

ACER SYNERGY TECH CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
	Amount	%	Amount	%
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 240,411	17	\$ 449,344	24
Financial assets at amortized cost - current (Notes 4, 8 and 32)	-	-	6,090	-
Contract assets - current (Notes 4, 23 and 31)	26,588	2	159,879	9
Notes receivable, net (Notes 4 and 9)	121	-	61,860	3
Trade receivables, net (Notes 4 and 9)	417,852	30	448,797	24
Trade receivables from related parties (Notes 4 and 31)	10,375	1	33,387	2
Other receivables (Notes 4 and 9)	21,330	1	3,187	-
Current tax assets (Notes 4 and 25)	1,872	-	2,423	-
Inventories, net (Notes 4 and 10)	11,204	1	86,835	5
Prepayments (Note 31)	10,207	1	28,433	2
Other current assets	<u>4,193</u>	<u>-</u>	<u>5,489</u>	<u>-</u>
Total current assets	<u>744,153</u>	<u>53</u>	<u>1,285,724</u>	<u>69</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 7)	103,442	7	103,014	6
Financial assets at amortized cost - non-current (Notes 4, 8 and 32)	3,000	-	7,060	-
Investments accounted for using the equity method (Notes 4 and 12)	359,111	26	-	-
Property, plant and equipment, net (Notes 4 and 13)	171,569	12	175,954	10
Right-of-use assets (Notes 4 and 14)	-	-	8,485	-
Net investment properties (Notes 4, 15 and 32)	-	-	26,228	1
Goodwill (Notes 4 and 16)	-	-	83,685	5
Other intangible assets (Notes 4 and 17)	2,158	-	115,016	6
Deferred tax assets (Notes 4 and 25)	11,517	1	29,070	2
Other non-current assets	<u>12,204</u>	<u>1</u>	<u>24,072</u>	<u>1</u>
Total non-current assets	<u>663,001</u>	<u>47</u>	<u>572,584</u>	<u>31</u>
TOTAL	<u>\$ 1,407,154</u>	<u>100</u>	<u>\$ 1,858,308</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 18)	\$ 50,000	4	\$ 30,000	2
Contract liabilities - current (Notes 4, 23 and 31)	13,035	1	91,643	5
Notes payables	-	-	1,689	-
Trade payables	143,625	10	314,669	17
Trade payables to related parties (Note 31)	4,262	-	6,649	-
Other payables (Note 19)	121,482	9	125,019	7
Other payables to related parties (Note 31)	989	-	2,923	-
Current tax liabilities (Notes 4 and 25)	6,516	-	16,887	1
Provisions - current (Notes 4 and 20)	2,732	-	14,340	1
Lease liabilities - current (Notes 4 and 14)	-	-	3,510	-
Current portion of long-term borrowings (Notes 4, 18 and 32)	-	-	4,375	-
Other current liabilities (Note 19)	<u>13,151</u>	<u>1</u>	<u>12,050</u>	<u>1</u>
Total current liabilities	<u>355,792</u>	<u>25</u>	<u>623,754</u>	<u>34</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4, 18 and 32)	-	-	30,625	2
Deferred tax liabilities (Notes 4 and 25)	19,049	2	6,572	-
Lease liabilities - non-current (Notes 4 and 14)	-	-	5,031	-
Net defined benefit liabilities (Notes 4 and 21)	14,426	1	13,933	1
Other non-current liabilities (Note 19)	<u>-</u>	<u>-</u>	<u>193</u>	<u>-</u>
Total non-current liabilities	<u>33,475</u>	<u>3</u>	<u>56,354</u>	<u>3</u>
Total liabilities	<u>389,267</u>	<u>28</u>	<u>680,108</u>	<u>37</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital				
Ordinary shares	<u>222,000</u>	<u>16</u>	<u>222,000</u>	<u>12</u>
Capital surplus	<u>598,809</u>	<u>42</u>	<u>598,772</u>	<u>32</u>
Retained earnings				
Legal reserve	26,219	2	24,400	2
Special reserve	13,705	1	19,065	1
Unappropriated earnings	<u>116,352</u>	<u>8</u>	<u>19,274</u>	<u>1</u>
Total retained earnings	<u>156,276</u>	<u>11</u>	<u>62,739</u>	<u>4</u>
Other equity				
Exchange differences on translation of the financial statements of foreign operations	1,964	-	3,735	-
Unrealized valuation loss on financial assets at fair value through other comprehensive income	<u>(17,012)</u>	<u>(1)</u>	<u>(17,440)</u>	<u>(1)</u>
Total other equity	<u>(15,048)</u>	<u>(1)</u>	<u>(13,705)</u>	<u>(1)</u>
Total equity attributable to owners of the Company	962,037	68	869,806	47
NON-CONTROLLING INTERESTS	<u>55,850</u>	<u>4</u>	<u>308,394</u>	<u>16</u>
Total equity	<u>1,017,887</u>	<u>72</u>	<u>1,178,200</u>	<u>63</u>
TOTAL	<u>\$ 1,407,154</u>	<u>100</u>	<u>\$ 1,858,308</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors’ report dated March 10, 2026)

ACER SYNERGY TECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 31)	\$ 1,760,450	100	\$ 1,804,648	100
OPERATING COSTS (Notes 4, 10, 21, 24 and 31)	<u>1,512,459</u>	<u>86</u>	<u>1,571,385</u>	<u>87</u>
GROSS PROFIT	<u>247,991</u>	<u>14</u>	<u>233,263</u>	<u>13</u>
OPERATING EXPENSES (Notes 4, 9, 24 and 31)				
Selling and marketing expenses	47,826	3	50,346	3
General and administrative expenses	132,357	8	147,228	8
Research and development expenses	21,774	1	23,192	1
Expected credit loss (gain)	<u>(1,934)</u>	<u>-</u>	<u>6,327</u>	<u>1</u>
Total operating expenses	<u>200,023</u>	<u>12</u>	<u>227,093</u>	<u>13</u>
PROFIT FROM OPERATIONS	<u>47,968</u>	<u>2</u>	<u>6,170</u>	<u>-</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4 and 24)	4,161	-	5,017	-
Other income (Notes 4 and 24)	6,341	-	5,520	1
Other gains and losses (Notes 4, 24 and 31)	112,981	7	14,702	1
Finance costs (Notes 4 and 24)	(1,355)	-	(585)	-
Share of profit or loss of associates	<u>(3,344)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses	<u>118,784</u>	<u>7</u>	<u>24,654</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	166,752	9	30,824	2
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(25,863)</u>	<u>(1)</u>	<u>(7,557)</u>	<u>(1)</u>
NET PROFIT FOR THE YEAR	<u>140,889</u>	<u>8</u>	<u>23,267</u>	<u>1</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	315	-	(417)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income (Notes 4 and 22)	428	-	1,481	-
Items that may be reclassified subsequently to profit or loss:				

(Continued)

ACER SYNERGY TECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Exchange differences on translation of the financial statements of foreign operations (Notes 4 and 22)	\$ (2,226)	-	\$ 4,287	1
Other comprehensive loss for the year, net of income tax	\$ (1,483)	-	\$ 5,351	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 139,406	8	\$ 28,618	2
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 115,538	7	\$ 18,493	1
Non-controlling interests	25,351	1	4,774	-
	\$ 140,889	8	\$ 23,267	1
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 114,394	7	\$ 23,552	2
Non-controlling interests	25,012	1	5,066	-
	\$ 139,406	8	\$ 28,618	2
EARNINGS PER SHARE (Note 26)				
Basic	\$ 5.20		\$ 0.83	
Diluted	\$ 5.18		\$ 0.83	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors’ report dated March 10, 2026) (Concluded)

ACER SYNERGY TECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owner of the Company												Non-controlling Interests	Total Equity
								Other Equity (Note 22)			Total			
								Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Other Equity				
	Share Capital (Note 22)		Capital Surplus (Note 22)	Retained Earnings (Note 22)				Total						
	Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings								
BALANCE, JANUARY 1, 2024	22,200	\$ 222,000	\$ 598,646	\$ 19,132	\$ 14,271	\$ 55,544	\$ 88,947	\$ (144)	\$ (18,921)	\$ (19,065)	\$ 890,528	\$ 354,038	\$ 1,244,566	
Appropriation of 2023 earnings														
Legal reserve	-	-	-	5,268	-	(5,268)	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	4,794	(4,794)	-	-	-	-	-	-	-	
Cash dividends distributed by the Company	-	-	-	-	-	(44,400)	(44,400)	-	-	-	(44,400)	-	(44,400)	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(50,740)	(50,740)	
Net profit for the year ended December 31, 2024	-	-	-	-	-	18,493	18,493	-	-	-	18,493	4,774	23,267	
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	(301)	(301)	3,879	1,481	5,360	5,059	292	5,351	
Changes in percentage of ownership interests in subsidiaries	-	-	48	-	-	-	-	-	-	-	48	30	78	
Share-based payment arrangements	-	-	78	-	-	-	-	-	-	-	78	-	78	
BALANCE, DECEMBER 31, 2024	22,200	222,000	598,772	24,400	19,065	19,274	62,739	3,735	(17,440)	(13,705)	869,806	308,394	1,178,200	
Appropriation of 2024 earnings														
Legal reserve	-	-	-	1,819	-	(1,819)	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	(5,360)	5,360	-	-	-	-	-	-	-	
Cash dividends distributed by the Company	-	-	-	-	-	(22,200)	(22,200)	-	-	-	(22,200)	-	(22,200)	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(11,427)	(11,427)	
Net profit for the year ended December 31, 2025	-	-	-	-	-	115,538	115,538	-	-	-	115,538	25,351	140,889	
Other comprehensive loss for the year ended December 31, 2025, net of income tax	-	-	-	-	-	199	199	(1,771)	428	(1,343)	(1,144)	(339)	(1,483)	
Actual disposal or acquisition of interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(266,143)	(266,143)	
Changes in percentage of ownership interests in subsidiaries	-	-	23	-	-	-	-	-	-	-	23	14	37	
Share-based payment arrangements	-	-	14	-	-	-	-	-	-	-	14	-	14	
BALANCE, DECEMBER 31, 2025	22,200	\$ 222,000	\$ 598,809	\$ 26,219	\$ 13,705	\$ 116,352	\$ 156,276	\$ 1,964	\$ (17,012)	\$ (15,048)	\$ 962,037	\$ 55,850	\$ 1,017,887	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche audit report dated March 10, 2026)

ACER SYNERGY TECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 166,752	\$ 30,824
Adjustments for:		
Depreciation expense	9,614	10,564
Amortization expense	8,382	12,696
Expected credit loss recognized (reversed) on trade receivables	(1,934)	6,327
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	-	161
Finance costs	1,355	585
Interest income	(4,161)	(5,017)
Dividend income	(4,532)	(3,395)
Share-based compensation	51	156
Share of loss of associates	3,344	-
Gain on disposal of associate	(1,322)	-
Impairment loss recognized on assets	-	97,750
Reversal of write-down of inventories	5,551	363
Loss on lease modification	821	-
Gain on disposal of subsidiary	(103,744)	-
Changes in operating assets and liabilities		
Contract assets	(127,152)	(22,644)
Notes receivables	21,611	(46,730)
Trade receivables	(38,742)	(34,588)
Trade receivables from related parties	23,012	(27,832)
Other receivables	1,720	(8,562)
Inventories	70,080	(77,063)
Prepayments	5,109	(102,180)
Other current assets	669	7,722
Contract liabilities	(69,857)	(45,283)
Notes payable	(747)	1,442
Trade payables	(48,427)	40,601
Trade payables to related parties	(2,387)	(521)
Other payables	15,808	11,338
Other payables to related parties	(1,934)	1,158
Provisions	(8,606)	8,140
Other current liabilities	2,288	4,079
Net defined benefit liabilities	<u>887</u>	<u>407</u>
Net cash used in operations	(76,491)	(139,502)
Interest received	4,161	5,017
Interest paid	(1,355)	(585)
Income tax paid	<u>(19,321)</u>	<u>(28,922)</u>
Net cash used in operating activities	<u>(93,006)</u>	<u>(163,992)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

(Continued)

ACER SYNERGY TECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Purchase of financial assets at fair value through other comprehensive income	\$ (39,000)	\$ -
Purchase of financial assets at amortized cost	-	(168)
Proceeds from sale of financial assets at amortized cost	5,473	-
Acquisition of associate	(119,652)	-
Net cash inflow on disposal of associate	11,097	-
Net cash outflow on disposal of subsidiary	(41,542)	-
Payments for property, plant and equipment	(5,742)	(2,452)
Decrease in refundable deposits	6,463	-
Payments for intangible assets	(1,150)	(2,395)
Decrease (Increase) in other non-current asset	699	(8,936)
Increase in prepayment for equipment	(67)	-
Dividends received	<u>4,532</u>	<u>3,395</u>
Net cash used in investing activities	<u>(178,889)</u>	<u>(10,556)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	67,000	29,900
Proceeds from long-term borrowings	35,000	35,000
Repayments of long-term borrowings	(698)	-
Repayment of the principal portion of lease liabilities	(2,487)	(3,080)
Repayments of other financial liabilities	-	(5,000)
Dividends paid to owners of the Company	(22,200)	(44,400)
Changes in non-controlling interests	<u>(11,427)</u>	<u>(50,740)</u>
Net cash generated from (used in) financing activities	<u>65,188</u>	<u>(38,320)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(2,226)</u>	<u>4,287</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(208,933)	(208,581)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>449,344</u>	<u>657,925</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 240,411</u>	<u>\$ 449,344</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors’ report dated March 10, 2026) (Concluded)