in 2028, and even reach a higher level of US\$7.25 billion by 2030, demonstrating strong market potential and sustained double-digit growth.

The crucial trends include:

- Rapid market growth: the global esports market continues to expand, demonstrating strong growth potential, primarily driven by the rapid expansion of market share in gaming hardware distribution channels.
- Key market segment: by 2026, the gaming console industry is expected to reach a market size of US\$31.18 billion, with a projected CAGR of over 7.4% from 2026 to 2035.
- Technological and market drivers: The widespread adoption of online video games, the increasing penetration of mobile gaming, and advancements in technologies such as 5G and artificial intelligence are the primary drivers of growth in the esports industry.

Overall, in 2026, the esports industry will continue to be supported by hardware sales, a mature tournament ecosystem, and a broad mobile gaming audience, demonstrating a high-growth development trend.

In response to the market demand, Acer Gadget will focus on the following directions in the future:

- Smart peripherals:
 - Continuously launching high-quality gaming peripherals (mice, keyboards, and headsets) and gaming chairs
 - Integrating AI technologies and extending gaming aesthetics into the fields of smart wearable devices and smart home appliances
- High-performance heat dissipation solutions
 - Adopt VCs (vapor chambers) or water cooling system technologies to ensure the stable performance of equipment under high-load operations.
 - Develop light heat dissipation accessories with highly heat conductive materials to satisfy the requirements for notebooks and PCs.
- Multi-platform compatibility and portability
 - Design controllers, displays, supporting PCs, mainframes,

- and mobile games that are compatible with different platforms.
 - Launch light and easily portable gaming equipment (i.e., foldable screens and wireless charging sockets.)
 - Environmental and sustainable design
 - Adopt recycled materials to manufacture peripherals to reduce impacts on the environment.
 - Provide modularized designs to extend products' life and reduce the replacement costs of players.
- (2) Innovative accessories: With profound industrial design know-how and years of technology experience, we have used our exclusive, lightest 3D contactless payment technology to make e-tickets wearable and extend the convenience of smart life to more groups and usage scenarios. In addition, responding to ESG has become a global trend and a development trend for enterprises. Enterprises are required to maintain their leading positions in the international competition. By leveraging on the advantage of a wide range of products and raw material suppliers' experience in eco-friendly materials (i.e., PCR and OBP), the Company has experimented with various eco-friendly and recycled materials in the production of computer peripherals (keyboards, mice) and apparel, and developed sustainable, eco-friendly, and competitive products. By gaining insights into market changes and responding to the rising popularity of figurine culture, the Company, at a major esports event in Southeast Asia in 2025, successfully created virtual character figurines for the event by incorporating green energy sustainability concepts, thereby creating new business opportunities in esports trends.
- (3) Green energy and sustainable products: With the increasing attention attached to climate change and energy crises worldwide, the requirements for green energy products have grown rapidly. According to market forecasts, energy storage products and renewable energy technology will become the core of the global energy transition in the following decade. The Company is optimistic about the following trends:
- Increase in the requirements for energy storage technologies: Family and industrial energy storage systems will become material components of energy management in the future.
 - Increase in the acceptance level of consumers regarding environmental products: The younger era is more inclined to support sustainable products.
 - Regulatory promotion: Governments in different countries are rolling out policies and subsidy plans that encourage green energy products.

In the future, Acer Gadget will focus on the following green energy product fields:

- Energy storage solutions
 - Launch multiple energy storage battery products that are

- applicable to different scenarios, including home, commercial, and industrial versions.
- Design three types of energy storage batteries with different watt specifications in compliance with local regulations 134 based on the requirements in the European market,
- Integrate the smart energy management system (EMS) to optimize energy consumption efficiency.
- High-performance and low-power consumption designs
 - Adopt modularized designs to extend products' life and reduce repair costs.
 - Adopt multiple-charging/discharging modules to improve performance and utilization rate.
- Smart mobility and energy-saving equipment
 - In response to the education market, we launched EVs with a smart charging and allocation system that automatically monitors and appoints the charging procedures, improving the overall energy management of schools.
 - Launch multitasking ports with the latest high-speed transmission protocol that allows smart charging management and multitasking operations.

Fashion Business Division

(1) Bags and luggage

According to Technavio, the global luggage market is expected to increase by approximately US\$16.64 billion during 2024-2029, with a CAGR of about 8.5%, driven mainly by the recovery of travel and tourism activities, as well as product diversification and design innovation.

According to Grand View Research, the global luggage market size was approximately US\$38.8 billion in 2023, and is expected to grow at a CAGR of about 7.1% from 2024 to 2030, reaching US\$61.49 billion by 2030. This indicates that the recovery in travel demand and the increasing consumer emphasis on quality and design will continue to support market development.

Rising global macroeconomic and geopolitical uncertainties, along with changes in trade policies in major markets, have put pressure on consumer confidence and retail momentum, leading to a more cautious overall market sentiment. The focus of industry competition is gradually shifting from price orientation to product differentiation, brand value, and user experience, with products positioned on design and quality demonstrating relatively stronger resilience.

(2) Smart wearables

The global smart wearable device market continues to grow rapidly, encompassing health monitoring devices, smart glasses, smart rings, and other wearable devices. According to Research Nester, the global

smart wearable market is projected to reach US\$528.7 billion by 2036, with an estimated CAGR of approximately 19.7% during the forecast period. Over the next five years, the overall market is expected to grow at a CAGR of about 8%-12%, with North America, Europe, and the Asia-Pacific region as the main growth drivers.

Among these, smart glasses and smart rings are regarded as the most promising emerging categories:

- Global shipments of smart glasses in 2025 are estimated at 12 to 14.5 million units, with a growth rate significantly higher than that of traditional wearable devices, and application scenarios expanding from entertainment to education and enterprise use.
- The global smart ring market size in 2024 is approximately US\$300-400 million, with a projected CAGR of over 20% before 2030, leveraging advantages such as lightweight design and long-term wearability to enter health management and daily life applications.

(3) AI application

AI technologies are being rapidly integrated into product design, operations, and marketing processes, enhancing design efficiency, demand forecasting accuracy, and marketing conversion rates through generative AI and data analytics, while also optimizing supply chain management and sustainable manufacturing processes.

In the smart wearable domain, AI analytics can transform cross-device data into contextualized feedback and recommendations, enhancing user engagement and supporting long-term business models for platform-based services and cross-product applications.

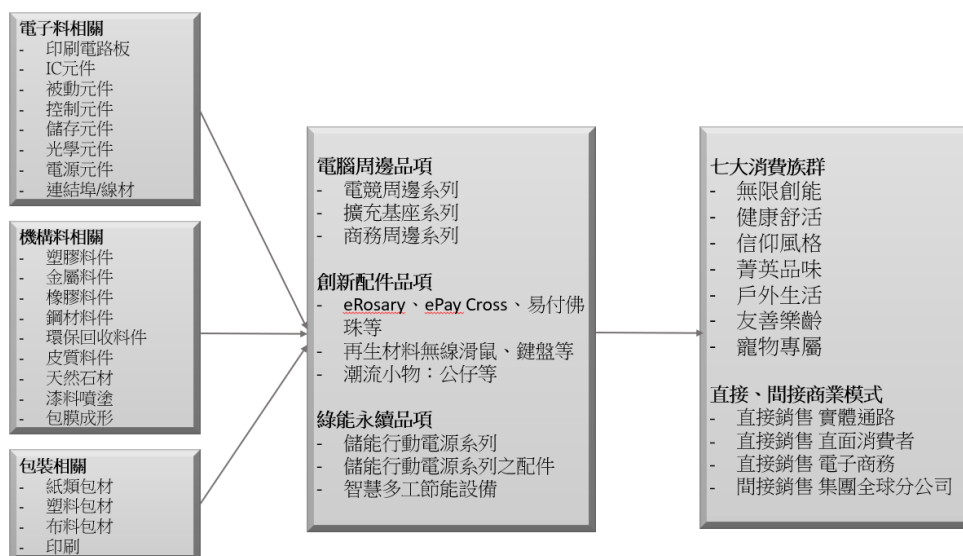
Smart Mobility Business Division

According to a report by Future Market Insights Inc., the electric-assist bicycle market is projected to grow from US\$39.6 billion in 2025 to US\$58.6 billion by 2035. According to a market research report by SkyQuest Technology Consulting, the annual output value of the electric-assist bicycle market is estimated to grow from US\$43.3 billion in 2025 to US\$85.6 billion by 2033. Regarding data from different market survey institutions, the forecast of positive high growth is maintained for the prospect of electric-assist bicycles.

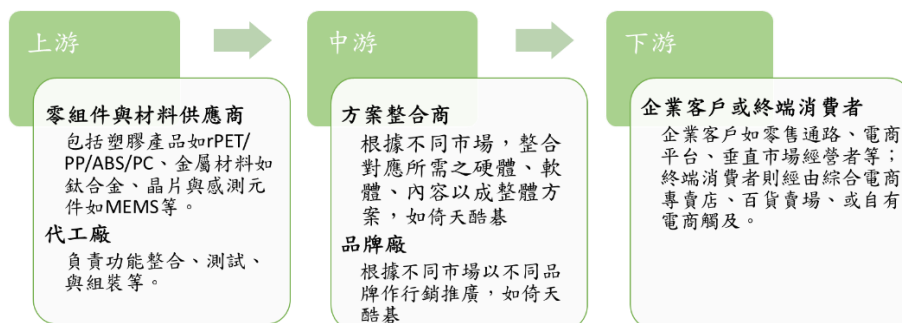
In addition, according to the forecast of Mordor Intelligence, a market research institution, the market scale of e-Scooters in 2025 was USD 4.39 billion, and it will grow to USD 7.38 billion by 2030, with a CAGR of 10.93%. Driven by urban traffic congestion and last-mile transportation needs, personal commuting accounts for 68.71% of the electric scooter market share. The European market, supported by well-established regulations, accounts for 37.88% of the overall electric scooter market share.

2. The correlation between the upstream, midstream and downstream segments of the industry

Smart Device Business Division



Fashion Business Division



Smart Mobility Business Division



3. Development trends of products

Smart Device Business Division

(1) Computer peripherals

The continued proliferation of portable devices such as

smartphones, laptops, and tablets in both personal and commercial scenarios is driving increased demand for computer peripheral products such as docking stations and ports that can simplify connectivity while providing simultaneous power supply.

At the same time, trends such as bring your own device (BYOD), the expansion of office spaces, and urbanization continue to drive the growth of the peripheral expansion market, supporting steady development of the global docking station market in the coming years.

For product lines such as docking stations and ports, this business unit has shifted from a previous focus on high-end multi-function specifications to a comprehensive product portfolio that covers diverse customer segments and functional needs, while expanding product breadth through strategic partnerships and simultaneously deepening its technology deployment.

In response to the gradual recovery of international business activities and the demand for multi-scenario work styles, this business unit will continue to focus on differentiated design and proprietary technologies, strengthening multi-functional, precision-oriented, and context-driven business peripheral product lines.

In addition, by leveraging existing strengths in software development and integration, the Company will gradually introduce proprietary software and value-added functions to promote integrated applications of "hardware peripherals + software services," thereby enhancing the competitiveness and uniqueness of its computer peripheral products.

In recent years, the Company has continued to promote environmentally sustainable design by incorporating recycled materials such as PCR (post-consumer recycled materials) and OBP (ocean-bound plastic), and has launched eco-friendly products such as the Vero series based on these design concepts, covering keyboards, mice, and other computer peripheral products, to reduce environmental impact and achieve low carbon emissions.

At the same time, the Company promotes environmental initiatives through marketing activities such as Earth Day campaigns and community engagement, and plans to increase the proportion of environmentally friendly product lines to align with its core values of sustainable development.

(2) Sustainable green energy products

Since 2016, countries around the world have signed the "Paris Agreement," making energy conservation and carbon reduction a shared goal for nations, industries, and humanity as a whole, and driving trends such as net-zero carbon reduction and ESG data management.

Under its positioning centered on "computer peripheral products," this business division extends its deployment to green energy and sustainable solutions closely related to power consumption scenarios, focusing on energy storage power bank series (such as Acer Power Bar) and related accessories to meet the needs of stable energy supply for residential, commercial, and outdoor users.

The related products use lithium iron phosphate batteries and incorporate an AI-powered smart power management system to enhance energy efficiency and operational stability. They also support multiple charging methods, including solar charging, to reduce reliance on fossil fuels.

In the future, the Company will continue to deepen its product line planning and leverage group resources to promote green energy innovation, thereby fulfilling ESG objectives and responding to market trends and corporate mission.

Fashion Business Division

The development of the bag and luggage market is moving toward sustainability and multiple functions. However, the true innovation shall have solving the pain points of consumers as the core instead of purely apply technologies for technologies' sake.

Against the backdrop of a gradual recovery in global travel activities alongside continued macroeconomic and geopolitical uncertainties, the development trend of the bag and luggage market is shifting from a price- and promotion-driven competitive model toward a structural upgrade that emphasizes product value, design aesthetics, and user experience.

Acer Lifestyle believes that truly competitive innovation in the long term should focus on addressing consumer pain points in real-world usage scenarios, rather than pursuing technology for its own sake, while achieving a balance among sustainability, quality, and brand value.

Based on this industry trend, this business unit will focus on the following development directions:

(1) Combine mature technologies to improve user experience

During the design process, introduce mature technologies to improve user experience to solve the pain points of inconvenient portability or insufficient safety for the convenience of travelers and daily users. Meanwhile, ensure that such functions are easy to use visually, avoid affecting user experience due to complicated operations, and ensure the true value of technology applications. At the same time, the Company continues to explore differentiated directions for functional innovation, such as modular design and expandable accessories, to enhance product flexibility and scalability.

(2) Introduce eco-friendly materials and procedures

With the increase in the attention attached by consumers to sustainable products, increase the consumption ratio of eco-friendly materials, including PCR, OBP, and other recycled materials. In addition, we adopted production technologies with low carbon emissions and waste reduction strategy through the optimization of procedures to reduce the environmental burden throughout the product lifecycle to realize the SDGs. While promoting sustainability, product design will also take into account structural strength and long-term usage requirements, avoiding any compromise in actual durability due to material selection, to ensure that sustainability principles can align with practical usage value.

(3) Improve product quality and extend products' useful life

To reduce the requirements of consumers for frequently replacing bags due to damages to products or poor quality, we focus on the durability of products and the improvement in quality. By strengthening the structure designs and adopting high-quality materials and stringent quality control, we reduced the so-called consumption frequency, reduced the waste of resources, and improved the long-term value of the brands. At the same time, the Company will gradually introduce replaceable and user-repairable component designs, enabling consumers to maintain and upgrade products according to their needs, shortening repair wait times, extending product lifespan, further reducing resource waste, and strengthening brand trust and recognition in the mid-to-high-end market.

As important carriers of the combination between modern technologies and humanities and cultures, the development trends of smart wearables focus on the following points:

(1) Combine technology with emotion and enhance product designs with humanity.

Smart wearable devices not only provide health monitoring and data analysis functions, but are also gradually evolving toward roles that offer emotional care and lifestyle support. Through human-centered design and intuitive operation, the products are made more aligned with users' daily needs, balancing functionality and user enjoyment to create a wearable experience that is both warm and capable of long-term companionship.

(2) Cross-section cooperation and standardized development

To respond to the diverse needs of different user groups and lifestyles, smart wearable products will continue to deepen cross-industry collaboration with other brands, healthcare institutions, and activities, expanding application scenarios and brand reach. At the same time, customized services are becoming an important trend,

enhancing user experience and brand identification through personalized appearance design or customized functional settings.

(3) Adopt fashionable designs to expand consumer groups

Smart wearable devices are no longer merely technological products, but have become important accessories for consumers to express personal taste and lifestyle. By continuously strengthening design language and incorporating fashion elements, the Company aims to attract user groups that place a high emphasis on aesthetics and design, thereby further expanding market scale and application scope.

The application of AI technologies in fashion and technology products has been increasing, including the following two major aspects:

(1) Personalized consumer experience

Through AI analysis of market trends and consumer behavior, the Company enhances the precision of product design, functional planning, and recommendation mechanisms, and applies these insights to optimize digital marketing materials, thereby improving marketing conversion efficiency. Such data-driven personalized experiences help enhance consumer satisfaction and brand loyalty.

(2) Support sustainable implementation and optimize the operation of the industry chain

AI technologies can also be applied to supply chain management and resource allocation, helping reduce energy consumption and waste generation across all stages from production to logistics. For example, production efficiency can be improved and material waste reduced through model simulation, or inventory pressure can be lowered through demand forecasting. In addition, AI can assist in the development of sustainable materials and product design, driving the brand steadily toward its ESG objectives.

Smart Mobility Business Division

We also use our advantages as a group enterprise to collect and utilize development information to think about what we are going focus in terms of R&D in the next stage. In the future, through AI combined with the technology of the Internet of Things, mobile vehicles can not only monitor personal health conditions while riding a bicycle or scooter and provide an early warning of physical danger, but also check real-time road conditions and sense the air quality of the riding environment, truly realizing smart cycling. In addition, mobile vehicles integrated with a cloud system can record and upload the internal and external conditions of the ride, and confirm them through the mobile app. Finally, the system will perform big data calculations to analyze appropriate suggestions and provides related reference materials. This enables the smart mobility industry to get closer to

the experiential needs of end customers. The ebii electric-assist bicycle is an ultimate product that integrates various resources within the Group in the vision of smart mobility.

Our e-Scooter has recently become a favorite vehicle among young people. It can be easily placed in the trunk of a car and provides users with last-mile convenience. Our accumulated experience in the sale of e-Scooter in Europe since 2020 allows us to better grasp the needs of users right away and plan a full range of product series with market competitiveness. For example, we equip the app with intelligent control, and offer a beginner version with a minimalist design and an advanced version for extreme sports to allow more different level of users to easily shuttle in cities.

In addition, the Company will maximize the influence of our e-Mobility items for the long-term common good. We have formed a B2B alliance with our upstream and downstream partners and homogeneous enterprises at home and abroad that are also pursuing sustainability and green energy to spread the design concepts and sustainability features of ebii and eKinekt to the business or office spaces of other enterprises. Through the app, it is possible to record the contribution of carbon reduction and energy saving or the conversion of kinetic energy into electricity, thereby enabling smart pushing on social media and healthy competition. In this regard, Acer Gadget continues to implement the mission of "developing products with technology and creativity, realizing a smart lifestyle, and breaking down barriers between people and technology" and make the vision of sustainable ESG a reality.

4. Competition

Smart Device Business Division

Overall, the computer peripheral products market is characterized by high product homogeneity and a large number of competitors (such as ASUS, MSI, Logitech, Razer, and Corsair), while also facing price competition from certain low-cost white-label products. Acer Gadget has accumulated years of experience in the R&D and mass production management of computer peripheral products, and, through dedicated teams overseeing market trends, industrial design, and key technology integration, continues to maintain competitiveness and brand recognition through differentiated specifications, product reliability, and design innovation.

In addition, the usage scenarios for computer peripheral products have evolved from "single fixed office settings" to diverse use cases such as "hybrid work, mobile work, and multi-screen/multi-device collaboration," driving increased demand for multi-function expansion, integrated connectivity and charging, and compatibility. Meanwhile, in the non-gaming peripheral segment, brands such as J5 Create and Targus are also actively competing. Leveraging group resources, Acer Gadget proactively identifies trends in laptop thinness and interface specification evolution, monitors changes in key components and platform standards, and accordingly plans computer peripheral product portfolios across different price segments and

application scenarios (such as multi-function expansion series) to strengthen its existing customer base and expand target market coverage.

In terms of sustainability, corporate ESG has gradually evolved from advocacy to institutionalized and measurable management requirements. Based on the Acer Group's ESG governance and strategy, Acer Gadget promotes sustainability development across environmental, social, and corporate governance dimensions, and continues to advance the adoption of environmentally friendly materials, product design, and supply chain management, thereby deepening ESG-friendly products and practices.

Fashion Business Division

The bag, luggage, and smart wearable markets exhibit an overall pyramid structure based on price segments and brand positioning. The high-end market is dominated by international brands with strong brand recognition and symbolic value: in the bag and luggage segment, this includes TUMI and RIMOWA. In smart wearables, it is led by technology brands with comprehensive ecosystems such as Apple, Garmin, and Samsung, where competitive barriers are built on brand strength, craftsmanship, or system integration capabilities.

The mid-range to upper mid-range market is the most competitive segment, emphasizing a balance of functionality, quality, and design. The bag and luggage segment includes brands such as Samsonite, Thule, and Port Designs; in the smart wearable domain, it is primarily composed of emerging categories, including smart rings such as Oura, RingConn, and Ultrahuman, as well as smart glasses such as Meta (Ray-Ban series) and Xreal, emphasizing everyday wear, contextual applications, and lifestyle integration.

The low-end market is dominated by white-label and low-priced products, with competition highly dependent on price promotions, and relatively limited in terms of quality stability, user experience, and brand trust. Within this competitive structure, Acer Fashion strategically focuses on the value-driven mid-range to upper mid-range market, avoiding the low-price red ocean and refraining from direct competition with high-end symbolic brands. Instead, it establishes a differentiated positioning through reliable quality, key functionalities, design consistency, and cross-product experience, gradually widening the experiential gap with white-label products and laying the foundation for enhancing brand value and expanding product lines.

Smart Mobility Business Division

Smart mobility products including electric-assist bicycles and e-scooters are rapidly emerging in the European and American markets, which have become battlefields for companies. How to increase future growth momentum through vertical integration and expansion into other industries has become a major challenge. Based on the hardware experience accumulated through trainers in the past, Acer Gadget will maintain the

advantages of traditional bicycles, create innovative exterior and patented electromechanical designs, and combine bicycles with intelligent control to create a niche for market differentiation.

(III) Technology and R&D overview

1. Technical level of business activities and R&D

Since its establishment, Acer Gadget Inc. has been committed to technology innovation and product R&D and the creation of diverse products with smart technologies through the collaborative development of its three major business divisions. Each business division focuses on different fields, integrates advanced technology and market demand, and continues to improve the Company's competitiveness:

Smart Device Business Division

From being a department within the Acer Group's IT Products Business Group to being formally spun off as Acer Gadget in 2018, Acer Gadget has gradually established a solid foothold in the computer peripheral products market. Its product portfolio spans from cables, adapters, and multi-function expansion peripherals to gaming peripherals, covering R&D, design, supply chain management, and sales.

During this period, the Company has accumulated numerous technological and design achievements, and has continued to strengthen the differentiation of its computer peripheral products in terms of compatibility, reliability, and usage scenarios, in order to respond to market demands for hybrid work, multi-device collaboration, and high-efficiency connectivity.

Since the merger of E-Ten Information and GadgetTek in June 2021 to form Acer Gadget Inc., the Company has further integrated its software development and integration capabilities, focusing on the integration of hardware and software in computer peripheral products to enhance user experience in areas such as connectivity management, performance configuration, and operational convenience.

With the rapid development of AI technologies, this business division is introducing AI into computer peripheral products and data processing scenarios, and is collaborating with leading manufacturers to develop next-generation AI enclosures. The direction includes concepts such as using Thunderbolt 5 high-bandwidth connections for external GPUs and executing AI/LLM inference locally (essentially external PCIe/GPU enclosures), to enhance the application value of "data stays local and computation is performed on-site."

Based on the reference specification direction, such AI enclosures can integrate Thunderbolt 5 bandwidth of approximately 80 Gbps, built-in high-wattage power supply, USB PD charging for the host, and multiple USB and network interfaces (such as 2.5GbE), to support enterprise and professional

users in building controllable and more privacy-focused local AI computing workstations in environments such as Windows, while also maintaining backward compatibility with Thunderbolt 4 (with limited performance).

Looking ahead, Acer Gadget will integrate ESG principles into the development and technological innovation of computer peripheral products, continuously advancing across materials, design, manufacturing, and supply chain management to build a product portfolio that balances performance, quality, and sustainability, and to fulfill its brand mission of "empowering sustainable living through technology."

Fashion Business Division

Acer Fashion focuses on integrating technology, fashion, and sustainability, leveraging consumer feedback and user experience data to develop products with stable quality and user-friendly design. The R&D process is led by product managers who integrate market requirements and define product functions, and collaborate with design and manufacturing partners to ensure consistency in product design, structure, and quality.

During the development and mass production stages, prototyping validation, testing, and quality control are conducted to ensure stable performance in terms of durability, safety, and long-term user experience, while gradually introducing modular and replaceable designs to extend product lifecycle and respond to sustainability requirements.

This business unit continues to develop its patent and technology portfolio, focusing on the integration of mature technologies, new materials, and environmentally friendly manufacturing processes. By combining sensing technologies and AI applications, it promotes cross-device data integration and a consistent user experience, continuously strengthening product and brand competitiveness and expanding long-term growth opportunities in the bag, luggage, and smart wearable markets.

Smart Mobility Business Division

As industrial technologies and trends change rapidly, in addition to cementing cooperation with existing industries, we continue to improve our technical capabilities related to batteries, motors, and electronic control, and integrate intelligence, artificial intelligence, and various information and communication technologies to increase the depth and breadth of our core product portfolio.

Apart from the three major business divisions above exerting their advantages in their respective fields and promoting the long-term development of the Company in the fields of smart devices, fashionable technology, and smart mobility, the Company established an R&D department to focus on the research of the extensive application of AI and R&D technologies and make good use to the software capabilities as a former IT company to combine AI learning, Big Data analysis, and other analysis to expand new application models in terms of products. With the differentiation

of software, commercialize our concepts based on consumers' requirements. At present, we have explored the following achievements and commenced the patent applications:

(1) Medical care services

A smart medical care solution with the purpose of improving the precision and convenience of home health management through generative AI and smart wearables. The core technologies include medical-grade AI models, medical center collaboration mechanisms, home care robots, and the integration between smart wearables and APP integration, providing comprehensive, personalized health management solutions. With the set of AI smart medical care services, users will be able to enjoy convenient, professional, and smart health management experiences and, in turn, improve their overall living quality.

- Professional medical AI model: The professional medical AI model utilizes generative AI technology to establish the professional medical AI model with high precision. Through in-depth learning and Big Data analysis, AI can provide personalized care suggestions based on user's health conditions, living habits and medical data. This not only improves the accuracy of health monitoring but also effectively reduces the waste of medical resources.
- Cooperate with medical centers to enhance professional information. To ensure the accuracy and reliability of the AI models, we are currently cooperating with medical centers for them to provide authoritative medical data and opinions of experts, and we continue to update the AI training data to allow it to comply with the latest medical standards. In addition, physicians and professional nursing practitioners can also provide real-time health suggestions or remote treatment through the system.
- Popularization and application of home care robots: The integrated home care robots allow the AI model to combine with smart hardware to further improve the efficiency of health management. For example, robots can monitor the home environment, remind about the taking of medicines, provide exercise and health suggestions, and even help elders or those with mobility disabilities to perform basic activities on a daily basis, improving the quality of life and safety.
- Integration of smart wearables and APPs: Integrate with smart wearables (i.e., smart bracelets, smart patches, or smart apparel) to collect physiological data from users (i.e., heartbeats and sleep quality). These data will be uploaded to the APP simultaneously and analyzed by AI to provide real-time health reports, anomaly alerts and personalized health suggestions and help users manage their own health effectively.

(2) Smart information equipment

Utilize the Edge AI technology to develop the new generation computer peripherals to provide high-performance and personalized smart experiences to users through audio identification, video analysis, and real-time data processing. Our products cover three major categories (audio application, image application, and data analysis), and they are extensively used in office, entertainment, and safety monitoring fields to improve convenience and production capacity. The Company is committed to creating high-performance, safe, and personalized smart peripherals with Edge AI technology, bringing global users a smarter digital experience.

- Audio application - real-time translation and voice recognition: Carry our voice identification and translation rapidly by using the built-in high-performance chip of the product to allow users to immediately realize audio interactions with low latency and high precision without relying on cloud processing. For example, smart earphones and microphones can support real-time translation and audio assistant orders, which is suitable for international meetings and environments with multiple languages, improving communication efficiency.
- Image application - real-time image identification and safety management: The Edge AI image processing technology can immediately analyze the filing screen and provide fast and accurate image identification feedback so as to improve safety and monitoring efficacy. When applied to cameras, it can provide safety monitoring to immediately identify human facts and abnormal behaviors to improve corporate and home safety management.
- Data analysis - optimized user experience: Carry out real-time analysis of user behaviors and preferences and automatically adjust equipment parameters to provide a smooth and intuitive user experience. It can be applied to keyboard and mouse products to automatically adjust the input efficiency and feedback strength so as to provide the optimal user experience and production strength.

(3) Traffic safety control

The application of integrated AI technology to micro mobility devices allows products to have high-performance energy management and improve user satisfaction while reinforcing active safety maintenance to reduce riding risks.

- Smart assist: Adjust the personalized power assist model through AI learning. After riding for a period of time, the system will adjust the power assistance volume based on the assistance level based on users to allow more comfortable riding of users so as to provide stable output and riding feelings.
- Mission control: Extending from the abovementioned power assist model, as the prevailing battery and electromechanical system account for the considerable weight of the mobility

carriers, how the remaining battery can allow users to reach the destination within limited power assist time based on the distance available has become the issue of concern of companies and electric carrier users. Utilize the AI technology and the past use habits of users to calculate the power consumption and the time consumption before departure for the convenience of users to carry out schedule planning. When the power is low, AI is able to do its best in allocating the remaining power to the sections that consume more physical power to allow users to arrive at the destination comfortably.

- Real-time traffic analysis: The automobile camera records the traffic to serve as the driving record and performs real-time analysis of road conditions through image identification (i.e., floods, holes, or barriers on roads). It can remind users to reduce the speed in advance or directly adjust the output of the controller of the motor to reduce speed to achieve the function of active protection.

(4) Popular and fashionable accessories

Different from wearables launched by traditional IT companies, with functions being the main consideration instead of appearance, those who wear such products are considered to be wearing them for special purposes (i.e., requirements for health management), and products cannot be generalized. The integration of bio-chip and sensor technology with popular fashionable accessories can maintain popular designs and achieve the function of health management and sports recording.

- Smart glasses: We adopted the modularized designs to integrate the electronic elements of smart modules and batteries with temples and allow the frame and chip with different usages to have smart functions through the unified connection interface that is combined with frame. In addition, the Company cooperates with well-known frame design companies to provide diversified frame styles to satisfy different application requirements, possess smart functions, and comply with fashion trends.
- Smart jewelry: Sensor chips are embedded in rings, necklaces, bracelets, and other jewelry. Such jewelry possesses beauty and health management functions. Such jewelry collects the real-time physical information (i.e., heartbeat, blood oxygen, and other data) of wearers, compiles and uploads the information to the APP of mobile phones, and provides basic health management services through AI analysis.

(5) Application of R&D technology

In terms of product R&D, we will mainly focus on AI applications and combine the achievements of the company in software development to focus on the analysis of the behavioral model of users. We will reflect the analysis results on product designs to provide better

user experiences to users. Our product appeal is the integrated function of lifestyle and the increase in production strength. We will launch new technologies and services that comply with the requirements of customers and end users in due course to expand the operating scale and market share of the Company. We will incorporate our ESG blueprint that is gradually taking shape into the Company's innovative product planning and unique technology design. Through various patent applications and forward market analysis, innovation, design and technology are connected. From breadth to depth, we will create a stable pathway in the field of ESG-related products.

- Modularized development and designs: We adopted the modularized designs to integrate the electronic elements of smart modules and batteries to temples and allow the frame and chip with different usages to have smart functions through the unified connection interface that is combined with frame. In addition, the Company cooperates with well-known frame design companies to provide diversified frame styles to satisfy different application requirements, possess smart functions, and comply with fashion trends.
- Integrated applications of software and hardware plus services: During the stage of hardware design, we consider software applications to allow a seamless connection, which effectively reduces the risk of repeated designs. For example, when developing smart wearables, we design the chip structure that is compatible with the AI algorithm, which can avoid the hardware revision resulting from compatibility issues subsequently. In addition, the concurrent optimization of software and hardware can improve the overall efficacy of the system (i.e., reducing latency, improving computing efficiency, and reducing unnecessary waste of resources), ensure the operating smoothness and stability, and further improve user experience.
- Introduction of environmental and sustainable materials: For computer peripherals (keyboards and mice) and apparel wearables, we tried to adopt environmental and recycled materials for production. We adopted Econyl, ocean recycled yarns, and recycled yarns for bag products to manufacture and develop products that are eco-friendly with competitiveness while complying with the safety requirements of products and the requirements of consumers for functions and beauty and complying with the production cost efficiency so as to achieve the ultimate target of sustainability and respond to the joint concepts of Acer, the parent company, in "RE100."
- Adopt parts with low power consumption and low carbon emissions: Low power consumption and low carbon emissions are the material trends for the development of modern electronic products. The adoption of parts with low power consumption can reduce the power consumption of equipment and improve the durability of batteries, and such parts are particularly suitable for portable devices that operate for a long

time. In addition, we prioritize the procurement of parts from the supply chain with low carbon emissions to reduce the environmental burden during the course of production and promote the development of green technology. For example, we adopt chips with energy-saving technology and mechanical parts using recyclable materials in smart equipment to reduce carbon footprint and assist the enterprise in achieving the ESG (environment, society, and corporate governance) targets, improving brand competitiveness and market recognition.

2. R&D personnel and their academic background and work experience

Unit: Person

Academic background	2024 (after restatement) (Note)	2025
Doctor's degree	-	-
Master's degree	6	4
College/university	-	-
Below high school	-	-
Total	6	4
Seniority	20.5	12.1

Note: Same as the preceding note.

3. R&D expenses in each of the most recent five years

Unit: NTD thousand

Item	2021 (after restatement)	2022	2023	2024 (after restatement) (Note)	2025
R&D expenses	58,466	45,630	62,109	46,471	81,875
Operating revenue	1,445,713	1,662,340	2,085,866	2,605,483	3,273,212
As a percentage of total revenue	4.04%	4.54%	2.98%	1.78%	2.50%

Note: Same as the preceding note.

4. Technologies or products successfully developed in the most recent five years

Smart Device Business Division

Year	Technology	Product
2019	Electronic system and human-machine interaction method	eRosary
2019	Headset (Through a new design technology, the built-in electrodes in the earmuffs can detect the physiological information of the user)	Predator Galea500 True Harmony™ 3D Soundscape Headset
2020	Wearable electronic device	ePay Cross launched together with the Pontifical Mission Societies and iPASS
2021	Gaming cockpit (including a base, a	Predator Thronos Full-featured Gaming

Year	Technology	Product
	stand, and support components. It uses a new patented technology where the stand is placed over the base and the support components are installed on the stand)	Cockpit
2022	We combined new visual elements, complied with ergonomics, and introduced the design of light bars behind the table board.	Full series gaming tables and chairs
2023	Multi-platform support the integration system and self-produced paper and plastics	Packaging of game controllers and mice
2024	Smart electricity distribution management and multi-protocol integrated system	Portable charging station and active stylus
2025	Semi-solid-state battery technology, NFC Wireless Charging 2.0, AR augmented reality overlay, ultra-high-speed mast locking (0.1s Fast Lock)	Gallium nitride (GaN) power banks, wireless charging docks, golf rangefinders
2025	Smart wireless charging and identification-enabled anti-theft storage cabinet	Safe series

Fashion Business Division

Year	Technology	Developed product
2024	<ul style="list-style-type: none"> ● Power-generating wheelsets of luggage ● Smart anti-breach device for handles of luggage ● Balance detection device for wheelsets of luggage 	Luggage
2025	Smartwatch with physical information monitoring	Smart wearables
2025	Optimized methods for arranging items inside luggage	Luggage
2025	A method for measuring the volume of an object	Luggage

Smart Mobility Business Division

Year	Technology	Developed product
2022	Connection and intelligence	eScooter series

2023	Kinetic energy-electricity conversion device	eKinect
2023	<ul style="list-style-type: none"> ● The structural design of the replaceable rear warning signals and collision avoidance radar modules ● Design of programmable warning signals 	ebii Electric-assist Bicycle
2024	Hardware and software integration and adjustment to optimize user experience	Predator eNomad-R
2024	Smart vehicle tracking technology	Predator eNomad-R
2025	<ul style="list-style-type: none"> ● Optimize the integration of the three electric systems to enhance performance and range ● High-performance system architecture 	Predator Storm
2025	A dynamic password authentication mechanism based on device identification information	eScooter, ebike
2025	A sensing function for acceleration or deceleration of an electric scooter based on foot-applied weight	eScooter series
2025	Smart assist control system for electric-assist bicycles	eBike series
2025	Smart automatic parking kickstand	eBike series

(IV) Long-term and short-term business development plans

1. Short-term business development plan

Smart Device Business Division

In addition to consolidating the existing PC sales channels, the Company will also focus more on the development of innovative accessories other than computer peripherals to develop different sales areas. For example:

- Smart Prayers Beads launched for the Dajia Matsu Pilgrimage event.
- eRosary and ePay Cross designed specifically for Catholic users.
- Had cross-industry cooperation with NKUST for iPASS bracelets.
- Portable charging station equipped with smart power management technology.
- Optimized smart EVs suitable for the education market.
- With "AI-driven new experiences" as the core strategy, integrating smart home appliance products

For gaming products, our business development plan is as follows:

- Continue the research and development of new technologies and unique products so that gamers can associate the Company's innovative products with the gaming industry. For example, the Predator Thronos Full-featured Gaming Cockpit has been marketed in many countries and participated in many large-scale gaming or shopping mall events.
- Developed a full series of gaming tables and chairs concurrently and introduced brand-new vision and exclusive value-added designs to allow the full series of products to stand out. In combination with the relatively mature and comprehensive product lines of gaming keyboards, mice, and earphones, we cater to the market demand from different countries and customer groups.
- Actively participate in international awards such as Red Dot, Good Design, Computex, Taiwan Excellence Award, and CES Innovation Award to improve product visibility.
- Collaborate with schools with e-sports classrooms to train e-sports players. For example, Shu-De Home-Economics & Commercial High School in Kaohsiung uses our gaming laptops bundled with desktops in its e-sports classroom.

For sustainable green energy products, our business development plan is as follows:

- In response to the international trends, we entered the European market with relatively tight energy to allow individuals and households to easily store energy and conserve energy. Meanwhile, we provided EVs for the education market to allow schools to have effective equipment and charging management.
- The broad scene of sustainability includes the user scenario that one product has multiple functions. Acer Gadget carried out in-depth research on transmission efficiency and launched the multitasking ports equipped with USB4.0, the latest high-speed transmission protocol. Except for smart charging management, the built-in high-speed transmission chips allow users to feel the efficacy of high-speed multitasking.

Fashion Business Division

Product line optimization and market promotion: Focusing on bags, luggage, and smart wearables, launch medium-priced products that combine with environmental materials and smart functions to satisfy the requirements of consumers for sustainability and technology. Reinforce the exposure of our brand in the target market and improve the recognition and preference of our brand through digital marketing, social media, and cross-sector cooperation.

Patent deployment and technology R&D: Increase patent applications

and create competition barriers, particularly for the integration of smart functions, new materials, and content. Meanwhile, cooperate with suppliers and external laboratories to optimize product designs and production procedures.

Enhancing supply chain efficiency: In response to rapidly changing market demand and external uncertainties, this business unit will continue to strengthen supply chain management and cross-functional collaboration mechanisms, deepen technical exchanges with manufacturing partners and key component suppliers, and ensure supply stability and consistent quality. By optimizing product development processes, project management systems, and introducing standardized platform architectures and modular design strategies, the Company accelerates the overall timeline from design, prototyping, and testing to mass production and market launch, enhancing operational flexibility, market responsiveness, and resource utilization efficiency, and supporting the long-term operational goal of parallel development across multiple product lines.

Smart Mobility Business Division

Use the technology combined with the IoT and AI to monitor personal health conditions while riding a bicycle or scooter, provide an early warning of physical crisis, check real-time road conditions, and sense the air quality of the riding environment, truly realizing smart cycling. In addition, mobile vehicles integrated with a cloud system can record and upload the internal and external conditions of the ride, and confirm them through the mobile app. Finally, the system will perform big data calculations to analyze appropriate suggestions and provides related reference materials. This enables the smart mobility industry to get closer to the experiential needs of end customers.

Business development:

- Market eScooter in addition to Europe, will continue to expand distribution channels into the Americas and Asian markets.
- Develop B2B channels for eKinekt and bring in more corporate customers.
- Develop e-bikes other than the flagship model ebii to meet the needs of different customer groups, and open distribution and direct sales channels around the world.

2. Long-term business development plan

Smart Device Business Division

Move on in two directions in the long run: running self-owned brands and acting as an OEM for other brands. As a part of Acer, we are fully aware of the importance of branding. Only by owning its own brand can an enterprise ensure long-term management. We do not position our products only as computer peripherals. As a diversification strategy, our products are combined with life, humanities, environment, religion, technology, etc. to

expand the smart lifestyle field.

Our biggest advantage is that we are familiar with many industrial manufacturers and have full control of upstream and downstream supply chains. We can reliably track the source of materials, production and manufacturing, and logistics deployment, and help brand distributors with the planning of high-quality products with high cost performance.

In addition, the Company continues to develop core new business models by focusing on acquiring new customers and promoting cross-border e-commerce. In particular, performance on platforms such as Amazon and TEMU has been outstanding, and amid sustained strong market demand, continues to drive monthly sales growth, creating a new business landscape for Acer Gadget.

Fashion Business Division

Market expansion and brand upgrade: Work with internal and external partners to strengthen market deployment in various regions. The Company will progressively advance product lines positioned in the mid-range to upper mid-range segments with differentiated positioning, using design language, quality stability, and user experience as core competitive strengths, gradually enhancing brand image and market recognition, and building brand equity that can be extended over the long term.

Combination of intelligence and sustainability: Explore advanced smart technology applications (i.e., personalized health management and recommendation functions), include ESG concepts in all product lines, and increase the use of recycled materials and procedures with low carbon emissions.

Data-driven decision-making: Adopt AI to perform market analysis and consumer behavior research and realize more precise product designs and marketing strategies to continue to increase the momentum for business growth.

Acer Fashion will take innovation and sustainability as its core, steadily advancing both short-term execution and long-term strategic planning. While balancing operational flexibility and cost discipline, it will continue to expand market influence and competitiveness, creating resilient and sustainable long-term growth momentum for shareholders.

Smart Mobility Business Division

Create industrial modules, accumulate development experience to establish professional system modules, reduce learning time and errors during the establishment of new systems, create an expert system through AI technology, quickly launch products that can meet customer needs, and reduce development time and costs. Continue to deepen the integration of cybersecurity technology functions and build competitive strength against traditional smart mobility product brands.

II. Overview of the Market, Production and Sales

(I) Market analysis

1. Regions where main products (services) are marketed

Unit: NTD thousand; %

Marketing region \ Year	2024 (after restatement) (Note)		2025	
	Sales	Proportion (%)	Sales	Proportion (%)
Domestic sales	1,190,101	45.68	1,030,150	31.47
Export sales	1,415,382	54.32	2,243,062	68.53
Total	2,605,483	100.00	3,273,212	100.00

Note: Same as the preceding note.

2. Market share

Smart Device Business Division

Currently, sales channels for smart device products are divided into two main categories: retail channels and bundled sales with laptops. The main product items include mice, headsets, styluses, adapters, and other small peripheral accessories. According to market research data, global laptop shipments in 2025 are approximately 220 million units. The Company's total shipment volume of smart device products in 2025 was approximately 4,153K, equivalent to about 2% of global laptop shipments. In addition, based on Acer-branded laptop shipments (accounting for approximately 6% of the global market), the penetration rate of the Company's smart device products within the Acer ecosystem is estimated at approximately 25%–30%. Overall, the Company holds a certain market position in the branded laptop peripheral segment and continues to expand its sales scale through retail channels and cross-border e-commerce deployment.

Fashion Business Division

According to Technavio, the global luggage market is expected to increase by approximately US\$16.64 billion during 2024-2029, with a CAGR of about 8.5%, driven mainly by the recovery of travel and tourism activities, as well as product diversification and design innovation. The Company's market share in this category is approximately 1.85%.

Smart Mobility Business Division

Due to the scale and the resources invested, we focus on long-term collaboration with customers, and we mainly work with customers to achieve mutual benefits. In the short term, we will keep our focus on industrial applications and customer support, so we do not plan to estimate market share.

3. Future supply, demand, and growth of the market

Smart Device Business Division

In the face of the gradual saturation of the global PC market, the computer peripheral products market continues to demonstrate strong growth momentum. Acer Gadget not only continues to deepen its traditional computer peripheral product lines, but also focuses on the development of gaming-grade high-performance peripherals and AI-driven innovative accessories to capture structural growth opportunities in the market.

- Leading position in the esports peripheral market

The global esports industry continues to maintain strong growth momentum: The global esports market size is approximately US\$2.76 billion in 2025 and is projected to reach US\$7.1 billion by 2029, with a CAGR of 21.2%, far exceeding that of the traditional PC market. In addition, the gaming peripheral equipment market (including gaming monitors, keyboards, mice, and headsets) surpassed US\$20 billion in 2025 and is expected to reach US\$25 billion by 2030, demonstrating strong market vitality.

- Product strategy and market positioning

In gaming-grade peripheral products, the Company not only expands its high-performance product portfolio (including low-latency wireless peripherals and ergonomically designed devices), but also integrates AI technologies to develop intelligent peripherals, such as AI-enhanced gaming mice and adaptive sensitivity adjustment features, thereby strengthening product competitiveness.

At the same time, the Company deepens collaboration with global esports educational institutions, esports clubs, and tournament organizations. In addition to sponsoring campus esports classrooms and tournament events, it also builds a professional brand image and user trust within the esports community through endorsements by professional esports players and partnerships with live streaming platforms.

- Dual drivers of AI and sustainable development

In addition to the esports market, the Company is actively developing AI-enabled productivity peripherals and green energy sustainable product lines, including ergonomic keyboards that support AI applications and smart voice-controlled peripherals, to meet emerging application demands driven by the AI PC trend. At the same time, the Company continues to advance environmentally friendly manufacturing and recycling initiatives, strengthening its ESG value proposition to meet global green consumption trends.

Fashion Business Division

The global smart wearable device market continues to grow rapidly. According to Research Nester, the global smart wearable market is projected to reach US\$528.7 billion by 2036, with an estimated CAGR of approximately 19.7% during the forecast period. Over the next five years, the overall market is expected to grow at a CAGR of about 8%-12%, with North America, Europe, and the Asia-Pacific region as the main growth drivers. Among these, smart glasses and smart rings are the most promising emerging categories: global shipments of smart glasses in 2025 are estimated at 12 to 14.5 million units, with application scenarios expanding from entertainment to education and enterprise. The smart ring market size in 2024 is approximately US\$300-400 million, with a projected CAGR of over 20% before 2030, leveraging advantages such as lightweight design and long-term wearability to enter health management and daily life applications.

The luggage market continues to maintain steady growth. According to Technavio, the global luggage market is expected to increase by approximately US\$16.64 billion during 2024-2029, with a CAGR of about 8.5%. According to Grand View Research, the market size was approximately US\$38.8 billion in 2023 and is projected to reach US\$61.49 billion by 2030 (CAGR of about 7.1%), driven by the recovery of travel and tourism activities and the increasing consumer emphasis on quality and design.

Overall, although global macroeconomic and geopolitical uncertainties have led to a more cautious market sentiment, the focus of industry competition has shifted from price orientation to product differentiation, brand value, and user experience. Smart wearables represent high growth potential and long-term data service value, while luggage and bags provide a stable demand foundation. Together, these two product lines form a complementary "growth-oriented + defensive" portfolio, supporting mid- to long-term operations and value growth.

Smart Mobility Business Division

According to a report by Future Market Insights Inc., the electric-assist bicycle market is projected to grow from US\$39.6 billion in 2025 to US\$58.6 billion by 2035. According to a market research report by SkyQuest Technology Consulting, the annual output value of the electric-assist bicycle market is estimated to grow from US\$43.3 billion in 2025 to US\$85.6 billion by 2033. Regarding data from different market survey institutions, the forecast of positive high growth is maintained for the prospect of electric-assist bicycles.

In addition, according to the forecast of Mordor Intelligence, a market research institution, the market scale of e-Scooters in 2025 was USD 4.39 billion, and it will grow to USD 7.38 billion by 2030, with a CAGR of 10.93%. Driven by urban traffic congestion and last-mile transportation needs, personal commuting accounts for 68.71% of the electric scooter market share. The European market, supported by well-established regulations,

accounts for 37.88% of the overall electric scooter market share.

Smart mobility products can satisfy the requirements of consumers for exhibiting lifestyle, seeking personal health, implementing environmental concepts, and flexible commuting; therefore, based on the estimations of different market survey institutions, smart mobility products will exhibit a trend of high growth. Furthermore, the combination of sharing platforms and IoT is an opportunity for expanding smart mobility in the future.

4. Competitive niche

Smart Device Business Division

Leveraging the in-depth capabilities in the design of gaming peripherals, Acer Gadget successfully launched multiple popular products, including keyboards with special designs (i.e., Aethon700), mice, and earphones to create niche products of the high-performance gaming brand exclusively designed for players. In addition, the full series of multi-function docking stations of the Company became the top choice of consumers with its excellent price-performance ratio and extensive compatibility.

In recent years, Acer Gadget made active deployment in the “living technology” and “green energy and sustainability” fields and combined with AI technology to continue promoting product innovations. The “Wearable Payment Device” exhibited the outstanding capacity of the Company in hardware design and software integration, and the ESG & Eco-friendly series made with environmental elements further consolidated the Company’s leading position in sustainable development. These innovations not only attract the attention of consumers who value environmental protection but also significantly enhance the brand image.

In 2025, Acer Gadget will incorporate AI technology into multiple product lines, including:

- Smart home: Launch smart electronic door locks and real-time audio translation earphones to improve convenience in home and commercial application scenarios.
- AI translation: Launch real-time audio translation earphones for the requirements of business, travel, and immigrant worker markets to secure business opportunities in the AI translation market.
- Smart micro mobility: Adopt the core AI technology to upgrade the Acer ebii series, including ebii elite and other new products, and strengthen the acceleration performance and climbing capacity to satisfy riding requirements for different topographies.

In terms of green energy and sustainability, the Company extended the energy storage power bank series launched in 2023 and further extended them to home and business application scenarios in 2024. These products adopt high-performance LPF batteries and solar power charging technology,

which not only reduce carbon emissions but also provide stable and sustainable energy solutions for customers. Meanwhile, the Company extensively used environmental materials (i.e., PCR and OBP) in product designs to realize the low carbon and eco-friendly targets.

In the future, the Company will continue to invest a certain percentage of its revenue as R&D funding to support the innovative development of AI and green energy technology. Through patent applications, forward-looking market analysis and cross-section cooperation, Acer Gadget will launch new technologies and services that comply with the market demand in due course and constantly expand its business scale and market share.

Adopting “technology empowered smart life” as the mission, Acer Gadget continued to innovate in AI and green energy fields, realized corporate growth, and strived to promote global sustainable development to jointly welcome the new eco-friendly era with smart technologies. This version combined AI applications, green energy and sustainability planning in 2025, and market trends, fully exhibiting Acer Gadget’s innovative strategies and future directions.

Fashion Business Division

- (1) Deep understanding of the technology industry and the bag and luggage sector: as one of the current core product lines, bags and luggage are complemented by the integration of sensing technologies and data applications into smart rings, creating new momentum for key product development. Cross-industry knowledge and supply chain networks across these sectors contribute to advancing product development, marketing, and competitiveness in this field.
- (2) Multi-brand roadmap: Acer Group has Acer, Predator, Nitro, ConceptD, and other brands. We have Xplova, Pawbo and AFS selected and product brands created for the combination of technology and fashion. They all have their own target groups, and product design and development differ accordingly, which helps maintain product diversity.
- (3) Global customer deployment and service experience, with the ability to adjust product portfolios, pricing tiers, and sales models according to different market characteristics, and to establish stable relationships with local partners. This global deployment and localized execution capability enables this business unit to maintain operational flexibility in the face of external uncertainties and supports the advancement of mid- to long-term market expansion and brand upgrade strategies.

Smart Mobility Business Division

Acer Group has a footprint in more than 160 countries around the world. Marketing resources, channel relationships, and after-sales service network are the cornerstones for us to expand our smart mobility business. With years of experience in information technology and information security management, as well as in-depth technical capabilities and resources, we gain an advantage in the AI and big data application field.

With the resources invested by the Group in ESG and our expertise in vertical integration and innovative planning, early observation of the market through overseas branches, and experience in upstream and downstream supply chains and software development for trainers from E-TEN Information Systems, Acer Gadget can have comprehensive strategic planning and implementation for design, materials, manufacturing, and sale in constructing existing and future e-Mobility product lines.

5. Favorable and unfavorable factors for development prospects and countermeasures

Smart Device Business Division

(1) Favorable factors

- Industry growth (e.g., the gaming market and smart driving automotive market).
- Technology leadership (the capability to integrate software and hardware).
- Product diversification (products spanning gaming and non-gaming fields and covering ESG issues).
- OEM and branding.
- Establishment of domestic and overseas channels.

(2) Unfavorable factors and countermeasures

- Fierce competition in PC peripherals causes limited room for gross margin. The countermeasure is increasing the product portfolio with higher gross margin (i.e., docking stations, portable charging stations, and EVs for the education market).
- The risk of shortage of materials has led to material mismatch, causing financial pressure, and prolonged production time will affect the tender process and the normal distribution process. The countermeasure is reviewing product design and avoiding launching products for which there are no alternative materials.
- Our countermeasures against rising freight costs or longer transit time include creating an appropriate inventory mechanism and using land transportation (e.g. trains between Europe and Asia).
- Our countermeasures against the lack of cross-disciplinary R&D capacities that affect product competitiveness include continuously engaging in cross-department collaboration, expanding the deployment with partners, and increasing investment in R&D and design to ensure innovation momentum.

Fashion Business Division

(1) Favorable factors

- The cross-sector knowledge and supply chain network for technology and bag and luggage industries are beneficial for focusing on product development, marketing, and the increase in competitiveness in such fields.
- Many of our existing IT channels have not started to market emotion products or are familiarizing themselves with this business. Therefore, there is a lot of room for growth. As channel partners gradually deepen their understanding of this business unit's product lines and brand positioning, it helps increase the penetration of travel products such as bags and luggage within existing channels.
- A multi-brand product roadmap helps maintain product diversity and enables the planning of design directions and channel strategies based on the characteristics of different brands, thereby diversifying market risks and enhancing the resilience of the overall product portfolio.
- Global customer deployment and service experience enable the Company to quickly capture market dynamics, flexibly adjust product portfolios and launch schedules based on market demand, and facilitate the promotion of new product lines and mid- to long-term market expansion.

(2) Unfavorable factors

- Inflation prolongs the purchase cycle of consumer products or reduces the amount consumers are willing to pay for consumer products. The countermeasures include maintaining a balance between products of different price ranges while ensuring a certain level of quality, and investing resources in aspects that consumers value to improve product attractiveness and, in the medium term, expand the circular economy operation plan.
- Our countermeasures against rising freight costs or longer transit time include coordinating with distributors in countries to appropriately accumulate inventory in order to reduce possible losses that may be caused by rush orders, and continuing to develop local production lines to reduce the proportion of freight costs in total costs.
- Our countermeasure against the improper management of restricted substances (RSL) in the upstream supply chain is working with internal and external quality supervision and testing bodies to implement internal quality control procedures and standards and ensure the safety of supplied materials.
- The lack of R&D and design capacities cannot support the product competitiveness required for business growth. The countermeasure is continuously investing in R&D and design to ensure innovation momentum within the Company.

Smart Mobility Business Division

(1) Favorable factors

- We have accumulated information technology capabilities over the years, which is an great advantage for the development of new applications in the field of AI and big data.
- Acer Group has a footprint in more than 160 countries around the world. Marketing resources, channel relationships, and after-sales service network are the cornerstones for us to expand our smart mobility business.
- The advancement of the sharing economy has driven widespread adoption, with major international cities (such as London and Paris) already conducting extensive trials or operations.

(2) Unfavorable factors

- The COVID-19 pandemic caused severe imbalances in the bicycle industry supply chain, shifting from material shortages at the onset of the pandemic to overall high inventory levels in 2023, and the industry is still digesting the excess inventory generated during the pandemic to this day.
- Geopolitical tensions and wars have impacted the global economy, while the United States' tariff actions toward the global market have added further uncertainty. Uncertain economic prospects have affected consumers' disposable income and confidence, and consumption downgrading has led to stagnation in the growth of non-essential markets such as electric scooters, thereby intensifying market competition.

(II) Important uses and production processes of main products

Smart Device Business Division

- Main uses of key products: Primarily focused on computer peripheral products, mainly applied in personal and home entertainment (including gaming and audio-visual use), business applications for remote and hybrid work, as well as enhancing efficiency for learning and daily life and for leisure use.
- Main product manufacturing process: The products of this business unit are primarily manufactured through outsourced OEM/ODM arrangements. The Company focuses on product definition and industrial design, R&D verification, supplier management, quality control, and shipment inspection. The actual manufacturing processes are carried out by partner manufacturers in accordance with their respective production processes and management systems; therefore, the Company does not separately elaborate on its own manufacturing processes.

Fashion Business Division

- Important uses of main products: Bags, luggage, wearable accessories.
- Production process of main products: Not applicable as our main products are mainly processed by external vendors.

Smart Mobility Business Division

- Important uses of main products: Personal smart mobile products.
- Production process of main products: Not applicable as our main products are mainly processed by external vendors.

(III) Supply of main raw materials

Business unit	Main materials	Supply status
Smart Device Business Division	Electronic materials, mechanical materials, and packaging materials	Through the procedure involving inquiry, comparison, and bargaining, a number of strategic partners are carefully selected for the effective allocation, scheduling and control of major parts
Fashion Business Division	Plastic products (i.e., PET/PP/ABS/PC), metal materials (i.e., titanium alloy), chips and sensor components (i.e., MEMS).	The Company works with multiple suppliers for a multi-regional production plan. We source these materials mainly from Taiwan, Southeast Asia, America, and Italy. At this stage, we are also strategically avoiding the use of raw materials with unique specifications to reduce the risk of supply disruptions caused by a single source.
Smart Mobility Business Division	Electronic materials and mechanical materials	We implement a multi-partner strategy, carefully select partners for mechanism materials, and ensure the supply of key electronic components

(IV) Names of suppliers (customers) accounting for more than 10% of the total purchase (sales) in any of the most recent two years, the amount and proportion of the purchase (sales) therefrom (thereto), and an explanation of the reasons for any increase/decrease.

1. Names of suppliers accounting for more than 10% of the total purchase in any of the most recent two years, and the amount and proportion of the purchase therefrom

Unit: NTD thousand

Year items	2024 (after restatement) (Note)				2025			
	Name	Amount	As a percentage of net purchase of the year (%)	Relationship with the issuer	Name	Amount	As a percentage of net purchase of the year (%)	Relationship with the issuer
1	Vendor A	162,438	7.27	-	Vendor A	418,730	14.97	-
2	Vendor B	144,507	6.47	-	Vendor B	281,875	10.08	-
	Net purchase	1,927,342	86.26		Net purchase	2,096,596	74.95	
		2,234,287	100.00			2,797,201	100.00	

Note: Same as the preceding note.

Explanation of increases and decreases: the net purchases from Supplier A in 2025 increased compared to 2024, mainly due to growth in e-commerce channel sales, which expanded operational scale and led to higher procurement demand; additionally, the net purchases from Supplier B in 2025 increased compared to 2024, primarily due to increased order demand, resulting in higher purchase volumes.

- Names of customers accounting for more than 10% of the total sales in any of the most recent two years, and the amount and proportion of the sales thereto

Unit: NTD thousand

Year items	2024 (after restatement) (Note)				2025			
	Name	Amount	As a percentage of net sales of the year (%)	Relationship with the issuer	Name	Amount	As a percentage of net sales of the year (%)	Relationship with the issuer
1	ACER	1,056,092	40.53	Parent company	ACER	906,891	27.71	Parent company
2	Acer (Chongqing) Ltd.	127,828	4.91	Affiliate	Acer (Chongqing) Ltd.	29,794	0.91	Affiliate
	Others	1,421,563	54.56		Others	2,336,529	71.38	
	Net sales	2,605,483	100.00		Net sales	3,273,214	100.00	

Note: Same as the preceding note.

Explanation of the increase or decrease: The Company has actively developed business and found new customers in 2025 so as to reduce the proportion of sales to the parent company and affiliates year by year.

III. Number of employees in the most recent two years and up to the publication date

Unit: Person

Year		2024	2025	March 24, 2026
Number of employees (persons)	Manager	4	3	3
	Regular employees	54	51	49
	R&D personnel	4	4	4
	Total	62	58	56
Average age (years)		44.3	44.3	45
Average years of service (years)		11.1	11.3	11.2
Education distribution (%)	Doctor's degree	0%	0%	0%
	Master's degree	32%	31%	32%
	Junior college	65%	66%	65%
	Below high school	3%	3%	3%

IV. Information on Environmental Protection Expenditure

- (I) According to laws and regulations, if it is necessary to apply for a pollution facility installation permit or a pollution discharge permit, if a pollution prevention fee shall be paid, or if a dedicated environmental protection unit with personnel shall be established, the application, payment, and establishment shall be described: None.
- (II) Investment in main environmental pollution prevention and control facilities, their intended use, and possible benefits: None.
- (III) The process of mitigating environmental pollution in the most recent two years and up to the publication date of this annual report; if there is a pollution dispute, the process of handling it shall be described: None.
- (IV) Losses incurred by the Company due to environmental pollution in the most recent two years and up to the publication date of this annual report (including compensation and violations of environmental laws and regulations in environmental audits. The date of penalty imposition, document number, violated provisions, the content of the provisions, and penalty details shall be specified). The estimated amount of possible current and future penalties, and countermeasures shall be disclosed. If the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be described: None.
- (V) The impact of the current pollution and its mitigation on the Company's earnings, competitive position, and capital expenditures, and the estimated major capital expenditures on environmental protection in the next two years: None.

V. Labor-Management Relations

- (I) Employee welfare measures, continuing education, training, retirement systems and their implementation, labor-management agreements, and measures to protect the rights and interests of employees
 1. Employee welfare measures and their implementation
 - (1) Remuneration policy and reward system: The Company participates in market remuneration surveys every year and adjusts salaries with reference to the general salary level in the market, economic trends, and other indicators to maintain overall salary competitiveness. In 2025, the Company granted three festival bonuses to both managerial

- and non-managerial employees in Taiwan, adjusted their salary and gave performance bonuses and employee rewards based on the Company's operations and individual performance. We also offered attractive remuneration, salary adjustment, and promotion packages, motivating all employees to work together for the Company's goals.
- (2) Attendance management more favorable than the regulations: In terms of the leave system, the Company provides a leave system that is more favorable than the Labor Standards Act to employees.
- New recruits who pass the test are entitled to seven days of special leave.
 - Employees can advance their special leaves in the following year
 - After finishing using the special leave for the year, employees are otherwise entitled to 4 days of Lohas leave.
 - Employees are entitled to 15 days of fully paid sick leave.
 - Two days of paid volunteer leave are granted.
 - Flexible and self-managed working hours.
- (3) Family care and support: The Company has established the Employee Welfare Committee to plan for and provide quality welfare to employees.
- Three-festival bonuses, birthday bonuses, holiday gifts and bonuses, and flexible welfare points that can be used for employee shopping or travel subsidies
 - Subsidies for marriage, funerals, and celebrations; provide subsidies for marriage, giving birth, and funerals.
 - For the insurance guarantee of all family members, the Company provides group insurance to employees for free and family members at a discounted price.
 - Scholarship for children's education
 - Employee parenting assistance and work location adjustment plan: One month before the expected day of delivery, female employees may apply for working from home. Employees with children less than three years old may apply for working from home for up to two days each week.
- (4) Healthy and safe working environment: To improve the physical and mental health and safety of employees, we organized many activities and spaces for employees to participate in and use.
- We provide the employee health inspection plan each year that offers inspections of multiple aspects.
 - Employee assistance program (EAPs) provides consultation services to employees in terms of work, life, health, emotion, family, law, and finance issues.
 - We organized various sports competitions, family days, art and cultural lectures, club activities, and health improvement plans to enrich employees; leisure life and improve relationships.
 - The Company has an employee leisure center, gym, and nursery rooms available for employees.

- There are access monitoring and management systems set at the entrance/exit of the office building and aisles.
 - We implemented fire safety equipment inspection/repair filing and drills according to laws and regulations.
2. Continuing education and training for employees and their implementation
- (1) Professional courses: With physical training courses in accordance with the practice taught by supervisors and online learning, we improve employees' professional knowledge and working skills that they shall possess in different career stages.
 - (2) Management training: We are committed to improving the management capacity and sensitivity of supervisors, assisting supervisors in understanding how to select suitable talents, reinforcing work guidance and performance management skills, and utilizing incentive tools to improve team performance.
 - (3) General knowledge training: Plan for training courses on skills required by employees for work (i.e., briefing skills, negotiation skills, guidelines for project management, and other courses.)
3. Retirement system and its implementation

To allow employees to have protection for their life after retirement, the Company appropriates 6% of the wages of employees who choose the pension system under the Labor Pension Act to the individual pension account of laborers each month according to the requirements of the Act starting from July 1, 2005. For those who voluntarily appropriate pensions, the Company makes appropriations from the monthly salaries of employees at the voluntary appropriation rate to the individual pension account with the Bureau of Labor Insurance.

- (1) Retirement requirements
 - Early retirement
Employees with the following circumstances may apply for an early retirement:
 - Those who worked for the Company for over 15 consecutive years and aged over 50.
 - However, the Company may disapprove of business requirements and considerations.
 - Voluntary retirement
Employees with any of the following circumstances may have a voluntary retirement:
 - Those who worked for the Company for over 15 consecutive years and aged over 55.
 - Those who worked for the Company for over 10 consecutive years and aged over 60.
 - Compulsory retirement
Unless any of the following circumstances occur to laborers, the employer may not carry out the compulsory retirement:
 - Those who are over 65 years old (for those who work in dangerous, labor-intensive, or other special positions, a

- report may be made to the central competent authority for adjustments; however, the age shall be no less than 55)
- Those with physical or mental disabilities who are incapable of working
- (2) Pension payment
- If an employee is over 60 years old, and the seniority under the new labor pension system is less than 15 years, he/she shall claim a one-off pension. Those with seniority under the new labor pension system over 15 years may select to claim the monthly or one-off pension.
 - Employees lose their working capability and are less than 60 years old, they may claim the pension if any of the following circumstances occur; those who have a seniority of less than 15 years under the new labor pension system shall claim the one-off pension; those who have a seniority over 15 years under the new labor pension system may select to claim monthly or one-off pension.
 - Those who received the disability pension payment or the one-off disability pension payment for disabilities of levels 1, 2, and 3 under the labor insurance.
 - Those who received the disability pension payments or disability basic guaranteed pension payments stated in the National Pension Act.
 - Not the insured under the labor insurance or national pension insurance but comply fulfill the level to claim the abovementioned disability or disability pension payments above,

4. Labor-management agreements and measures to protect the rights and interests of employees

All systems of the Company are reasonable and legal. Employee attendance and absence, the calculation of overtime pay, leave of absence, and retirement are handled in accordance with the Labor Standards Act. Year-end bonuses are paid based on business performance and work performance evaluation results. To ensure harmonious labor-management relations, enhance mutual understanding, and promote labor-management collaboration, regular labor-management meetings are held in accordance with the "Regulations for Implementing Labor-Management Meeting" to exchange opinions in the hope of achieving a win-win situation for labor-management relations under a reasonable and institutionalized personnel and welfare system.

(II) Losses incurred by the Company due to labor disputes in the most recent two years and up to the publication date of this annual report (including violations of the Labor Standards Act in labor inspections. The date of penalty imposition, document number, violated provisions, the content of the provisions, and penalty details shall be specified). The estimated amount of possible current and future penalties, and countermeasures shall be disclosed. If the amount cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be described: No such situation.

VI. Cybersecurity Management

- (I) Cybersecurity risk management framework, cybersecurity policy, specific management plan, and resources invested in cybersecurity management

To implement cybersecurity risk management, the Company has established secure and reliable information systems to ensure the security of data, systems, equipment, and networks, enhance employees' awareness of information security, safeguard rights and interests, and comply with relevant information security regulations. The Company has formulated related policies such as "Information Security Inspections" within its internal control system. In addition, to strengthen its information security management mechanism, the Company has, in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," established a dedicated information security unit in the current year, with one information security supervisor and one information security specialist responsible for promoting, coordinating, supervising, and reviewing cybersecurity management matters, regularly reviewing information security policies, and planning to report the implementation status at the first Board of Directors meeting following the end of the year.

1. Management system

- (1) Our internal control system has a "cybersecurity review" in place, and its effectiveness is regularly reviewed.
- (2) The Company leases office space from a related party, Acer, and enjoys services for network cabling, operation, and maintenance provided thereby. In addition, the Operational Support Division currently has 4 IT management personnel, and the Company's Chief Information Security Officer, together with the lessor Acer, conducts annual information security inspections.
- (3) We strengthen the awareness of information security among employees, regularly communicate the importance of information security, and strictly manage the use, security, and maintenance of data.
- (4) The Company has established a "data backup mechanism" and a "disaster recovery plan" to enable smooth business recovery as quickly as possible and reduce possible losses and risks in the event of information system damage, thereby ensuring the normal operation of the information system and data preservation and reducing the risk of system interruption caused by unexpected natural disasters and human negligence.
- (5) To ensure information system security, data access shall be subject to appropriate authorization, and the authorization shall be checked regularly to prevent the risk of leakage of confidential information.

2. Operating and implementation status

- (1) Regularly back up different information systems, perform remote backups, and regularly carry out information system recovery exercises and tests each year to ensure the normal operation of the information and the security of data so as to minimize the risks of system interruption due to unpredictable natural disasters and human-made errors.
(Database system recovery drill completed on May 2, 2025)

- (2) Implemented various information security technical control measures, including network firewalls, antivirus systems, and anti-spam systems, and conducts monthly reviews of firewall policy settings to ensure that all allow/deny rules are accurate and effective.
- (3) Enhanced information data protection insurance (CYBER EDGE) to mitigate potential risk losses, and adjusted database network segmentation to prevent unauthorized hosts from accessing system resources.
- (4) Regular social engineering drills are conducted to raise employees' awareness of the latest phishing email tactics and prevent inadvertent incidents. Phishing email simulations are carried out twice a year, in the first and second halves, and a red team exercise was completed in April 2025, with vulnerabilities remediated based on the results of the exercise.
- (5) Strengthened password complexity and security settings across systems to reduce the risk of hacking, and implemented control measures in accordance with headquarters' requirements, including Single Sign-On (SSO), two-factor authentication (2FA), and restrictions on specific inbound IP addresses.
- (6) Regularly reviews and organizes user accounts across information systems, deactivating unused or unnecessary accounts to prevent unauthorized access; conducts monthly reviews of data center VPN user accounts and performs periodic reviews of ERP system account permissions.
- (7) During the current year, all employee devices were fully upgraded to company-issued equipment to enhance overall information security protection capabilities. Non-company-issued devices are prohibited from connecting to the Company's internal network or VPN, and all newly purchased office equipment must undergo security configuration by IT before being put into use.
- (8) Regular information security awareness activities are conducted to enhance employees' information security awareness and reduce the risk of security incidents, including email security education, social engineering prevention awareness, and guidance on software usage policies.
- (9) Implemented a firewall intrusion prevention system (Firewall IPS) and an intrusion detection system (IDP) to strengthen network monitoring and protection capabilities, thereby enhancing overall network security.
- (10) Upgraded the website connection mechanism from HTTP to HTTPS and implemented HTTP Strict Transport Security (HSTS) to ensure secure data transmission and enforce encrypted connections.
- (11) Implemented a Network Access Control (NAC) system to strengthen device access control capabilities, and utilizes tools provided by Acer, including UEM, CrowdStrike, and Forescout, to manage device compliance and security.
- (12) Regular software asset inventories are conducted to ensure proper licensing and version control, with at least one inventory performed annually. Any software without valid proof of authorization must be forcibly removed to maintain compliance in software usage.
- (13) Through regular participation in internal and external information

security training and awareness programs, the Company continuously enhances the information security team’s understanding of risk patterns and updates relevant preventive measures and regulatory compliance information.

- (II) Losses incurred as a result of a material cybersecurity incident in the most recent two years and up to the publication date of this annual report,, the possible impact, and countermeasures. If the impact cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be described: None.

VII. Important Contracts

Contract nature	Contracting party	Contract start/end date	Main contents	Restrictive clause
Procurement contract	Domestic and foreign companies	2026	Product procurement	Transfer is prohibited
Sales contract	Domestic and foreign distributors	2026	Product sales	Confidentiality terms
Trademark licensing contract	Acer Incorporated	January 1, 2026 to December 31, 2026	Trademark licensing	Do not use trademarks on particular products, and the transfer and licensing of trademarks are prohibited.

Five. Review and Analysis Financial Position and Financial Performance, and Risks

I. Financial position

(I) Financial position - IFRS (consolidated financial statements):

Unit: NTD thousand; %

Item	Year	2025	2024 (after restatement) (Note)	Difference	
				Amount	%
Current assets		1,488,076	1,605,671	-117,595	-7.32
Property, plant and equipment		23,982	18,066	5,916	32.75
Intangible assets		896	1,369	-473	-34.55
Other assets		187,433	257,090	-69,657	-27.09
Total assets		1,700,387	1,882,196	-181,809	-9.66
Current liabilities		488,430	608,661	-120,231	-19.75
Non-current liabilities		26,470	15,948	10,522	65.98
Total liabilities		514,900	624,609	-109,709	-17.56
Source of		618,600	618,600	0	0.00
Capital surplus		422,373	422,373	0	0.00
Retained earnings		254,064	241,800	12,264	5.07
Other equity		-109,550	-40,219	-69,331	172.38
Total equity		1,185,487	1,257,587	-72,100	-5.73
Analysis of material changes: (with a difference of NTD 10,000 thousand or more , or 20% or higher)					
1. Decrease in other assets: Mainly due to unrealized losses arising from the remeasurement of financial assets measured at fair value through other comprehensive income.					
2. Increase in non-current liabilities: Increase in deferred income tax liabilities					
3. Increase in other equity: Mainly due to unrealized losses arising from the remeasurement of financial assets measured at fair value through other comprehensive income.					
Note: Same as the preceding note.					

- (II) Future response plans for material changes: The above changes are all related to normal operating activities and have no significant adverse impact on the Company. Furthermore, there is no significant abnormality in the overall performance of the Company, so there should be no need to formulate a response plan.

II. Financial Performance

(I) Financial performance - IFRS (consolidated financial statements):

Unit: NTD thousand; %

Item	Year	2025	2024 (after restatement) (Note)	Difference	
				Amount	%
Net sales revenue		3,273,212	2,605,483	667,729	25.63
Operating cost		2,855,302	2,261,066	594,236	26.28
Gross operating profit		417,910	344,417	73,493	21.34
Operating expenses		290,542	230,268	60,274	26.18
Net operating profit		127,368	114,149	13,219	11.58
Non-operating revenue and expenses		23,133	38,548	-15,415	-39.99
Profit before tax		150,501	152,697	-2,196	-1.44
Income tax benefits (expenses)		-34,286	-35,931	1,645	-4.58
Current net profit		116,215	116,766	-551	-0.47
Other comprehensive income for the period (after tax)		-68,160	-45,002	-23,158	-51.46
Total comprehensive income for the period		48,055	71,764	-23,709	-33.04
Current net profit attributable to owners of the parent company		117,426	116,029	1,397	1.20
Total comprehensive income attributable to owners of the parent company		48,095	71,027	-22,932	-32.29

Analysis of material changes: (with a difference of NTD 10,000 thousand or more, or 20% or higher)

1. Increase in net sales revenue, cost of goods sold, and gross profit: Primarily driven by the expansion of new smart lifestyle products (such as AI translation earbuds, smart rings, and smart locks) and successful market promotion (such as cross-border e-commerce), demonstrating strong revenue growth and stable growth momentum.
2. Increase in operating expenses: Mainly due to revenue growth driving related operating expenditures, as well as increased R&D expenses in line with new product development plans for 2026.
3. Decrease in non-operating income and expenses: Mainly due to foreign exchange losses incurred in the current year, representing a significant difference compared to foreign exchange gains recognized in the prior year.
4. Increase in other comprehensive income for the period (after tax), total comprehensive income for the period, and total comprehensive income attributable to owners of the parent company: Mainly due to unrealized losses on valuation of investment in equity instruments measured at fair value through other comprehensive income.

Note: Same as the preceding note.

- (II) Expected sales volume and its basis, any possible impact on the Company's future finance and business, and response plans: The Company did not issue financial forecasts, so the expected sales volume and its basis are not applicable. We can set an annual shipment target only based on the industrial environment and future market supply and demand conditions and by reference to information related to business development, estimated customer demand, and recent operations. We project continuous growth in our future sales.

III. Cash flow

(I) Analysis of cash flow changes in the most recent year

Unit: NTD thousand; %

Annual accounting item	2025	2024 (after restatement) (Note)	Increase (decrease)	
			Amount	Percentage (%)
Cash inflow (outflow) from operating activities	120,978	335,750	-214,772	-63.97
Cash inflow (outflow) from investing activities	4,958	-25,622	30,580	-119.35
Cash inflow (outflow) from financing activities	-119,757	-107,452	-12,305	11.45
Analysis of material changes: (with a difference of NTD 10,000 thousand or more , or 20% or higher)				
1. Decrease in net cash inflows from operating activities: Mainly due to an increase in prepayments and a decrease in accounts payable compared to the prior year, as well as an increase in income tax payments, resulting in lower net cash inflows from operating activities than in the previous year.				
2. Net cash inflows from investing activities: Mainly due to the recovery of principal from time deposits with a maturity of more than three months recognized under other financial assets.				
Note: Same as the preceding note.				

(II) Improvement plan for lack of liquidity: The Company has no lack of liquidity.

(III) Cash liquidity analysis for the coming year (2026)

Unit: NTD thousand

Opening cash balance (1)	Estimated annual net cash inflow (outflow) from operating activities (2)	Estimated annual net cash inflow (outflow) from investing and financing activities (3)	Estimated cash surplus (deficit) (1)+(2)+(3)	Remedies for expected cash shortage	
				Investment plan	Wealth management plan
1,114,824	112,933	-392,722	835,035	-	-
1. Analysis of cash flow changes					
(1) Operating activities: Net variable cash inflow, mainly due to the expected continuous growth of the operation scale.					
(2) Investing activities: Cash outflow, mainly due to the receipt of cash dividends and the receipt of payments for property, plant and equipment					
(3) Financing activities: Mainly due to the distribution of cash dividends.					
2. Remedies for expected cash shortage: Not applicable					

IV. Impact of material capital expenditures in the most recent year on finance and business :

The Company had no material capital expenditures in the most recent year, so there was no significant adverse impact on the Company's finance and business.

V. The investment policy in the most recent year, the main reason for gain or loss, any improvement plan, and the investment plan for the coming year

(I) Investment policy

The Company invests to meet operational needs. The companies we invested in include GadgeTek (Shanghai) Limited, Acer Fashion Inc., and ACER GADGET AMERICA INC. In the future, the Company will expand the scale of operations or establish subsidiaries at home and abroad, if needed.

The Company currently has the "Procedures for the Acquisition or Disposal of

Assets" and the "Regulations Governing the Management of Subsidiaries" in place, and has implemented various management mechanisms to maximize the management performance of each invested business.

(II) The main reason for investment gain or loss and improvement plan

Unit: NTD thousand

Name of investee	Initial investment amount	Investment gains (losses) recognized in 2025	Main business activities	Main reason for gain or loss	Improvement plan
Acer Fashion Inc.	42,882	18,915	Sales of luggage, bags, smart wearable devices, and related accessory products	Good operating performance	None
GadgeTek (Shanghai) Limited	15,708	19,139	Sale of computer peripherals	Good operating performance	None
Acer Gadget America Inc.	15,786	3,024	Sale of computer peripherals	Good operating performance	None

(III) Investment plan for the coming year

The Company's short-term goal is to develop retail channels and focus on customer relationship management. We also hope to create a sales process and an overseas warehousing inventory management system. Our medium- and long-term development strategy is to improve the team's local business development capabilities, and look for new channel distributors for collaboration and merger in order to transform the Company into a local professional import service provider. After that, we will expand the the scope of after-sales service based on the import trading business. In the future, we may set up subsidiaries at home and abroad or form a strategic alliance or integration to expand operations after assessment, and will continue to prudently assess investment plans based on market conditions and actual needs.

VI. Analysis and assessment of risks in the most recent year and up to the publication date of this annual report

(I) The impact of changes in interest rates, exchange rates and inflation on the Company's profit/loss, and future countermeasures

1. The impact of interest rate changes on the Company's profit/loss and future countermeasures

The Company is operated mainly using the funds thereof, with a low bank loan drawdown rate. Therefore, changes in interest rates have no impact on the profit/loss of the Company and the subsidiaries thereof.

2. The impact of exchange rate changes on the Company's profit/loss and future countermeasures

The Company is primarily engaged in the design, sales, and leasing of computer hardware and software application systems, as well as the sales of innovative computer peripheral products and smart lifestyle products. Export sales are settled in US dollars, and a portion of inventory is procured from overseas suppliers, with foreign currency payments mainly made in US\$. For 2024 (after reinstatement) and 2025, foreign exchange gains and losses

amounted to a gain of NTD 12,044 thousand and a loss of NTD 1,738 thousand, respectively, representing 0.46% and -0.05% of operating revenue. In order to effectively respond to the business risks generated by exchange rate fluctuations, we maintain close contact with the foreign exchange departments of our banks to get foreign exchange market information in real time, which is used as important reference information for the management of foreign exchange positions and for providing quotations to customers and purchasing raw materials. Also, hedging instruments are used appropriately based on exchange rate fluctuations to reduce the risk caused by exchange rate changes.

3. The impact of inflation on the Company's profit/loss and future countermeasures

In 2025 and up to the publication date of this annual report, there has been no significant impact on the Company's profit/loss due to inflation. The Company will continue to monitor the price fluctuations of upstream raw materials, maintain good relationships with suppliers and customers, and flexibly adjust production and sales strategies to reduce the impact of inflation on the profit/loss of the Company and the subsidiaries thereof.

(II) Policies on engaging in high-risk and high-leverage investments, loaning of funds to others, endorsements and guarantees, and derivative transactions, the main reasons for gain or loss, and future countermeasures

We have always focused on the development of our own business while upholding the principle of pragmatism for business management. Our financial policy has also been prudent and conservative, and we have not engaged in high-risk, high-leverage investments. The Company follows the "Operating Procedures for the Loaning of Funds to Others," "Operating Procedures for Endorsements and Guarantees," and "Procedures for the Acquisition or Disposal of Assets" when engaging in the loading of funds to others, the making of endorsements/guarantees, and financial derivative transactions. In the most recent year and up to the publication date of the annual report, the Company has not engaged in high-risk or highly leveraged investments.

(III) Future R&D plans and expected R&D expenses

1. Smart Device Business Division

The future development direction of this business division will focus on innovative accessories (i.e., ESG & Eco-friendly series, green energy) and sustainability products (i.e., energy storage power bank series and the accessories), and AI-driven product lines and it is committed to satisfying the requirements of people for devices due to returning to offices and under the mixed working model in the post-pandemic era. "Lifestyle" and "improve production capacity" are adopted as the theme. The business division will launch products with integrated functions in combination with innovative designs and technology applications to realize smart life.

In response to market trends and national policies, the Smart Device Business Division planned to invest a certain percentage of revenue as R&D expenses and adjust the investment percentage based on the operating status of the Company. The R&D focuses in the future include the in-depth

application of AI technology, for example:

- AI smart home: Develop peripherals in combination with the AI learning function (i.e., smart translation earphones and smart light control equipment) to improve the convenience of home and office environments.
- AI translation and multi-language support: Launch real-time audio translation earphones and relevant accessories for the requirements in the commercial, travel, and education markets.

In addition, this business division will continue to promote the ESG blueprints and incorporate the concept of sustainability into product designs. For example, adopt PCR and OBP to manufacture eco-friendly products and combine them with AI to optimize resource consumption efficiency. These products not only comply with the global net zero and carbon reduction targets but also further exhibit the leading position of Acer Gadget in the green energy technology field.

Through patent applications, forward-looking market analysis and cross-section cooperation, we will continue to launch new technologies and services that comply with the requirements of customers and end users. Meanwhile, the Company will accelerate the deployment of AI-related terminal application business opportunities. It is expected that the ratio of AI-related businesses will significantly increase and become an important engine for operating growth.

The Smart Device Business Division of Acer Gadget will constantly expand its business scale and market share through innovative designs, technology integration capacity, and stable market deployment so as to realize the brand mission of “technology-empowered smart life.” This version combines the application of AI products, ESG concepts, and market trends, fully exhibiting the future development directions and strategic planning of the business division.

2. Fashion Business Division

To enhance the competitiveness of computer bags, luggage, and smart wearable products, the Company will increase and progressively adjust its investment in product design, new material development and adoption, new technology applications, and content integration.

3. Smart Mobility Business Division

Continue to introduce various AIoT functions to smart mobility product lines to solve the pain points of users, satisfy users’ requirements, and serve as the differentiated functions with the traditional mobility carrier industry.

(IV) The impact of important domestic and foreign policies and legal changes on the Company's finance and business, and countermeasures

The Company's daily operations are carried out in accordance with relevant domestic and foreign laws and regulations. We also constantly pay attention to important domestic

and foreign policy development trends and regulatory changes, and collect relevant information for the management's reference, in order to respond to changes in the market environment and adopt appropriate responsive strategies. In the most recent year and up to the publication date of this annual report, there has been no material or adverse impact on the finance and business of the Company and the subsidiaries thereof due to changes in domestic and foreign laws.

- (V) The impact of changes in technology (including cybersecurity risks) and industry changes on the Company's finance and business, and countermeasures

The Company has always paid close attention to the changes in the industry and technology, kept an eye on the industry's pulse and market information, collected relevant information on industry-related technology and trend changes at any time, and provided the information to the management as a reference for decision-making, so that it can quickly adjust the Company's operating strategy and formulate countermeasures. Technology and industry changes do not cause immediate and significant impacts on the Company's finance and business.

To strengthen the Company's information security management mechanism, the Company has, in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," established a dedicated information security unit in the current year, with one information security supervisor and one information security specialist responsible for promoting, coordinating, supervising, and reviewing cybersecurity-related management matters, and regularly reviewing and enhancing information security policies.

The Company has an independent computer room and leases an external IDC computer room for the management of important servers for operation. The Operational Support Division currently has 4 IT management personnel responsible for system maintenance and management and the maintenance and operation of networks, software, and hardware. In addition, at this stage, the Company leases office space from a related party, Acer, and enjoys services for network cabling, operation, and maintenance provided thereby. In summary, the Company has established a basic network and computer security protection system to control or maintain important functions such as R&D, operations, and finance and accounting. The information control cycle is regularly reviewed and evaluated to ensure its appropriateness and effectiveness, thereby enhancing cybersecurity and adaptability.

In the most recent year and up to the publication date of this annual report, there have been no changes in technology (including cybersecurity risks) or changes in the industry that caused significant impacts on the Company's business.

- (VI) The impact of changes in corporate image on corporate crisis management and countermeasures

Since inception, the Company has been adhering to the core corporate values of integrity and fairness, reliability, innovation and development, and customer trust. We are committed to maintaining our corporate image and risk control, expanding business proactively, and complying with laws and regulations. Internally, we actively strengthen management and improve performance; externally, we maintain a good corporate image and enhance the quality of products and services. Up to the publication date of this annual report, there has been no change in our corporate image that would result in a crisis needing to be managed.

- (VII) Expected benefits and possible risks of mergers and acquisitions, and countermeasures

In the most recent year and up to the publication date of this annual report, the

Company has had no merger or acquisition activities. However, if there is any plan of mergers and acquisitions in the future, it will be executed in accordance with relevant laws and regulations and the relevant management regulations established by the Company to secure the interests of the Company and shareholders' rights.

(VIII) Expected benefits and possible risks of plant expansion, and countermeasures

In the most recent year and up to the publication date of this annual report, the Company has had no plan for plant expansion.

(IX) Risks associated with purchase or sales concentration, and countermeasures

The Company provides a wide range of professional computer peripheral products, smart home appliances, luggage products, and integrated software development services. Its suppliers include internationally renowned manufacturers, with whom it maintains strong interactions and long-term cooperative relationships to ensure stable sources of supply and diversification of procurement risks. In addition, the Company is still in the initial stage of business development. As a subsidiary of the listed company Acer, the Company designs products, formulates global product plans and strategies, and uses Acer Group's global resources for international market expansion. Despite sales concentration, there is no risk of sales concentration to a single customer. Hence, in spite of high customer sales concentration, we continue to improve our operational footprint, actively expand the scope of services in diversified industries, and engage with end customers. In the future, the Company plans to engage in design and OEM services for big international companies, and will gradually expand our sales channels to increase the possibility of selling our own products, which should reduce the material risk of a high proportion of sales to a single customer.

(X) The impact and risk to the Company in the event that a major quantity of shares belonging to a director, supervisor, or shareholder with a stake of more than 10% has been transferred or has otherwise changed hands, and countermeasures

In the most recent year and up to the publication date of this annual report, no major quantity of shares belonging to a director, supervisor, or shareholder with a stake of more than 10% in the Company has been transferred or has otherwise changed hands, which would cause significant impacts on the Group.

(XI) The impact and risk of changes in management rights to the Company, and countermeasures

In the most recent year and up to the publication date of this annual report, there has been no change in the Company's management rights.

(XII) Litigation and non-litigation events

1. For 2025 and up to the date of publication of the annual report, the Company has no material litigation, non-litigation, or administrative dispute cases that have been finalized by judgment or are currently pending.
2. Material litigation, non-litigation, or administrative dispute cases involving the Company's directors, supervisors, the President, de facto responsible persons, major shareholders holding more than 10% of shares, and affiliated companies, for 2025 and up to the date of publication of the annual report, that have been finalized by judgment or are currently pending, and whose outcomes may have a material impact on shareholders' equity or securities prices:

Except for the following ongoing litigation involving Acer Incorporated

(hereinafter referred to as "Acer"), a major shareholder holding more than 10% of the Company's shares, none of the other directors, the President, or affiliated companies have any material litigation, non-litigation, administrative disputes, or administrative investigations that have been finalized by judgment or are currently pending. The status of the relevant litigation is as follows:

- (1) In the ordinary course of business, Acer receives from time to time notices of patent infringement claims or patent authorization requests from third parties. Although Acer does not expect the results of such claims (individually or collectively) to cause significant adverse impacts on its financial position or business status; however, legal procedures are unpredictable, dispute resolution solutions may affect Acer's operating results or cash flow in a specific period as legal proceeding results are difficult to predict.
 - (2) Due to rapid changes in the international tax environment, Acer is faced with various tax challenges in many countries around the world, and tax authorities around the world have different opinions. In response to these, Acer has appropriately made relevant estimates for tax cases (including but not limited to on income tax, withholding tax, and business tax) that meet the conditions for recognizing provisions in accordance with relevant regulations. However, since tax issues are usually complex and take years to clarify, the results are difficult to predict, and the final results may affect Acer's operating results or cash flow in a specific period.
3. Any of the circumstances set forth in Article 157 of the Securities and Exchange Act that has occurred to the Company's directors, supervisors, managers, and major shareholders with a stake of more than 10% in the most recent two years and up to the publication date of this annual report, and the Company's current handling thereof:
 4. If the Company's directors, supervisors, managers, and major shareholders holding more than 10% of the Company's shares have had financial difficulties or loss of credit in the most recent two years and up to the publication date of this annual report, the impact thereof on the Company's financial position shall be specified : None.

(XIII) Other important risks and countermeasures

1. Smart Device Business Division

(1) Impact of the global political and economic situation

The increasing uncertainties of the global political and economic situation, such as the trade war between China and the U.S., the Russo-Ukrainian War, and global inflation, have all caused instability in the economy and made it more difficult for enterprises to operate. They have also caused a huge impact on the market structure and shipping volume and time.

Countermeasures: The Smart Devices Business Division maintains a diversified product portfolio and responds to market changes through rolling

adjustments to product mix and product line allocation. At the same time, it collaborates with logistics partners to implement consolidated shipping and logistics adjustments, thereby improving transportation efficiency. In addition, the Company continues to monitor international political and economic developments as well as changes in the global supply chain, and will increase its cash position as appropriate to address potential economic risks. Financial and business personnel regularly and periodically review the collection status of receivables, and effectively adjust and control inventory levels based on customer demand and raw material supply conditions to enhance overall operational management performance.

(2) Risks associated with changes in the demand for consumer electronic products

With the continuous development of the electronic product market, the transformation of the consumer market, and the introduction of new electronic products, the demand for consumer electronics depends on the preferences of consumers and the strategies of governments, and products must be designed in line with market trends. The relevant measures of government departments also affect the sales and demand of consumer electronics.

Countermeasures: The R&D and sales personnel of the Company will keep an eye on changes in market requirements in order to grasp opportunities early and actively look for various business opportunities to develop products that better fit market needs and use leading technology so as to reduce risks from changes in the needs for consumer electronics. Meanwhile, they will also pay attention to relevant government policy changes to mitigate the unfavorable impact of changed government policies.

2. Fashion Business Division

- (1) Inflation prolongs the purchase cycle of consumer products or reduces the amount consumers are willing to pay for consumer products: Maintaining a balance between products of different price ranges while ensuring a certain level of quality, and investing resources in aspects that consumers value to improve product attractiveness and, in the medium term, expand the circular economy operation plan.
- (2) Changes to tariff agreements between countries: Ensuring the diversity of countries where the Company's OEM plants are located based on the premise that quality is guaranteed in order to adjust the supply chain network in a timely manner.
- (3) Rising freight costs or longer transit time: Coordinating with distributors in countries to appropriately accumulate inventory in order to reduce possible losses that may be caused by rush orders, and continuing to develop local production lines to reduce the proportion of freight costs in total costs.
- (4) Improper management of restricted substances (RSL) in the upstream supply chain: Working with internal and external quality supervision and testing bodies to implement internal quality control procedures and standards and ensure the safety of supplied materials.

- (5) Lack of R&D and design capacities cannot support the product competitiveness required for business growth: Continuously investing in R&D and design to ensure innovation momentum within the Company.
- (6) A brain drain hinders operations and business promotion: Providing a stage for competent employees with potential to develop, ensuring smooth communication and flexible job rotation, and offering an employee stock subscription plan to share with all employees growth dividends that the Company enjoys.

3. Smart Mobility Business Division

- (1) With the fluctuations in the global economic environment and changes in consumer purchasing behaviors, the smart mobile product market is also facing a new wave of challenges. From material shortages at the onset of the pandemic to an overall high-inventory situation across the supply chain, the distribution industry is still digesting the existing inventory accumulated during the pandemic to this day. Consumers' expectations for product innovation and practicality are increasing day by day, and traditional product upgrades can no longer drive the purchase momentum. In addition, there are many competitors in the market, and the product homogeneity situation is severe, resulting in further intensified pricing pressure and affecting overall operating performance.

Response strategy: In response to market challenges, the Company promotes the development of differentiated products, strengthens smart functions and scenario applications, and enhances market appeal and brand value; at the same time, it assists channels in destocking and stimulates consumption through promotion combinations and integrated O2O marketing. Introduce sustainable designs and eco-friendly materials in operations to respond to global sustainability trends and expand market opportunities for enterprises and governments; optimize inventory management and improve market response flexibility through supply chain information integration and low-volume production in multiple batches.

- (2) Geopolitical tensions and wars have impacted the global economy, while the United States' tariff actions toward the global market have added further uncertainty. Uncertain economic prospects affect consumers' disposable income and confidence. Consumption downgrading has led to stagnation in the growth of non-essential markets such as electric scooters, thereby intensifying market competition.

Countermeasure: Creating high-end differentiated products for customer groups that are less affected by inflation in the early stage, keeping investing in brand exposure, and developing high cost-performance ratio products to enter the mass market.

VII. Other important matters:

1. Information security risk assessment analysis and important risk assessment matters, including corresponding response measures.

To implement cybersecurity risk management, the Company has established secure and reliable information systems to ensure the security of data, systems, equipment, and networks, enhance employees' awareness of information security, safeguard rights and interests, and comply with relevant information security regulations. The Company has formulated related policies such as "Information Security Inspections" within its internal control system. In addition, to strengthen its information security management mechanism, the Company has, in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," established a dedicated information security unit in the current year, with one information security supervisor and one information security specialist responsible for promoting, coordinating, supervising, and reviewing cybersecurity management matters, regularly reviewing information security policies, and reporting the operation and implementation status of information security management to the Board of Directors on March 5, 2026.

In accordance with the headquarters' cybersecurity policies, the Company has completed server inventory, information security self-assessment, and the establishment of external domain lists as well as external website and service inventories. It has also conducted vulnerability scanning of server operating systems, vulnerability scanning and penetration testing of external websites and networks, and continues to carry out vulnerability remediation. In addition, the Company continues to conduct internal information security training and phishing email simulations to strengthen employees' information security awareness and protection capabilities. The relevant information security management operations and implementation status were reported to the Board of Directors on March 5, 2026.

Management mechanism:

- (I) Our internal control system has a "cybersecurity review" in place, and its effectiveness is regularly reviewed.
- (II) The Company leases office space from a related party, Acer, and enjoys services for network cabling, operation, and maintenance provided thereby. In addition, the Operational Support Division currently has 4 IT management personnel, and the Company's Chief Information Security Officer, together with the lessor Acer, conducts annual information security inspections.
- (III) We strengthen the awareness of information security among employees, regularly communicate the importance of information security, and strictly manage the use, security, and maintenance of data.
- (IV) The Company has established a "data backup mechanism" and a "disaster recovery plan" to enable smooth business recovery as quickly as possible and reduce possible losses and risks in the event of information system damage, thereby ensuring the normal operation of the information system and data preservation and reducing the risk of system interruption caused by unexpected natural disasters and human negligence.
- (V) To ensure information system security, data access shall be subject to appropriate authorization, and the authorization shall be checked regularly to

prevent the risk of leakage of confidential information.

2. Intellectual property management plan and implementation status.

The Company regards intellectual property as a core competitive advantage and a cornerstone of sustainable development, and has formulated an intellectual property management strategy aligned with its operational objectives, while establishing a mechanism for regular reporting to the Board of Directors. The Company's management policy aims to build a competitive protection framework by "protecting innovative achievements," "safeguarding brand value," and "ensuring freedom to operate," thereby supporting the Company's global market deployment.

I. Intellectual property management plan

The Company develops products through technology and creativity, and with a focus on innovation and sustainability, is committed to creating exceptional value and enabling smart lifestyles through technology.

To strengthen the protection of the Company's R&D achievements, ensure freedom to operate, maximize corporate value, and continuously enhance the Company's competitiveness in the global market, the Company has formulated an intellectual property management plan aligned with its operational objectives, with the key focus areas as follows:

(I) Copyright management

The system architectures, hardware-software integration designs, various product and technical specifications, digital visual content, and multimedia presentations developed through the Company's R&D and creative efforts are regarded as key intellectual assets and original achievements, and are incorporated into a rigorous intellectual property protection framework. The Company strengthens copyright management through the following measures:

1. Clear ownership: For works designed or produced through outsourcing, written contracts are used to clearly stipulate copyright ownership as well as the scope of use and licensing.
2. Lawful use management: Based on actual operational needs, the Company appropriately manages the use and licensing of software assets and multimedia materials, and strengthens employees' awareness of lawful use of intellectual property to reduce infringement risks.
3. Education and training: Regular internal training is conducted to enhance employees' awareness of copyright risks.

(II) Patent management

The Company adheres to the principle of promoting both industrial

innovation and technology protection, continuously developing innovative products and system designs, and actively applying for patents to safeguard its technological achievements and market competitiveness. The patent management strategy includes:

1. Deployment strategy: in alignment with the R&D roadmap, the Company establishes patent deployment for core technologies.
2. Cross-functional review mechanism: A review team composed of R&D, product, and legal units evaluates the patentability and commercial value of technologies.
3. Risk early warning: Conducts patent searches to ensure freedom to operate for new product launches.
4. Strategic collaboration: Promotes technology licensing and strategic cooperation with partners to jointly build an innovation ecosystem.
5. Education and training: Regular internal training is conducted to promote the importance of protecting patent rights.

(III) Trademark management

The Company regards brand image as a strategic core asset and continues to strengthen the management of its proprietary trademarks and sub-brand identities to ensure brand consistency across global markets. Key aspects of trademark management include:

1. Deployment strategy: In accordance with product strategy planning and new market expansion needs, the Company continuously applies for and maintains global trademark rights, and regularly reviews its brand portfolio to ensure that trademark deployment aligns with the Company's long-term strategy.
2. Usage guidelines: Establish trademark usage standards to regulate the application and presentation of logos by regional subsidiaries and partners.
3. Market protection: Strengthen trademark monitoring and infringement prevention to safeguard brand value and market position.
4. Education and training: Regular internal training is conducted to promote the importance of trademarks to the Company among employees.

(IV) Trade secret management

The Company has established an information security and integrity protection framework, and all employees are required to comply with the following regulations:

1. Contractual obligations: employees are required to sign employment contracts and confidentiality clauses upon onboarding, prohibiting the disclosure of confidential information and trade secrets of the Company or former employers.
2. Access control: Implements information classification management to ensure that core technical documents are accessible only to specifically authorized personnel.
3. Asset protection measures: Establish an exit review mechanism to ensure the return of information assets and the deactivation of account access, preventing the risk of information leakage.
4. Education and training: Regular internal training is conducted to enhance employees' awareness of confidentiality protection.

II. Implementation status

The Company places great importance on the protection and management of intellectual property, actively implements the aforementioned plans, and continuously improves its internal systems in line with technological advancements and business development.

Implementation status of the most recent year is as follows:

- Regularly conduct intellectual property-related courses, seminars, and case sharing sessions to enhance overall compliance awareness among employees.
- Establish an electronic legal and contract management system to centrally manage documents related to intellectual property licensing, patents, trademarks, and related matters.
- Establish intellectual property review procedures for external collaborations and outsourced development to ensure clear ownership of rights.
- Monitor brand usage and technology adoption in the market to prevent potential infringement risks.

The Company will continue to optimize its intellectual property management system in accordance with regulatory changes and industry development trends, ensuring a balance among technological innovation, brand value, and freedom to operate, and strengthening its competitiveness in the global smart application market.

The Company reports its intellectual property management plan and implementation status to the Board of Directors at least once a year.

Six. Special Notes

- I. Information on affiliated companies: please refer to the MOPS website [URL: <https://mops.twse.com.tw> > Single Company > Electronic Document Download > Affiliated Companies Three Statements Section], enter the company code to search for information on affiliated companies.
- II. For the private placement of securities in the most recent year and up to the publication date of this annual report, the date of the resolution and the amount resolved by the shareholders' meeting or the Board of Directors; the basis for setting the price and the reasonableness thereof; the specific person selected; the reasons for conducting the private placement; the targets of the private placement and their qualification requirements, subscription quantity, relationship with the Company, and participation in the management of the Company; actual subscription (or conversion) price and any difference between the actual subscription (or conversion) price and the reference price; the impact of the private placement on shareholders' equity; and the utilization of funds, plan implementation progress, and plan benefit realization from the time the share payments or proceeds was received in full to the completion of the fund utilization plan: None.
- III. Other information to be disclosed: None.
- IV. Matters with a significant impact on shareholders' equity or securities prices as set forth in Article 36, Paragraph 3, Subparagraph 2 of the Act in the most recent year and up to the publication date of this annual report: None.

Acer Gadget Inc.

Responsible person: Jerry Kao

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