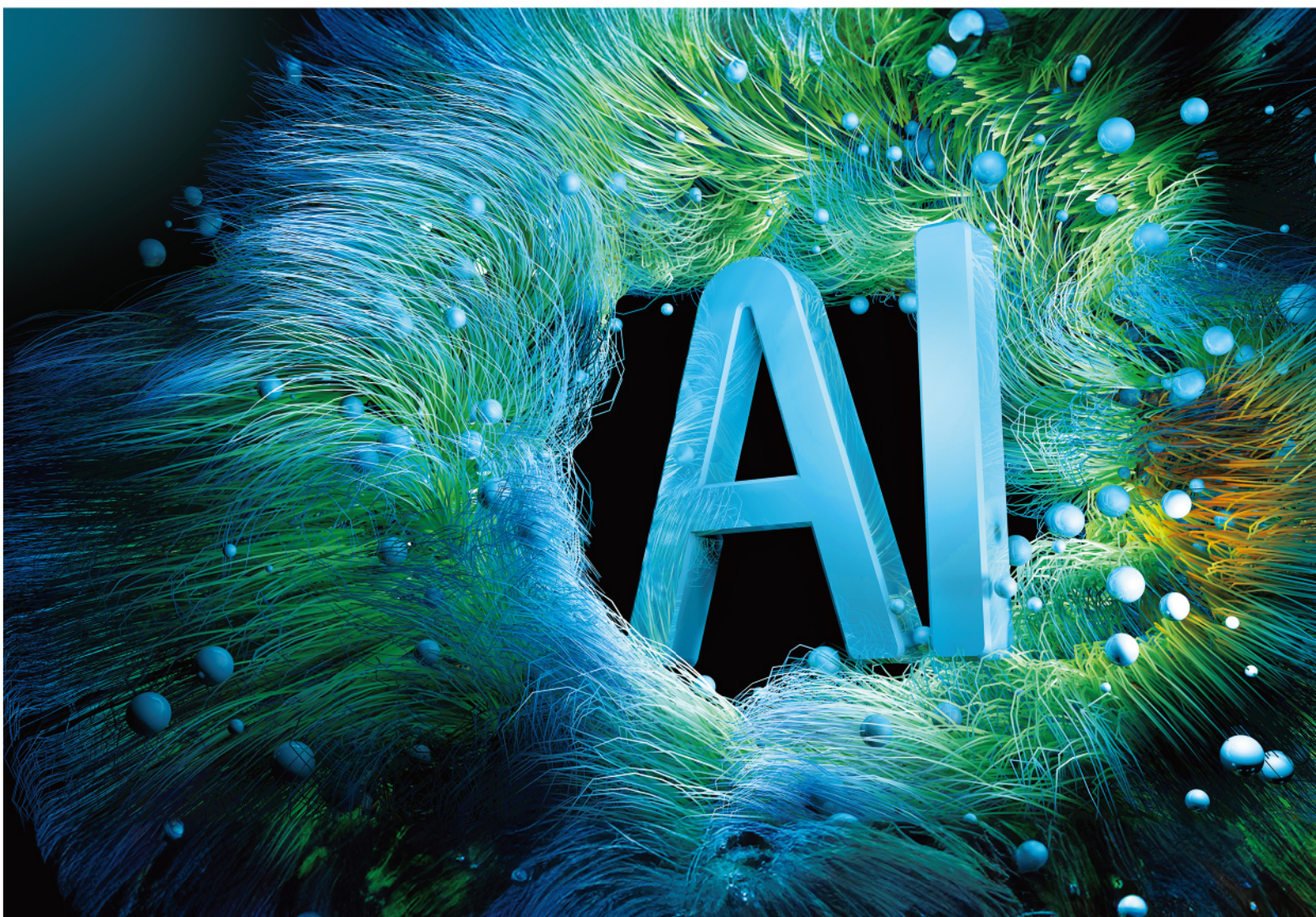


# GIGABYTE™

## GIGA-BYTE TECHNOLOGY CO., LTD. ANNUAL REPORT, 2023



Motherboard / Graphic Card



Desktop PC / PC Peripherals



Laptop



Server / Storage



Embedded Computing



Automotive Electronics

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# One. Report to Shareholders

Dear Shareholders:

In 2023, the global economy was affected by factors such as high interest rate policies commonly adopted by major countries in response to high inflation, and China's unsatisfactory economic performance after the pandemic which weakened global demand for terminal products, and slowed down manufacturing activities in various countries. In addition, the economic conflict between the United States and China has escalated, coupled with the ongoing conflict between Russia and Ukraine, as well as the Gaza Strip conflict and the Red Sea crisis. The global geopolitical trend is toward group confrontation, which distorts industrial supply chains and has a significant impact on global economic development and social stability. The above are all touchstones for testing the operational resilience of GIGABYTE Group.

Despite the unfavorable overall economic environment in 2023, GIGABYTE Group was able to achieve an annual revenue growth rate of 27.51% by relying on its close relationships with customers and suppliers, flexible operating strategies in response to market changes, and years of accumulated research and manufacturing capabilities. The Group achieved an excellent annual consolidated revenue of over NTD 136.7 billion, setting a new record for revenue. Here, I would like to express my gratitude to all GIGABYTE employees for their hard work, understanding from their families, and the support of all shareholders.

In terms of the performance of the main business groups under the Group in 2023, the channel solution business group still steadily achieved the set budget goals, providing a solid economic support for the business development of other business groups under the Group. Under the AI wave, the Netcom business group's revenue has exceeded expectations. In the future, the management team will not only expand market share, but also focus on improving the profitability of Netcom products.

In terms of financial structure, although GIGABYTE Technology successfully issued a round of overseas convertible corporate bonds in July 2023, it cannot be ruled out that it will still need to introduce medium- and long-term funds in the future through capital increase and/or issuance of corporate bonds and other financial tools to meet the Company's operational funding needs such as material procurement needs in the context of continuous expansion of sales scale. We wish all shareholders continuing support in this regard.

Item	2023	2022	Difference	Percentage of Difference(%)
Operating income	1,367.73	1,072.63	295.10	27.51
Gross profit	165.75	166.16	-0.41	-0.25
Net profit after tax	47.43	65.39	-17.96	-27.47



Item		2023	2022
Financial structure (%)	Debt to total assets (%)	53.82	43.46
	Long-term capital to property & equipment (%)	976.87	739.73
Solvency (%)	Current ratio (%)	211.20	203.23
	Quick ratio (%)	118.88	117.93
Profitability (%)	Return on assets (%)	6.60	9.86
	Return on equity (%)	12.92	17.81
	Profit margin (%)	3.47	6.10
	Basic EPS (NT\$)	7.46	10.29

The following is a summary of GIGABYTE's business performance and future prospects for various products in 2023:

#### Motherboard:

The GIGABYTE motherboard provides powerful performance and stability for gamers, overclocking enthusiasts and creators, leading the DDR5 overclocking performance of the same level. It is equipped with multiple advanced technologies, more efficient heat dissipation configuration and stronger ultra durable materials, and supports upgrades to PCIe 5.0, Wi-Fi 7 as well as other functions. In addition, we have collaborated with HWiNFO, a well-known hardware monitoring software, to jointly develop the BIOS information viewing function, which facilitates players to monitor system operation status. In addition, the advanced DIY friendly and innovative designs, such as M.2 EZ Patch Click, aim to meet the user-based development concept and provide a more intuitive user experience.

#### Graphics card:

Graphics card products focus on providing gamers with an excellent gaming experience, excellent performance and cooling effects. With the wind power cooling system, forward and reverse fan cooling technology, screen cooling, dual BIOS design in quiet operation mode, and ultra durability certified components, they can maintain the best and highest level of performance even under high load operation.

#### Notebook computer:

The design focus of GIGABYTE notebook computers is on performance, portability and user experience. We offer a series of notebook computer series – AORUS, AERO and GIGABYTE, with various screen sizes and processing capabilities, and tailored to different user needs.

in terms of performance, they are equipped with Intel® Core™ H/HX series processors and NVIDIA® GeForce RTX™ 40 display chip series, and WINDFORCE Infinity cooling system to provide top-notch performance and excellent cooling effects, and fully unleash platform efficiency in the extremely slim body. The AORUS art-grade esports flagship notebook, and the AERO series highly praised by designers, have significantly improved their battery life and further enhanced their market competitiveness.

Server:

The demand for computing power in data centers is rapidly increasing, and the amount of electricity consumed continues to rise. How to reduce the burden on the environment while developing AI technology is also a crucial issue in building data centers. GIGABYTE Group has rich experience in research and deployment of server solutions. In addition to providing a range of server models for different purposes such as AI, HPC, Cloud and 5G, we also offer various solutions for closed-loop liquid cooling systems and immersion cooling systems to help customers safely unleash the maximum computing power of chips, fully unleash the benefits of supercomputing platforms, and balance the needs of energy conservation, carbon reduction and sustainable operation.

2024 Business Outlook:

Looking ahead to 2024, GIGABYTE Group's growth and prospects are promising, and in terms of company operations, we have always adhered to a prudent and optimistic policy. We will continue developing the advantages of each product line and explore a wider range of business areas. In addition, we continuously invest in the research and development of new products, arrange the latest technologies, and promote them to the market.

In order to implement division of professional labor and enable various business groups to use resources more efficiently, on January 1, 2023, GIGABYTE Technology separated its Netcom business group which focuses on server products to form an independent subsidiary – Giga Computing Technology. Through this organizational planning, GIGABYTE will make the Netcom business group more flexible and efficient in server products and business development, highlight core competitiveness, and ensure operational growth.

In addition to striving for excellence in product quality, innovating technology and beautifying life has always been GIGABYTE's vision. Establishing a friendly environment for employees, providing customers with innovative and excellent products, and striving for a higher return for shareholders are all the missions that GIGABYTE Technology has always pursued. I sincerely thank our shareholders for their long-term support and trust in GIGABYTE Technology.

We shoulder more responsibilities and expectations in an era where opportunities and challenges coexist and the AI wave is ascending. We look forward to the unwavering trust of our customers and shareholders in the coming years, and will grow together with them to pursue excellence.

Wish You Health and Happiness.

Pei-Cheng Yeh  
Chairman

Chairman: Pei-Cheng Yeh General Manger: E-Tay Lee , Yin-Yu Lin CFO: Chun-Ying Chen

## Two. The Company

I. Date established: April 30, 1986

### II. Company History

March 1986	GIGABYTE Industrial Co., Ltd. established with NT\$700,000 in paid-in capital. Commenced manufacturing and sale of motherboards.
September 1986	Capital increased to NT\$5 million; relocated to Xinyi Road in Taipei.
August 1987	R&D and international sales departments established for proper control of product R&D and expansion of global marketing network. Relocated to Ren-ai Rd. Sec. 4.
November 1987	Successfully developed the new 2MB EMS card product. Focus now on the development of high value-added products.
March 1989	Successfully developed the new 8MB EMS card product. In-house R&D capability recognized by the market.
May 1989	Entered into agreement with AMI, a US company, on the 386 BIOS. The improvement to hardware and software integration helped increase future market share.
June 1989	Company name changed to "GIGABYTE Corporation".
September 1989	Purchased and relocated to new plant site at 4F No. 3 4F Alley 6, Lane 45, Baoxing Rd., Xindian City.
March 1992	Purchased additional workshop space on 4F and 5F of No. 9, Alley 6, Lane 45, Baoxing Rd., Xindian City, to accommodate new production capacity.
July 1993	Joint venture with Intel for the development of Pentium motherboards. R&D capacity recognized by the industry again.
March 1994	Signed agreement with Award Software Inc., a US company, for the right to use its BIOS.
October 1994	Our Pentium motherboard was recommended by PC Magazine in the US as the Editor's Choice. This represented recognition by the international media on the reliability of our product.
March 1996	Passed ISO-9002 quality system certification by RWTUV of Germany.
July 1996	Public offering of company stock approved.
December 1996	Xindian plant relocated to Pingzhen City in Taoyuan County and commenced operations. The new site has 9,585m <sup>2</sup> of floor space and the latest automated production equipment.
November 1997	Presented with the "6th Fine Product of Taiwan Award" by CETRA.
August 1998	Approval granted for investing in a new plant in China by the Board of Investment of Ministry of Economic Affairs.
September 1998	Successfully listed on the TSE at NT\$172.5 per share.
November 1998	Presented with the "Fine Product of Taiwan Award" for a second time. This was the first time that the award had ever been presented a second time to the same company for the same product.
November 1998	Dongguan GIGABYTE Electronics Co., Ltd. established for the manufacturing of computer/IT products and parts.
January 1999	Revolutionized the motherboard industry with the launch of patented Dual BIOS technology.

June 1999	Ranked 41 by the US <i>Business Week</i> magazine among the world's top 100 IT companies.
September 1999	GA-BX2000 and GA-660 ranked No. 1 by the PC Magazine in the Netherlands.
April 2000	New corporate headquarters at No. 6 Baoqiang Rd. in Xindian completed and put into service.
June 2000	Retained earnings were capitalized increasing paid-in capital to \$3,281,352,600.
July 2000	GDRs (30,000,000 shares of common stock) issued for cash capital increase. The GDRs were offered to the public in Luxemburg on July 17 and paid-in capital subsequently increased to \$3,581,352,600.
September 2000	Pingzheng 2nd Plant and Nanping Plant completed.
October 2000	GIGABYTE formed a strategic alliance with Conventive Advance, a Linux vendor, and jointly announced the "Appliance Server" and "IU Rackmount Server" for the Linux platform. The two new products were designed to provide small and medium enterprise users as well as general users with powerful and highly efficient total network solutions.
March 2001	Successfully issued US\$115 million in ECB.
March 2001	GIGABYTE Ningbo Co., Ltd. established for the manufacturing of computer and IT products.
June 2001	Presented with the "1st Outstanding Promotion of Fine Taiwan Product Award".
June 2001	GIGABYTE Maintenance Ningbo Ltd. established for the maintenance of computer and IT products.
June 2001	GIGABYTE International Trading Ningbo Co., Ltd. established for the importing and exporting of computer/IT products and parts.
September 2001	Won the Gold Mind Award at the "2001 National Inventions Exhibition".
September 2001	GIGABYTE and the Legend Group of China set up a joint venture in Hong Kong to engage in Contract Electronics Manufacturing (CEM). This expanded our production capacity, reduced production costs and increased competitiveness.
January 2002	GIGABYTE became the only motherboard maker in Taiwan to receive the "Fine Product of Award" for five consecutive years.
March 2002	GDRs converted by bearers into 291,886 common shares, increasing paid-in capital to NT\$4,594,133,440.
May 2002	Presented with the "National Product Image Award".
May 2002	Held new product conference for the announcement of P4, Maya graphic card, ZYGMA and IA products.
June 2002	Presented with a number of product awards from online media in New Zealand, Hungary, Russia, the U.S., Denmark, Singapore, the U.K., Germany and France.
January 2003	Wireless communications R&D team formed at Tainan Science-based Industrial Park.
March 2003	Established Russia Office in Moscow.
June 2003	Hosted joint conference announcing all of the products for 2003 from three business units.



June 2003	Set up Ningbo Zhongjia Technology & Trading Co., Ltd. to handle all sales in China.
October 2003	Ningbo plant completed and commissioned. The plant is used for motherboard manufacturing as well as IA and system assembly.
December 2003	GIGABYTE voted the champion of the "Superior Products of the Year" for three consecutive years.
May 2004	Hosted product conference for the G-MAX series of new products that "Transcend the Limit".
May 2004	GIGABYTE Communications Inc. established for R&D and sales of communications products.
July 2004	G-MAX NB-1401 won the "National Image Product Gold Award", the top industry award.
October 2004	GIGABYTE was once again recognized by the industry at the 15th "National Quality Awards".
December 2004	GIGABYTE award ceremony at the National Quality Awards.
January 2005	GIGABYTE became the only company to achieve 100% win rate at the Taiwan Excellence Awards for 8 consecutive years.
March 2005	Launched the AirCruiser G Desktop Router, the world's first 54 Mbps PCI wireless router.
March 2005	Presented the first GIGABYTE-designed streamlined cell phone at CeBIT 2005.
June 2005	Notebook computer and expandable wireless base station presented with the "13th National Product Image Award", making this the 4th consecutive year that GIGABYTE has won this award.
December 2005	GIGABYTE releases the Windows Mobile 5.0 PDA, the first to feature TV service.
December 2005	Launched the GIGABYTE g-Cam, the first mobile phone with 7-Megapixel camera.
December 2005	First company to pass IECQ QC 080000 certification.
January 2006	GIGABYTE, the leader in digital home motherboards, released the first motherboard in the world designed for Intel Viiv technology.
March 2006	GIGABYTE's full product line-up attracted much attention at CeBIT 2006 in Hannover. For its 20th anniversary, the Company has successfully diversified into a variety of different fields.
March 2006	GIGABYTE Communications partnered with Synergy Technology (Asia) to launch the g-Smart PDA running Windows Mobile 5.0 with TV support as well as the g-Cam, the first mobile phone with a 5-Megapixel CCD camera.
April 2006	New dual-core series of notebook products launched at GIGABYTE product conference.
June 2006	The W251U notebook named Best Choice of Computex with its creative, user-friendly, slim and stylish design.
August 2006	GIGABYTE presented with the 14th Gold Award Products of Taiwan special award for "Distinguished Performance Manufacturer with more than 100 Awards on Outstanding Products over the years". Five products also won the Silver Award, an unprecedented feat.
August 2006	Named "Outstanding Brand of Taiwan" by the Ministry of Economic Affairs for 2 consecutive years.

October 2006	GIGABYTE won the National Design Award- Product Design Gold Award with its G-Pad, a cooling device for notebook PCs.
October 2006	GIGABYTE won the Good Design Award in Japan with its g-Smart i and W251U.
November 2006	Successfully issued US\$100 million in ECB for a second time.
December 2006	GIGABYTE Education Foundation held the 5th G-DESIGN Contest. The contest was officially renamed as the G-DESIGN Wild Thoughts Contests starting this year.
December 2006	GIGABYTE United Inc. established. The new subsidiary takes over the existing GIGABYTE branded channel desktop PC motherboard and graphic card business.
May 2007	GIGABYTE's GV-NX76T256-RH graphics card won Best Choice at COMPUTEX Taipei 2007
June 2007	GIGABYTE achieved a 100% win rate for 10 consecutive years at the 15th Taiwan Excellence Awards
July 2007	GIGABYTE named a Taiwan TOP 20 Global Brand for the 4th consecutive year
July 2007	GIGABYTE GSmart t600 PDA Phone won the Taiwan Excellence Gold Award
December 2007	GIGABYTE G-Pad, Roll Pad won the iF Product Design Award 2008.
April 2008	GIGABYTE wins the 16th Taiwan Excellence Award for the 11th consecutive year.
May 2008	The Multi-Media IP-TV Box Glee Cube won the grand award in "Taiwan Golden Award 2008". Both the notebook cooler pad "Roll Pad" and smart phone "GSmart MS820" also won the "2008 Taiwan Excellence Award Silver Medal".
August 2008	Board Meeting approved the merger of "GIGABYTE" motherboard and graphic card subsidiary "GIGABYTE United Inc." effective from October 1.
October 2008	GA-EP45-UD 3P series P45 motherboard with "Ultra Durable 3" technology released.
November 2008	Strategic alliance of GIGABYTE, Intel and Chunghwa Telecom launches the first MID (Mobile Internet Device) ---GIGABYTE M528.
April 2009	GIGABYTE launched the Booktop M1022M, an innovative multi-purpose portable notebook that can be transformed into PC by using a plug and play dock.
April 2009	GIGABYTE Intel X58 series motherboard authorized by n-Vidia to use SLI technology for increased graphical performance.
June 2009	GIGABYTE ranked 19th in the "2009 Taiwan Info Tech 100" for its innovative value.
October 2009	GIGABYTE's Booktop M1022 awarded the "2009 Golden Pin Design Award", making it the only laptop winner.
November 2009	GIGABYTE is the first in the industry to roll out a USB 3.0 SATA 6 Gbps solution based on AMD platform.
December 2009	At 18th "Taiwan Excellence Award", GIGABYTE achieved a 100% win rate for 12th consecutive years.
January 2010	GIGABYTE's USB motherboard is the first to receive the USB-IF certification.

February 2010	GIGABYTE rolls out its first P55 chipset UD7 mother board.
March 2010	GIGABYTE rolls out the industry's lightest laptop and a Netbook powered by Intel's latest Pine Trail-M platform.
April 2010	GIGABYTE is the first in the industry to roll out a mother board that possesses iPad USB power supply functionality.
July 2010	GIGABYTE is the first in the industry to roll out a Mini-ITX motherboard featuring USB 3.0.
September 2010	GIGABYTE ranked 17th in a survey of international Taiwanese brands value.
December 2010	At the 19th "Taiwan Excellence Award", GIGABYTE achieved a 100% win rate for the 13th consecutive year.
January 2011	GIGABYTE rolls out new generation of motherboards that support Intel Core Duo (Sandy Bridge) processors.
February 2011	GIGABYTE announced a new G1-Killer gaming motherboard, providing gamers superior graphics, superior audio, superior speed, and superior durability for ultimate performance.
March 2011	GIGABYTE X58A-OC motherboard is the world's first motherboard designed specifically for overclocking. GIGABYTE K8100 gaming keyboard won the Red Dot design award in Germany.
April 2011	GIGABYTE GA-X58A-UD9 won the "19th Taiwan Excellence Awards Silver Medal".
May 2011	GIGABYTE G1 Assassin won the "Innovation and Design Award" at the 2012 Taipei International Computer Show.
July 2011	GIGABYTE named one of the 100 major brands in Taiwan.
November 2011	GIGABYTE Education Foundation recognized for service to social education by the Ministry of Education.
January 2012	At the 20th "Taiwan Excellence Award", GIGABYTE achieved a 100% win rate for the 14th consecutive year.
February 2012	GIGABYTE passed AEO certification.
October 2012	In the Survey on Taiwan's International Brands (2012), conducted by Interbrand, managed by the Taiwan External Trade Development Council, and sponsored by the Ministry of Economic Affairs, GIGABYTE proved its solid brand prestige, ranking 22nd among Taiwan's international brands.
November 2012	GIGABYTE participated in the Best Business Paradigm Award sponsored by the Taoyuan County Government and received "Sensible Workplace – Best Business Paradigm Award."
December 2012	At the 21th "Taiwan Excellence Award", GIGABYTE achieved a 100% win rate for the 15th consecutive year.
December 2012	The Company was awarded the Corporate Sustainability Award of Industry Elite Award in the information products and services category by the Industrial Development Bureau, MOEA.
April 2013	GIGABYTE's Aivia Neon won Germany's 2013 Red Dot Product Design Award.
April 2013	GIGABYTE's P2542G gaming notebook and GTX 680 performance graphic card won the Silver Medal at the 21st Taiwan Excellence Awards.

June 2013	GIGABYTE won the Innovation Design Award at Computex 2013.
December 2013	At the 22nd “Taiwan Excellence Award”, GIGABYTE achieved a 100% win rate for the 16th consecutive year.
December 2013	The Company received the “2013 Carbon Reduction Mark Superior Award” from the Environmental Protection Administration, Executive Yuan
April 2014	GIGABYTE’s BRIX super-micro PC system won the Silver Medal at the 22nd Taiwan Excellence Awards.
August 2014	GIGABYTE won the New Star Award in the large-scale enterprise category in the 2014 <i>CommonWealth Magazine</i> "Corporate Citizenship Awards".
October 2014	GIGABYTE won the Taoyuan County Government "8th Taoyuan Excellent Enterprise Award" and "2014 Excellent Employer Award".
November 2014	GIGABYTE won the "Taiwan CSR Report Awards - Bronze Medal, Large Enterprises, Electronics Industry II" and "TCSA Climate Leadership Award".
December 2014	The "AORUS X3 Plus" 13" e-sports notebook and "GA-Z97X-Gaming G1 Multimedia Motherboard" were recognized at the 23rd Taiwan Excellence Awards.
March 2014	"AORUS Thunder K7 and M7" received the 2015 Red Dot Design Award in Germany
May 2015	Top 30 <sup>th</sup> enterprise and top 7 <sup>th</sup> enterprise in technology and traditional industries according to the CSR Survey by <i>Global View Magazine</i> .
June 2015	Excellence in the private sector category of the National Environmental Education Awards.
June 2015	“AORUS X5” won the COMPUTEX BC Award and D&I Award
December 2015	Perfect Score! 100% winning rate at the “Taiwan Excellence Awards”.
January 2016	“AORUS X5 15-inch Gaming Laptop” and “AORUS X7 D.T. 17-inch Gaming Laptop” won the CES Innovation Award.
May 2016	Ranked Taiwan’s top 40 <sup>th</sup> enterprise and top 16 <sup>th</sup> enterprise in the electronics industry in the CSR Survey by <i>Global View Magazine</i> .
December 2016	The AERO 14 and AROUS X7 DT gaming notebooks won the 25th Taiwan Excellence Awards. Total strike, perfect performance!
May 2017	The BRIX VR won the 2017 COMPUTEX d&i Award.
May 2017	Ranked Taiwan’s top 40th enterprise in the Model Enterprise in the electronics industry according to the CSR Survey by <i>Global View Magazine</i> .
November 2017	"AORUS X9 Gaming Laptop" wins the CES 2018 CES Innovation Award.
December 2017	"X299 AORUS Gaming 9 Top Gaming Motherboard" wins the 26th Taiwan Excellence Silver Award.
December 2017	The company wins the 10th Taiwan Corporate Sustainability Awards (TCSA) Recognizing "Taiwan Top 50 Corporate Sustainability Prize", "Climate Leadership Awards" and the "Gold Award from the Taiwan Top50 Corporate Sustainability Report Awards”.
February 2018	AORUS X7 Packaging featuring recycle fiber of plant and Environmental protection wins iF World Design Award 2018. The company wins the 11th Taiwan Corporate Sustainability.

November 2018	Awards (TCSA) Recognizing "Taiwan Top 50 Corporate Sustainability Prize", "Climate Leadership Awards" and the "Gold Award from the Taiwan TOP50 Corporate Sustainability Report Awards".
March 2019	"Z390 AORUS XTREME WATERFORCE Motherboard" wins the 2019 Red Dot Design Award.
April 2019	"X399 AORUS XTREME Top Gaming Motherboard " wins the 27th Taiwan Excellence Award.
May 2019	AORUS AD27QD won Computex 2019 Innovative Design Award and was rated as the Best Design in the Best Choice (BC) Award.
May 2019	AERO 15 won the Best Notebook of the Year Award in the European Hardware Association Awards 2019.
October 2019	The notebook of AERO creator won the Taiwan Excellence Awards.
November 2019	Z390 AORUS XTREME WATERFORCE All-In-One Gaming Motherboard won the Silver Award of the 28th Taiwan Excellence Awards.
February 2020	X570 AORUS XTREME Motherboard won the 2020 iF Design Award.
February 2020	AORUS CV27Q Tactical Gaming Monitor won the 2020 iF Product Design Award.
March 2020	GIGABYTE X570 AORUS XTREME motherboard won both the 2020 IF Design Award and the 2020 Red Dot Design Award.
April 2020	GIGABYTE high-quality motherboards X299X AORUS XTREME WATERFORCE, X299X DESIGNARE-10G, TRX40 AORUS XTREME, and X570 AORUS XTREME, as well as laptops AERO 15 OLED, AERO 17 Thin-and-Light, AORUS 17, and AORUS 15G Professional won the 2020 Red Dot Award: Product Design.
April 2020	GIGABYTE won the Corporate Social Responsibilities Survey, Electronic and Technology Category Model Award in the 16th Common Wealth CSR Award.
July 2020	GIGABYTE AORUS FI27Q won the 2020 European Hardware Award for Best Gaming Monitor.
October 2020	GIGABYTE ranked number 649 in Forbes the World's Best Employers 2020, which is the ninth highest in Taiwan.
October 2020	GIGABYTE AERO series creator laptops "AERO 15 OLED and AERO 17 HDR", the premium gaming AORUS motherboard "Z490 XTREME", and professional gaming laptops "AORUS 15G, AORUS 17G, and AORUS 17X" won the 29th Taiwan Excellence Awards.
December 2020	GIGABYTE won the "Epidemic Prevention Gold Award" given by Taiwan Immunization Vision and Strategy.
March 2021	Gigabyte vision series motherboards "Z590 VISION D and Z590 VISION G", AERO series creator laptops "AERO 15 OLED and AERO 17 HDR", the premium gaming AORUS graphics card "GeForce RTX™ 3080 XTREME 10G", and professional gaming laptops "AORUS 17X, AORUS 17G, AORUS 15P, and AORUS 15G" won the 2021 Red Dot Award: Product Design.
June 2021	GIGABYTE AERO series creator laptops "AERO 15 OLED and 17 HDR", professional gaming laptops "AORUS 17X/17G and AORUS GeForce RTX™ 3080 XTREME 10G" recognized by COMPUTEX d&i 2021awards.

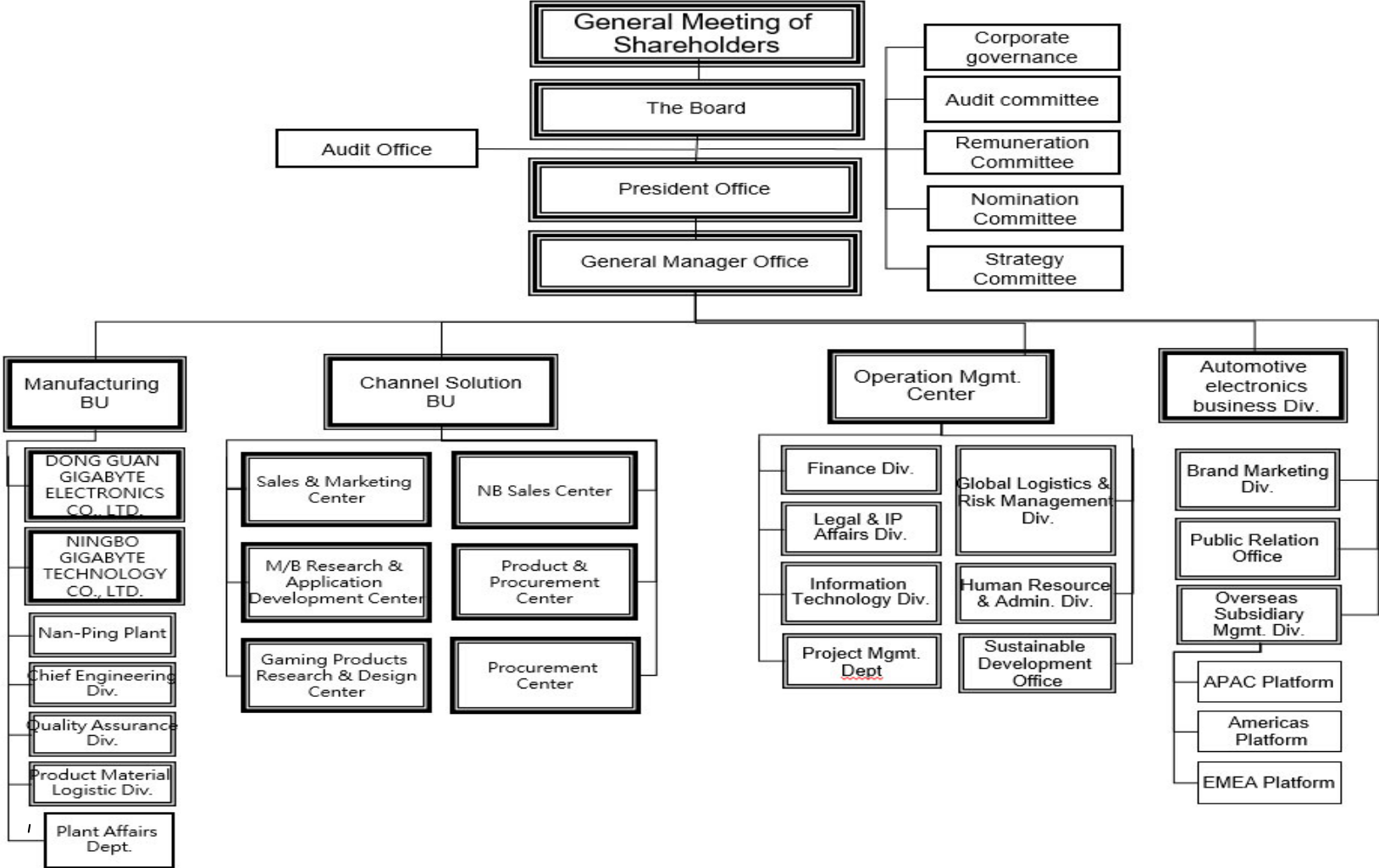
November 2021	GIGABYTE creator laptop "AERO 15 OLED, AERO 17 HDR", professional gaming laptop "AORUS 17G" and professional flagship "AORUS 17X" won the 30th Taiwan Excellence Awards.
November 2021	The AORUS P1200W 80+ Platinum Modular power supply won the CES 2022 Innovation Awards.
November 2021	GIGABYTE's "AORUS 17X Gaming Laptop" won the Silver Award at the 30th Taiwan Excellence Awards.
December 2021	Interbrand, a global brand value research organization, announced that GIGABYTE will be ranked 23rd among the "Taiwan International Brands" in 2021, with a brand value of US\$75 million.
April 2022	The motherboards "Z690 AERO D" and "Z690 AERO G" and the laptops "AERO 17" and "AORUS 15" were recognized by the 2022 Red Dot Design Award.
May 2022	GIGABYTE won the 18th Global Views Magazine CSR and ESG Awards for Model Electronics and Technology Industry category.
May 2022	GIGABYTE won 2022 iF Design Award for four of its motherboards AORUS Z690 Xtreme Waterforce, AORUS Z690 Xtreme, and AORUS Z690 Master and AORUS FO48U gaming monitor.
November 2022	Seven GIGABYTE products, GIGABYTE Z690 AORUS XTREME gaming motherboard, Z690 AERO D creator motherboard, AORUS 17X, AORUS 17, and AORUS 15 professional gaming laptops, and AERO 17, AERO 16 creator laptops, won 31st Taiwan Excellence Awards.
December 2022	GIGABYTE AORUS STEALTH 500 computer assembly kit won CES 2023 Innovation Award.
January 2023	GIGABYTE announced spin-off of its network and communication business division, creating Giga Computing Technology to facilitate brand strategic alliances for corporate sustainability.
May 2023	GIGABYTE's innovative design won multiple Red Dot awards for its motherboards, graphics cards, laptops, gaming monitors, and gaming peripherals.
July 2023	Successfully issued US\$300 million in ECB for a third time.
November 2023	7 products of GIGABYTE, including Z790 AORUS XTREME gaming motherboards, Z790 AERO G Creator motherboards, AORUS GeForce RTX™ 4070 Ti MASTER 12G graphics cards, and AORUS 17X, AORUS 15X professional gaming laptops and AERO 16 OLED, AERO 14 OLED Creator laptops, were recognized by winning the 32nd Taiwan Excellence Award.
February 2024	To welcome the 5G artificial intelligence wave, GIGABYTE unveiled its new flagship AI server, modular edge computing platform, and self-driving technology at MWC, to demonstrate the future computing solutions that span across the cloud to the end.



# Three Corporate Governance Report

## I.The Organization System

### (1) Organization chart



**(2) Major functional departments:**

Office of the President	Coordinate the operation and management of the Company, map out and implement the objectives for corporate development and business plans.
General Manager Office	Develop the company's managerial strategies, set operating targets, monitor and evaluate the implementation and performance of operating targets.
Auditing Office	Investigate and evaluate the viability, reasonability and effectiveness of the Company control systems.
Operations Management Center	Coordinate the functions of finance, accounting, share registration, budgeting, general affairs, legal affairs and the maintenance of computer system, software and hardware.
Operations Management Center- Sustainable Development Office	An office for corporate social responsibility (CSR) strengthens the green supply chain management (GSCM), assists the business unit with the development of low-carbon technology for the dedication of developing low carbon products, thus promoting sustainable development in accordance with high ethical standards and norms.
Manufacturing BU	Responsible for the production and manufacturing of computer mainboards, graphic cards and Internet products, and the assembly of PC systems.
Channel Solution BU	Responsible for design and R&D and sales of motherboard, multimedia products, video adapter and notebook products.
Automotive Electronics Business Division	Responsible for automated driving assistance and fleet management systems design and development of high value-added safety assisted driving kits and car networking products.

II. Profiles of directors, Independent Director, the president, vice president, managers, heads of departments and branches

(1) Profiles of directors

April 14, 2024

Title (Note 1)	Nationality/ Registration	Name	Gender Age	Elected date	Tenure	Initial date of office	Shareholdings at the time of elected office		Current shareholdings		Representative Current shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company or in other companies	Spouse or relative at the 2 <sup>nd</sup> level under the Civil Law who is also an executive, director, or supervisor of the Company			Remark(s)
							Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
							Chairman	Republic of China	Yeh, Pei-Chen	Male 61-70	July 2, 2021	3 years	April 30, 1986	30,151,237	4.74%	30,211,237			4.75%	-	-	
Vice chairman	Republic of China	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	Male 61-70	July 2, 2021	3 years	April 12, 2006	14,062,200	2.21%	14,062,200	2.21%	1,748,000	0.27%	360,000	0.06%	42,583,497	6.70%	EMBA, National Cheng Chi University	Senior VP of GIGABYTE Director of Giga Computing Technology Co., Ltd. Director Representative of Giga Investment Corp. Director Representative of Giga-Byte Communications Inc. Chairman of G-Style Director of Info-Tek Corporation Director Representative of Giga-Trend International Investment Group Ltd. Director Representative of Hui Yang Venture Capital Co., Ltd. Supervisor Representative of BYTE International Co., Ltd. Director Representative of JM	-	-	-	-

Title (Note 1)	Nationality/ Registration	Name	Gender Age	Elected date	Tenure	Initial date of office	Shareholdings at the time of elected office		Current shareholdings		Representative Current shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company or in other companies	Spouse or relative at the 2 <sup>nd</sup> level under the Civil Law who is also an executive, director, or supervisor of the Company			Remarks(s)				
							Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity		Proportion	Title	Name	Relationship
																		Material Technology, Inc. Supervisor Representative of Senyun Precise Optical Co., Ltd. Director Representative of Yuncheng Ltd. Supervisor Representative of AMIDA Technology, Inc.								
Director	Republic of China	Shi Jia Investment Co., Ltd. Representative: Ma, Mou-Ming	Male 61-70	July 2, 2021	3 years	April 12, 2006	3,959,725	0.62%	3,959,725	0.62%	23,733,383	3.73%	470,914	0.07%	-	-	University graduate; Electronic & Computer Engineering, National Taiwan University of Technology	Senior VP of GIGABYTE. Director of Giga Computing Technology Co., Ltd. Director Representative of Giga Investment Corp. Director Representative of Giga- Byte Communications Inc. Director of Giga-Trend International Investment Group Ltd. Director Representative of MyelinTek Inc.	-	-	-	-				
Director	Republic of China	Yuei-yei Development Investment Limited. Representative: Tseng, Chun- Ming	Male 61-70	July 2, 2021	3 years	June 16, 2009	2,192,200	0.34%	2,192,200	0.34%	3,778,647	0.59%	288,846	0.05%	-	-	Ming Hsin University of Science and Technology	Senior VP of GIGABYTE. Director of Giga Computing Technology Co., Ltd. Director Representative of Giga- Byte Communications Inc. Chairman of Selita Precision Co., Ltd.	-	-	-	-				
Director	Republic of China	Shi Da Investment Limited Representative: Ko, Cong-Yuan	Male 61-70	July 2, 2021	3 years	June 18, 2012	9,219,000	1.45%	4,805,000	0.76%	-	-	1,000	0.01%	-	-	Master of Engineering Management, Tsinghua University	Chairman of Albatron technology Co., Ltd. Independent Director of Liwanli Innovation Co., Ltd.	-	-	-	-				
Director	Republic of China	Xi Wei Investment Co., Ltd. Representative: Lee, E-Tay	Male 51-60	July 2, 2021	3 years	June 11, 2018	9,063,075	1.43%	9,187,075	1.45%	295,062	0.05%	6,204	0.00%	-	-	California State University (CSU), Chico Master of Computer Engineering	Group General Manger of GIGABYTE. Vice Chairman of Giga Computing Technology Co., Ltd. Chairman of Gigaipc Co., Ltd. Director Representative of MyelinTek Inc.	-	-	-	-				
Independent Director	Republic of China	Wang, Hwei-Min	Male 51-60	July 2, 2021	3 years	June 11, 2018	-	-	-	-	-	-	-	-	-	-	Chung Hua University Master of Industrial Management	Chairman, Moores Rowland CPAs	-	-	-	-				
Independent Director	Republic of China	Chan, Yi-Hung	Male 51-60	July 2, 2021	3 years	June 17, 2015	-	-	-	-	-	-	1,102	0.00%	-	-	California State University, Fullerton EMBA, National Chengchi University	-	-	-	-					

Title (Note 1)	Nationality/ Registration	Name	Gender Age	Elected date	Tenure	Initial date of office	Shareholdings at the time of elected office		Current shareholdings		Representative Current shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company or in other companies	Spouse or relative at the 2 <sup>nd</sup> level under the Civil Law who is also an executive, director, or supervisor of the Company			Remarks (s)
							Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Title	
Independent Director	Republic of China	Yang, Cheng-Li	Male 61-70	July 2, 2021	3 years	July 2, 2021	-	-	-	-	-	-	-	-	-	-	MBA, Tulane University, USA. EMBA, National Chengchi University	Chairman, King Core Electronics Inc. Chairman, Allied Biotech Corporation Independent Director, Sciencetech Corporation	-	-	-	-
Independent Director	Republic of China	Peng, Peng-Huang	Male 61-70	June 9, 2023	1years	January 5 1991	-	-	-	-	-	-	-	-	-	-	MBA, Soochow University Department of Electrical Engineering, National Taipei University of Technology	Chairman and President of Singatron Group. Director of Info-Tek Corp. Director of Kingstate Electronics Corporation.	-	-	-	-
Independent Director	Republic of China	Lin, Li-Chen	Female 61-70	June 9, 2023	1years	June 12, 2015	-	-	-	-	-	-	-	-	-	-	MBA, A. B. Freeman School of Business, Tulane University of Louisiana Department of Law, National Taipei University	Director of LeadSun Greentech Corporation. Director of CPC CORPORATION, TAIWAN. independent director of TECO ELECTRIC AND MACHINERY CO., LTD. independent director of YANKEY ENGINEERING CO., LTD. Presiding Lawyer, PCL Transasia Law Offices.	-	-	-	-

Note1: Where the company's Chairman and the President or person of an equivalent post (the highest level manager) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of applicable information on the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., number of independent director seats added, and more than half of directors are not employees or managers of a company):

The Company's Chairman is also the President and oversees the company's operation strategies and sets the objectives for corporate development and business plans. To strengthen the supervision and functionality of the Board of Directors, the Chairman effectively communicates the company's business plans to each director. The Company is also planning to increase the number of independent director seats to improve the supervision and functionality of the Board of Directors. Presently, the Company arranges for each director to participate in professional courses every year to improve the effectiveness of board operations. Independent directors in each functional committee can fully discuss and provide recommendations to the Board of Directors to implement corporate governance.

## (2) The Major Shareholder of Institutional directors

April 14, 2024

The Name of institutional directors	Major shareholder	Proportion
Ming-Wei Investment Co., Ltd.	Liu, Keng-Wei	27.26%
	Liu, Hsiao-Yu	27.26%
	Yang, Hsueh-Ching	6.82%
	Liu, Ming-Hsiung	6.81%
Shi-Jia Investment Co., Ltd.	Ma, Shih-Jie	93.33%
Yuei-Yei Development Investment Limited.	Tseng, Chun-Ming	95.00%
Shi-Da Investment Limited	Ko, Cong-Yuan	80.00%
Xi-Wei Investment Co., Ltd.	Yeh, Pei-Chen	7.75%
	Tsai, Li-Mei	7.74%
	Yeh, Yu-Chang	28.17%
	Yeh, Yu-Ting	28.17%
	Yeh, Yu-Ren	28.17%

## (3) Profiles of Directors

## Disclosure of professional qualifications of directors and independent directors:

Name	Qualifications	Professional Qualification and Work Experience	Number of other public companies concurrently serving as an Independent Director Number of independent directors
Chairman Yeh, Pei-Chen		Mr. Yeh graduated from the Electronic Engineering Department of Minghsin University of Science and Technology and completed the Entrepreneur Program at National Chengchi University. He was previously an engineer at Electronics Research and Service Organization (ERSO) of the Industrial Technology Research Institute and founded GIGABYTE where he also served as the Chairman and CEO. Mr. Yeh has leadership skills, decision-making skills, ability to handle crisis management, an international market perspective, and 40 years of practical experience in relevant electronic technology industry and interdisciplinary industrial operation management. He has expertise in managing technology business and years of practical and professional experiences in business, science and technology, and marketing. He is not only the Chairman of GIGABYTE Group (including the Company and wholly-owned subsidiaries) but also a director of upstream/downstream companies or peers in the electronic technology industry, contributing his expertise in corporate governance management. Therefore, he is able to manage, lead, and make judgments and decisions about operations in the industry. He is not a person of any conditions defined in Article 30 of the Company Act.	0
Director Ming-Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung		Mr. Liu holds an EMBA from the National Chengchi University; he founded GIGABYTE where he also serves as Vice Chairman and Vice President. Mr. Liu was previously a technical engineer and one of the founders of GIGABYTE. He has over 35 years of practical experience in electronic technology and management of different supply chains. He was formerly a Chief Operation Officer for more than 10 years and a President, acquiring professional experiences in business, science and technology, and marketing. He is the director of GIGABYTE Group (including the Company and wholly-owned subsidiaries) and also a director of electronic technology companies. Therefore, he has abilities to manage, lead, and make judgments and decisions about operations. He is not a person of any conditions defined in Article 30 of the Company Act.	0
Director Shi Jia Investment Co., Ltd. Representative: Ma, Mou-Ming		Mr. Ma graduated from the Department of Electronic and Computer Engineering, National Taiwan University of Science and Technology, after which he worked as an engineer at BenQ. He is the Senior Vice President and also one of the founders of GIGABYTE, where he was appointed as the President for many years, gaining a wealth of industry knowledge and over 35 years of experience in technology R&D and management. He is an industry leader pioneering the cutting-edge era of science and technology. Due to Mr. Ma's extensive understanding of the science and technology industry, he has professional competency in leadership, decision-making, and international market perspective, profound insight into industrial development, and is a recipient of multiple awards and patents, making him a distinguished, reputable person. Therefore, Director Ma has abilities to manage operations and businesses, lead, make decisions, communicate and coordinate, and handle crisis management. He is capable of leading an R&D team through continuous innovation and R&D to keep pace with the ever-changing era of science and technology. He is not a person of any conditions defined in Article 30 of the Company Act.	0
Director Yuei-Yei Development Investment Limited. Representative: Tseng, Chun-Ming		Mr. Tseng graduated from Minghsin University of Science and Technology and is the Senior Vice President of GIGABYTE. He has extensive experiences in managing operations related to electronics, computers, peripheral equipment, and manufacturing; and has been in charge of managing GIGABYTE's manufacturing operations at home and abroad for over 35 years. Director Tseng has experience in product production management for electronic technology industries, acquiring in-depth understanding of all processes and plans respecting this industry. For this reason, he has business, science and technology, and marketing capabilities, as well as leadership and decision making skills, communication and coordination skills, and the ability to handle crisis management. He is also capable of taking the lead in the Company's product deployment, strategic management, and other matters. He is not a person of any conditions defined in Article 30 of the Company Act.	0
Director Shi-Da Investment Limited Representative: Ko, Cong-Yuan		Mr. Ke holds a Master's degree in engineering management from National Tsing Hua University. He was formerly the Vice President of GIGABYTE and is now the Chairman of Albatron Technology Co. Ltd. He has managed operations and strategies in the electronic industry for over 35 years, which empowered him to acquire corporate governance, business, marketing, and industry technology capabilities. Therefore, Mr. Ke is capable of bringing in a timely manner to the Company's Board of Directors suggestions and directions for corporate governance and operation management to help management teams draw up operation strategies for implementation. He is not a person of any conditions defined in Article 30 of the Company Act.	1



Qualifications Name	Professional Qualification and Work Experience	Number of other public companies concurrently serving as an Independent Director Number of independent directors
Director Xi-Wei Investment Co., Ltd. Representative: Lee, E-Tay	Mr. Li completed a Computer Engineering Program at California State University in Chico. He is the manager of Intel Corporation, an engineer at both Texas Instruments and Siemens, and currently the President of GIGABYTE Group. Mr. Li has over 30 years of professional knowledge and skills in electronic components and semiconductor technology and management. Director Li was previously the President of GIGABYTE Network and Communication Business Unit for more than 20 years, during which he acquired a wealth of knowledge and skills respecting network and communication industries and technologies, and gained extensive experiences and capabilities in business, technology, marketing, leadership, and business management. With his expertise, he helps the Board of Directors to improve operations and decision-making. He is not a person of any conditions defined in Article 30 of the Company Act.	0
Independent Director Wang, Hwei-Min	Wang has been a practicing accountant for 33 years and a director of Moores Rowland CPAs for 21 years. He graduated from the National Taipei University of Business and obtained a Master's degree from the Department of Industrial Management at Chung Hua University. Mr. Hwei-Min Wang did not violate any of the matters stipulated in Article 30 of the Company Act. He has professional knowledge in finance, accounting, business regulations, public laws and regulations, making him a capable advisor of compliance and management decisions with respect to business management, internal control, and internal audit. Therefore, when independent directors and the Audit Committee exercise their powers, Wang can contribute his expertise in finance, accounting, and management to improve the quality of the Board's corporate governance and the supervisory functions of the Audit Committee.	0
Independent Director Yang, Cheng-Li	Mr. Chan obtained a bachelor degree from California State University, Fullerton, and completed an EMBA at National Chengchi University. He was the Chairman of Taisun Enterprise Co., Ltd. and supervisor of INFO-TEK Corporation. Presently, he is the Chairman of Innovation Logistics Co., Ltd. and has more than 30 years of experience in business practice and operational management. With his business and marketing experiences as well as business decision-making capabilities, Mr. Chan contributes his views of different industries in a timely manner when independent directors and the Audit Committee exercise their powers, thereby helping the board improve corporate governance management.	1
Independent Director Chan, Yi-Hung	Mr. Yang holds two MBA degrees, one from Tulane University, USA, and another from National Chengchi University, Taiwan. He served as a supervisor of the board of Trade-van Info Services, Everlight Electronics, and Litemax Electronics Inc., and is the Chairman of King Core Electronics Inc. and Allied Biotech Corporation. He has extensive knowledge of the electronic industry and different industrial sectors, and more than 30 years of experience in business management. With his business and marketing experiences as well as business decision-making capabilities, Mr. Yang contributes his diverse views of management services in different industries and offers suggestions in a timely manner when independent directors and the Audit Committee exercise their powers, thereby helping the board improve corporate governance management.	0
Independent Director Peng, Peng-Huang	The Director graduated from the Department of Electrical Engineering of National Taipei Institute of Technology, and obtained a master's degree in Business Administration from Soochow University. He is currently Chairman of Taisol Electronics Co., Ltd., Chairman of Tranwo Technology Corp., Vice Chairman of Singatron Enterprise Co., Ltd., Director of INFO-TEK CORPORATION, Taiwan, Director of Kingstate Electronics Corp. He has professional skills in business management and years of practical experience in business and corporate affairs, and he is not a person falling under any of the provisions of Article 30 of the Companies Act.	0
Independent Director Lin, Li-Chen	She graduated from the Department of Law, National Taipei University, and obtained a master's degree in business administration from the Tulane University. At present, she is the managing attorney of LCH TransAsia Law Office and the chairperson of HOMENEMA TECHNOLOGY INCORPORATION She used to be an international partner of Jones Day, an independent director of Foxlink International Inc. (from 2011 to 2014) and an independent director of Super Dragon Technology Co., Ltd. (from 2000 to 2012). Independent Director Lin has focused on cross-border mergers and acquisitions, joint operations or technology transfer, and commercial arbitration-related practices for more than 30 years. She has expertise in smart automation, smart city, new energy, land development, company management, ESG and legal affairs. The Director has not been subject to the provisions of Article 30 of the Companies Act.	2

#### 4. Diversity and Independence of the Board of Directors:

##### (1) Diversity policy:

In order to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors, the Company advocates the policy of diversity of the board of directors to improve the overall performance of the Company. Regarding the composition of the board of directors, various needs such as the company's operating structure, business development direction, and future development trend should be considered, and it is advisable to evaluate various diversified orientations, such as basic composition, professional experience, and professional knowledge and skills. In order to strengthen the functions of the board of directors and achieve the ideal goal of corporate governance, the Company has established the "Corporate Governance Best-Practice Principles." This aims to stipulate that the board of directors as a whole should have the following capabilities: 1. Operational judgment ability 2. Accounting and financial analysis ability 3. Operation and management ability 4. Crisis management Processing ability 5. Industry knowledge ability 6. Legal Knowledge 7. Leadership ability 8. Decision-making ability.

The Company's board of directors currently consists of 11 directors, including 6 directors and 5 independent directors. The Company emphasizes gender equality in the composition of its board of directors and has set the goal of increasing the number of female directors to more than two (inclusive). Currently, 91% (10 directors) of the board of directors are male and 9% (1 director) are female, and the Company will endeavor to increase the number of female directors in order to achieve gender equality in its board of directors in the future.

The implementation status of the board of directors' diversity policy is as follows:

Name	Qualifications	Basic composition					Professional Experience					Expertise							
		Nationality	Gender	Employee status	Age		Seniority of Independent Director	Business	Technology	Financial Accounting	Legal	Marketing	The ability to make judgments about operations	Accounting and financial analysis ability	Business management ability	Crisis management ability	Industrial expertise	Leadership	Decision-making ability
					51 to 60	61 to 70													
Chairman Yeh, Pei-Chen	Republic of China	Male	✓	✓			✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
Representative: Liu, Ming-Hsiung	Republic of China	Male	✓	✓			✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
Representative: Ma, Mou-Ming	Republic of China	Male	✓	✓			✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
Representative: Tseng, Chun-Ming	Republic of China	Male	✓	✓			✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
Representative: Ko, Cong-Yuan	Republic of China	Male		✓			✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
Representative: Lee, E-Tay	Republic of China	Male	✓	✓			✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
Independent Director Wang, Hwei-Min	Republic of China	Male		✓		✓			✓		✓	✓	✓	✓			✓	✓	
Independent Director Chan, Yi-Hung	Republic of China	Male		✓		✓	✓				✓	✓	✓	✓			✓	✓	
Independent Director Yang, Cheng-Li	Republic of China	Male		✓	✓		✓				✓	✓	✓	✓			✓	✓	
Independent Director Peng, Peng-Huang	Republic of China	Male		✓	✓		✓	✓			✓	✓	✓	✓	✓		✓	✓	
Independent Director Lin, Li-Chen	Republic of China	Female		✓	✓		✓		✓	✓	✓	✓	✓	✓			✓	✓	

(2). Independence:

The board of directors of our company consists of 11 members, including 6 directors and 5 independent directors, with independent directors accounting for over 45% of the entire board. All our independent directors comply with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." None of the directors or independent directors are subject to the circumstances specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act or any of the conditions listed in Article 30 of the Company Act.

All independent directors fully comply with the regulations set forth by the Financial Supervisory Commission regarding independent directors. Their independence is as follows:

Name	Directors or their spouse, or relatives within the second degree of kinship are employed as a director, supervisor, or employee of the Company or its affiliates	Number of shares and shareholding ratio held by directors, their spouse, or relatives within the second degree of kinship (or held under the name of a third person)	Currently holding a position as a director, supervisor, or employee of companies with specific relationships with the Company	Compensation received for providing commercial, legal, financial, accounting or related services to the Company or its affiliates in the past two years
Wang, Hwei-Min	No	N/A	No	N/A
Yang, Cheng-Li	No	N/A	No	N/A
Chan, Yi-Hung	No	N/A	No	N/A
Peng, Peng-Huang	No	N/A	No	N/A
Lin, Li-Chen	No	N/A	No	N/A

(II) Profiles of the managers

April 14, 2024

Title	Nationality	Name	Gender	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2 <sup>nd</sup> level under the Civil Law			Remark(s)
					Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
President of GIGABYTE	Republic of China	Yeh, Pei-Chen	Male	Mar. 15, 1986	30,211,237	4.75%	5,821,063	0.92%	-	-	EMBA, National Chengchi University Ming Hsin University of Science and Technology engineer at ITRI	Chairman, Giga Computing Technology Co., Ltd. Chairman, Giga Investment Corp. Chairman, Giga-Byte Communications Inc. Director Representative of G-Style Chairman, Giga-Trend International Investment Group Ltd. Chairman, PG Union Director of Walsin Technology Corporation Director Representative of BYTE International Co., Ltd. Director of Albatron technology CO., LTD. Director Representative of Shun on Electronic Co., Limited Director Representative of Spirox Corporation Director Representative of AMIDA Technology, Inc.	-	-	-	Note1
Senior VP of GIGABYTE	Republic of China	Liu, Ming-Hsiung	Male	Mar. 15, 1986	1,748,000	0.27%	360,000	0.06%	42,583,497	6.70%	EMBA, National Cheng Chi University Engineer of G-COLOR ENTERPRISE CO., LTD.	Director Representative, Giga Computing Technology Co., Ltd Director Representative, Giga Investment Corp. Director Representative, Giga-Byte Communications Inc. Chairman, G-Style Director of Info-Tek Corporation Director Representative, Giga-Trend International Investment Group Ltd. Director Representative, Hui Yang Venture Capital Co., Ltd. Supervisor representative, BYTE International Co., Ltd. Director Representative, JM Material Technology, Inc. Supervisor representative, Senyun Precise Optical Co., Ltd. Director Representative of Yuncheng Ltd. Director Representative of Amida Technology	-	-	-	-

Title	Nationality	Name	Gender	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2 <sup>nd</sup> level under the Civil Law			Remark(s)
					Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
Senior VP of GIGABYTE	Republic of China	Ma, Mou-Ming	Male	Mar. 26, 1988	23,733,383	3.73%	470,914	0.07%	-	-	Electronic & Computer Engineering, National Taiwan University of Technology, engineer at Acer Systems	Director Representative, Giga Computing Technology Co., Ltd Director Representative, Giga Investment Corp. Director Representative, Giga-Byte Communications Inc. Director Representative of MyelinTek Inc. Director Representative, Giga-Trend International Investment Group Ltd.	-	-	-	-
Manufacturing Business Unit Senior VP	Republic of China	Tseng, Chun-Ming	Male	Jun. 1, 1993	3,778,647	0.59%	288,846	0.05%	-	-	Ming Hsin University of Science and Technology General Manager at Jpjohn	Director Representative, Giga Computing Technology Co., Ltd Director Representative of Giga-Byte Communications Inc. Chairman, Selita Precision Co., Ltd.	-	-	-	-
Group General Manger	Republic of China	Lee, E-Tay	Male	Apr. 24, 2000	295,062	0.05%	6,204	0.00%	-	-	California State University (CSU), Chico Master of Computer Engineering, Manager at Intel, Engineer at Siemens, Engineer at Texas Instruments	Vice Chairman of Giga Computing Technology Co., Ltd. Chairman of Gigaipc Co., Ltd. Director Representative, Giga Computing Technology Co., Ltd Director Representative of MyelinTek Inc.	-	-	-	-
Group General Manger	Republic of China	Lin, Ying Yu	Male	Nov 3, 2003	320,000	0.05%	-	-	-	-	MBA, National Chung Hsing University Vice manager at TUL Corporation Vice manager at Elitegroup Computer Systems	Director Representative of G-Style	-	-	-	-
General Manager, Manufacturing BU	Republic of China	Meng, Hsian-Ming	Male	Oct. 2, 2000	1,797	0.00%	-	-	-	-	PhD, VP at D-Link Q-Run Corp. Director CTX USA Director	-	-	-	-	
C.F.O. , Finance and Accounting Division, Operations Management Center&	Republic of China	Chen, Chun-Ying	Female	Apr. 6, 1994	30,191	0.00%	16,742	0.00%	-	-	University of South Australia MBA Senior Accountant, Chao Da Communications Technology Section Manager, SUPERWAVE ELECTRONIC CO., LTD.	Supervisor Representative, Giga-Byte Communications Inc. Supervisor Representative, Senyun Precise Optical Co., Ltd.	-	-	-	-
Operations Management Center Overseas Subsidiary Management Division. Vice General Manager of the US Platform	Republic of China	Lu, Zheng-Wei	Male	Jun. 1, 1990	42,000	0.01%	-	-	-	-	Northrop University MBA	-	-	-	-	

Title	Nationality	Name	Gender	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2 <sup>nd</sup> level under the Civil Law			Remark(s)
					Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
C.O.O., Operation Management Center	Republic of China	Bai, Guang-Hua	Male	Apr. 1, 2005	15,735	0.00%	-	-	-	-	Doctor's degree Supervisor, Huaxia Technology Consulting AVP, A-TREND TECHNOLOGY CO., LTD	Director Representative, Senyun Precise Optical Co., Ltd. Director Representative, Yuncheng Ltd. Director Representative, Selita Precision Co., Ltd. Director Representative of Gigaipc Co., Ltd.	-	-	-	-
Brand Marketing Division V.P. & Special Assistant to President	Republic of China	Chen, Jing-Ting	Female	Jun. 12, 2000	62,051	0.01%	-	-	-	-	Simon Fraser University Advanced Interpreter Program Benchmark Corp. Evergrace & Benly Intel	-	-	-	-	
President's office, Chairman special assistant	Republic of China	Chen, Shi-Cheng	Male	Nov. 27 2000	-	-	-	-	-	-	Syracuse University computer engineer Engineer at BenQ Engineer at Motorola	Director Representative of Selita Precision Co., Ltd. General Manager of Shun On Electronic Co., Limited.	-	-	-	-
Channel Solution Business Unit M/B Research & Development Center, Vice General Manager	Republic of China	Chen, Chen-Shun	Male	Sep. 1, 2000	8,000	0.00%	-	-	-	-	University graduate Engineer, Nan Ya Technology Asst VP Phoenix Technologies Ltd.	-	-	-	-	
Vice General Manager, Channel Solution Business Unit, Gaming Products Research & Design Center	Republic of China	Huang, Shun Chih	Male	Nov. 20, 2003	10,000	0.00%	-	-	-	-	Department of Electronics Engineering, Taiwan Institute of Technology Engineer at First International Computer Manager at Shengchuan Technology Manager at Universal Scientific Industrial	-	-	-	-	
General Counsel, Legal and IP Affairs Division, Operation Management Center	Republic of China	Chiu, Chih Peng	Male	Jan. 2, 2014	-	-	-	-	-	-	People's University China, Civil and Business Law (Doctor) University of London, MBA University of Exeter, L.L.M. Attorney at Law, Lin & Associates, Maritime Law Office AVP, Info-Tek Corporation	Director Representative of Gigaipc Co., Ltd.	-	-	-	-
Channel Solution Business Unit Sales and Marketing Center, America & Asia Platform, Vice General Manager	Republic of China	Liao, Chi-Li	Male	Oct. 1, 1998	60,000	0.01%	784	0.00%	-	-	Master degree ASUSTEK COMPUTER INC.	-	-	-	-	
Channel Solution Business Unit Sales and Marketing Center, Europe Platform, Vice General Manager	Republic of China	Hsiao, Wen-Ta	Male	Feb. 11, 1998	160,714	0.03%	-	-	-	-	University graduate D-LINK CORPORATION	-	-	-	-	

Title	Nationality	Name	Gender	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2 <sup>nd</sup> level under the Civil Law			Remark(s)
					Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
Channel Solution Business Unit, M/B Research& Business Unit Vice General Manager	Republic of China	Liao, Zhe-Xian	Male	Jun. 16, 1997	10,000	0.00%	-	-	-	-	Master degree	-	-	-	-	-
Overseas Subsidiary Management Division APAC Platform Senior AVP	Republic of China	Liu, Wen- Chung	Male	Apr. 1, 1999	-	-	-	-	-	-	University graduate First International Computer, Inc	-	-	-	-	-
Channel Solution Business Unit, M/B Research& Development Center, software office, AVP	Republic of China	Deng, Yi-Ming	Male	Mar. 11, 1997	-	-	-	-	-	-	University graduate First International Computer Co., Ltd. BIOS section manager	-	-	-	-	-
Channel Solution Business Unit, M/B Research& Development Center, Firmware Division II, Senior AVP	Republic of China	Tseng, Wei-Wen	Male	Sep.1, 2003	6,000	0.00%	-	-	-	-	University graduate Phoenix Tech. Senior AVP VIA TECHNOLOGIES, INC.	-	-	-	-	-
AVP, Chief Engineering Division, Manufacturing Business Unit	Republic of China	Sun, Wu Hsiung	Male	Aug. 28, 2000	1,026	0.00%	-	-	-	-	Department of electronics, Yunlin Institute of Technology Vice manager of engineering technology at Chih Fu Corp.	-	-	-	-	-
Senior AVP, Automotive Electronics Business Division	Republic of China	Gu, Rui-Lin	Male	June. 21, 2018	252	0.00%	-	-	-	-	National Taiwan University, Department of Electrical Engineering GM, ETOP Electronics Inc. Sales Manager, Intel Microelectronics Asia LLC	-	-	-	-	-
AVP , Information Technology Division, Operation Management Center	Republic of China	Sun, Guo-Ren	Male	Jun. 01, 2001	3,000	0.00%	-	-	-	-	Pennsylvania Widener U. Computer & Telecommunication @Network Inc IT Manager	Chairman of Yuncheng Ltd.	-	-	-	-
AVP, Channel Solution Business Unit, M/B Research& Development Center, Firmware Division I,	Republic of China	Gao, Sheng-Liang	Male	Jun. 30, 1997	9,570	0.00%	-	-	-	-	National Taiwan University, Information Engineering Master degree	-	-	-	-	-
AVP, Channel Solution Business Unit, Sales & Marketing Center, America Asia Platform	Republic of China	Liu, Jia-Yi	Female	Jul. 03, 2006	60,000	0.01%	-	-	-	-	Taipei University MBA	-	-	-	-	-



Title	Nationality	Name	Gender	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2 <sup>nd</sup> level under the Civil Law			Remark(s)
					Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship	
AVP, Channel Solution Business Unit, Sales & Marketing Center, Europe Platform	Republic of China	You, Hong-Dao	Male	Nov. 11, 2008	51,000	0.01%	-	-	-	-	BOSTON UNIVERISTY Graduate Institute of Mass Communication	-	-	-	-	-
Corporate governance officer	Republic of China	Huang, Szu-Cheng	Male	Aug. 11, 2020	-	-	-	-	-	-	Universiteit Leiden Master of International Tax Law, Bachelor of Laws and Bachelor of Arts from National Taiwan University Vice President of PricewaterhouseCoopers WMS PTE LTD Vice President of the Tax Legal Services Department of PwC Taiwan	-	-	-	-	-

Note1: Where the company's Chairman and the President or person of an equivalent post (the highest level manager) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of applicable information on the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., number of independent director seats added, and more than half of directors are not employees or managers of a company):

The Company's Chairman is also the President and oversees the company's operation strategies and sets the objectives for corporate development and business plans. To strengthen the supervision and functionality of the Board of Directors, the Chairman effectively communicates the company's business plans to each director. The Company is also planning to increase the number of independent director seats to improve the supervision and functionality of the Board of Directors. Presently, the Company arranges for each director to participate in professional courses every year to improve the effectiveness of board operations. Independent directors in each functional committee can fully discuss and provide recommendations to the Board of Directors to implement corporate governance.



## Tiers of Remuneration

Scale of remuneration to Giga-Byte's directors	Number of directors			
	Sum of the First Four Types of Remuneration (A+B+C+D)		Sum of the First Seven Types of Remuneration(A+B+C+D+E+F+G)	
	Our Company (Note 8)	All Companies in the Financial Statements (Note 9) H	Giga-Byte (*8)	All firms covered I the consolidated financial statements (*9) I
Below NTD1,000,000	Peng, Peng-Huang Lin, Li-Chen	Peng, Peng-Huang Lin, Li-Chen	Peng, Peng-Huang Lin, Li-Chen	Peng, Peng-Huang Lin, Li-Chen
NTD1,000,000~2,000,000	Wang, Hwei-Min; Chan, Yi-Hung; Yang, Cheng-Li	Wang, Hwei-Min; Chan, Yi-Hung; Yang, Cheng-Li	Wang, Hwei-Min; Chan, Yi-Hung; Yang, Cheng-Li	Wang, Hwei-Min; Chan, Yi-Hung; Yang, Cheng-Li
NTD2,000,000~3,500,000				
NTD3,500,000~5,000,000				
NTD5,000,000~10,000,000	Yeh, Pei-Chen, Liu, Ming-Hsiung, Ma Mou-Ming, Tseng, Chun-Ming, Lee, E-Tay, Ko, Cong-Yuan	Yeh, Pei-Chen, Liu, Ming-Hsiung, Ma Mou-Ming, Tseng, Chun-Ming, Lee, E-Tay, Ko, Cong-Yuan	Ko, Cong-Yuan	Ko, Cong-Yuan
NTD10,000,000~15,000,000				
NTD15,000,000~30,000,000				
NTD30,000,000~50,000,000			Ma Mou-Ming	Ma Mou-Ming
NTD50,000,000~100,000,000			Yeh, Pei-Chen, Liu, Ming-Hsiung, Tseng, Chun-Ming, Lee, E-Tay	Yeh, Pei-Chen, Liu, Ming-Hsiung, Tseng, Chun-Ming, Lee, E-Tay
Over NTD100,000,000				
Total				

Note 1: Directors' names shall be presented separately (for corporate shareholders, the name of the corporate shareholder and its representative are presented separately) and distinguished between directors and independent directors, while the amount of payment is presented in aggregate sums.

Note 2: The total amount of traveling subsidies and remuneration disbursed in the most recent year (including the salaries, subsidies, bonuses and awards).

- Note 3: The amount of remuneration to directors for the most recent year resolved by the Board.
- Note 4: This refers to the expenses incurred for business purposes by directors (including, traveling subsidy, special subsidy, all forms of subsidies, housing, company car and other subsidies in kind). If the Company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. When drivers are assigned to directors, please specify the pay of such drivers. Such pay shall not be included in the remuneration to directors.
- Note 5: When a specific director may also be an employee (refers to the position of President, Vice President, manger or employee) the salaries, occupational subsidies, pensions, compensation on discharge, bonus, awards, traveling subsidy, special subsidies, different forms of subsidies, housing, company car and other means of transportation or the spending is exclusive to particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. If a chauffeur is provided, specify the remuneration thereto but do not include as the remuneration to directors. In addition, the salary payment adopted under IFRS 2 “Share-based Payment” includes employee stock option certificates, restricted stock awards, and subscription of common stocks issued for cash. They shall be included in the compensation for employees.
- Note 6: Whenever directors are also employees (including serving as the president, vice president, other managers, and regular employees) and receive employee compensation (including stock and cash) in the most recent year, the Company must disclose the proposed amount of employee compensation approved by the Board resolution in the most recent year. If the compensation cannot be estimated, the Company calculates the proposed distribution balance this year based on the amount of actual distribution last year.
- Note 7: Disclose the total remuneration to all directors of the Company from all companies stated in the consolidated financial statement (including the Company).
- Note 8: The number of directors at each bracket of the remuneration scale. For remuneration to institutional directors, divide the remuneration by the number of representatives appointed. If the Company is willing to disclose the names of directors in all brackets on a list, Change the name of the field marked “number of directors” to “names of directors”.
- Note 9: The number of directors at each bracket of the remuneration scale paid by companies included in the consolidated financial statements (including the Company). If the Company is willing to disclose the names of directors in all brackets on a list, Change the name of the field marked “number of directors” to “names of directors”.
- Note 10: Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity’s or the individual financial statement’s net profit after tax in the most recent year.
- Note 11: a. Explicitly state if the directors of the Company “have” or “have not” receive related remuneration from investees other than the subsidiaries or from the parent company.  
b. Where the Company's directors received relevant remuneration from ventures other than subsidiaries or from the parent company, the remuneration received by the Company's directors from ventures other than subsidiaries or from the parent company shall be included in the "I" column of the remuneration bracket table with the column name changed to "the parent company and all invested companies."  
c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expenses received by the director serving as a director, supervisor or manager of ventures other than subsidiaries or of the parent company.
- \* The content of remuneration disclosed in this table may vary with the concept of remuneration as applied to Tax Code. As such, information contained in the table is only for disclosure and not intended for income tax purposes.

(2) Remuneration for General Managers and the Vice General Managers (on the same scale and disclosed collectively)

December 31, 2023 Unit: NTD1,000/1,000 shares

Title	Name	Salary (A) (*2)		Pensions (B)		Award, special subsidy and other subsidy in kind (C)(*3)		Compensation for Employees (D) (*4)				Ratio of the total ABCD to the net earnings after tax (%) (*8)		Related remuneration from investees other than the subsidiaries or from the parent company (*9)
		Giga-Byte	All firms covered I the consolidated financial statements (*5)	Giga-Byte	All firms covered I the consolidated financial statements (*5)	Giga-Byte	All firms covered I the consolidated financial statements (*5)	Giga-Byte		All firms covered I the consolidated financial statements (*5)		Giga-Byte	All firms covered I the consolidated financial statements (*5)	
								Cash dividends	Stock dividends	Cash dividends	Stock dividends			
President	Yeh, Pei-Chen													
Senior VP	Liu, Ming-Hsiung													
Senior VP	Ma, Mou-Ming													
Senior VP	Tseng, Chun-Ming													
Group General Manager	Lee, E-Tay													
General Manager of BU	Meng, Hsian-Ming													
Vice General Manager of the US Platform	Lu, Zheng-wei													
Vice General Manager and Special Assistant to Chairman	Chen, Jin-Ting													
Business Unit Vice General Manager	Chen, Chen-Shun													
General Manager	Lin, Yin-Yu (Note1)													
Business Unit Vice General Manager	Huang, Shun-Chih	39,240	39,240	1,365	1,365	370,164	370,164	117,800	0	117,800	0	11.14%	11.14%	None
Business Unit Vice General Manager	Hou, Chih-Jen (Note2)													
C.O.O.	Bai, Guang-Hua													
C.F.O. Corporate governance officer	Chen,Chun-Ying													
General Counsel	Chiu, Chih-Peng													
Business Unit Vice General Manager	Lan, Jun-Kun (Note2)													
Business Unit Vice General Manager	Liao, Chi- Li													
Business Unit Vice General Manager	Hsiao, Wen-Ta													
Business Unit Vice General Manager	Liao,Zhe-Xian (Note3)													
Business Unit Vice General Manager	Wang,Jun-Mim (Note4)													

\* regardless of title, where the position equivalent to president, vice president (for example: President, CEO, Director, ... etc.), all should be exposed.

Note1: General Manager Lin, Yin-Yu were promoted on January 13, 2023.

Note2: Business Unit Vice General Manager Hou, Chih-Jen and Business Unit Vice General Manager Lan, Jun Kun transfer to subsidiary General Manager and Vice General Manager on January 1, 2023.

Note3: Business Unit Vice General Manager Liao,Zhe-Xian were promoted on September,26 2023.

Note4: Business Unit Vice General Manager Wang,Jun-Mim were promoted on October,17 2023.

Tiers of Remuneration Scale of remuneration to Giga-Byte's General Managers and the Vice General Managers	Name of GM & Vice GM	
	Giga-Byte (*6)	All firms covered I the consolidated financial statements (*7) E
Below NTD1,000,000		
NTD 1,000,000~2,000,000		
NTD 2,000,000~3,500,000		
NTD 3,500,000~5,000,000		
NTD 5,000,000~10,000,000	Chen, Jin-Ting、Chen, Chun-Ying、Bai, Guang-Hua、Meng, Hsian-Ming、Lu, Zheng-Wei、Chiu, Chih Peng、Lan, Jun Kun、Wang, Jun-Mim	Chen, Jin-Ting、Chen, Chun-Ying、Bai, Guang-Hua、Meng, Hsian-Ming、Lu, Zheng-Wei、Chiu, Chih Peng、Lan, Jun Kun、Wang, Jun-Mim
NTD 10,000,000~15,000,000		
NTD 15,000,000~30,000,000	Chen, Chen-Shun、Liao, Chi-Li、Hsiao, Wen-Ta、Hou Chih-Jen、Liao, Zhe-Xian	Chen, Chen-Shun、Liao, Chi-Li、Hsiao, Wen-Ta、Hou, Chih-Jen、Liao, Zhe-Xian
NTD 30,000,000~50,000,000	Ma, Mou-Ming	Ma, Mou-Ming
NTD 50,000,000~100,000,000	Yeh, Pei-Chen、Liu Ming-Hsiun、Tseng, Chun-Ming、Lee, E-Tay、Lin, Ying-Yu、Huang, Shun-Chih,	Yeh, Pei-Chen、Liu Ming-Hsiun、Tseng, Chun-Ming、Lee, E-Tay、Lin, Ying-Yu、Huang, Shun-Chih,
Over NTD 100,000,000		
Total		

Note 1: The name of each General Manager(GM) and the Vice General Manager (Vice GM) shall be stated separately and the amount of remuneration to each is disclosed in aggregate.

Note 2: The total amount of traveling subsidies and remuneration disbursed in the most recent year (including the salaries, subsidies, bonus and awards).

Note 3 This refers to the expenses incurred for business purposes by GMs or Vice GMs (including, traveling subsidy, special subsidy, all forms of subsidies, housing, company car and other subsidies in kind). It the Company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. When drivers are assigned to directors, please specify the pay of such drivers. Such pay shall not be included in the remuneration to directors. In addition, the salary payment adopted under IFRS 2 "Share-based Payment" includes employee stock option certificates, restricted stock awards, and subscription of common stocks issued for cash. They shall be included in the compensation for employees.



- Note 4: The Company must fill out the employee compensation (including stock and cash) proposed to be distributed to the GM and Vice GM that is approved by the Board in the most recent year before the shareholders' meeting. If this value cannot be estimated, the ratio of actual distribution from the last year is used for the calculation of proposed distribution this year.
- Note 5: Disclose the total remuneration to all GMs or Vice GMs of the Company from all companies stated in the consolidated financial statement (including the Company).
- Note 6: The number of GMs and Vice GMs at each bracket of the remuneration scale. For remuneration to institutional directors, divide the remuneration by the number of representatives appointed. If the Company is willing to disclose the names of GMs and Vice GMs in all brackets on a list, Change the name of the field marked "number of GMs and Vice GMs" to "names of GMs and Vice GMs".
- Note 7: The number of GMs and Vice GMs at each bracket of the remuneration scale paid by companies included in the consolidated financial statements (including the Company). If the Company is willing to disclose the names of GMs and Vice GMs in all brackets on a list, Change the name of the field marked "number of GMs and Vice GMs" to "names of GMs and Vice GMs".
- Note 8: Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity's or the individual financial statement's net profit after tax in the most recent year.
- Note 9:
- a. Explicitly state if GMs and Vice GMs of the Company "have" or "have not" receive related remuneration from investees other than the subsidiaries or from the parent company.
  - b. Where the Company's president and vice president received relevant remuneration from ventures other than subsidiaries or from the parent company, the remuneration received by the Company's president and vice president from ventures other than subsidiaries or from the parent company shall be included in the "E" column of the remuneration bracket table with the column name changed to "the parent company and all invested companies."
  - c. The remuneration means pay, compensation (including compensation of employees, directors and supervisors) and business expense received by the president or vice president serving as a director, supervisor or manager of ventures other than subsidiaries or of the parent company.
- \* The content of remuneration disclosed in this table may vary with the concept of remuneration as applied to Tax Code. As such, information contained in the table is only for disclosure and not intended for income tax purposes.

## (3) Compensation for Managers

December 31, 2023; Unit: NTD1,000/1,000 shares

	Title (*1)	Name (*1)	Stock dividends	Cash dividends	TOTAL	Ratio of the total to the net earnings after tax(%)
Manager	President	Yeh, Pei-Chen	0	117,800	117,800	2.48%
	Senior VP	Liu, Ming-Hsiung				
	Senior VP	Ma, Mou-Ming				
	Senior VP	Tseng, Chun-Ming				
	Group General Manager	Lee, E-Tay				
	General Manager of BU	Meng, Hsian-Ming				
	Vice General Manager of the US Platform	Lu, Zheng-Wei				
	Vice General Manager and Special Assistant to Chairman	Chen, Jin-Ting				
	Business Unit Vice General Manager	Chen, Chen-Shun				
	General Manager	Lin, Yin-Yu				
	Business Unit Vice General Manager	Huang, Shun-Chih				
	C.O.O.	Bai, Guang-Hua				
	C.F.O.& Corporate Governance Officer	Chen, Chun-Ying				
	General Counsel	Chiu, Chih-Peng				
	Business Unit Vice General Manager	Liao, Chi- Li				
	Business Unit Vice General Manager	Hsiao, Wen-Ta				
Business Unit Vice General Manager	Liao, Chi- Li					
Business Unit Vice General Manager	Liao, Zhe-Xian					

Note 1: This refers to the scheduled profit (including stock and cash) to be allocated to managers that was approved by the board meeting before surplus is allocated to the shareholders, if, however, the allocation cannot be estimated, the allocation should then be calculated based on last year's actual distribution percentage. The stock of TWSE and TPEX companies should be calculated based on the fair value regulated by the Guidelines Governing the Preparation of Financial Reports by Securities Issuers. The surplus of non-TWSE and TPEX companies is calculated based on the net value of the closing day of the current accounting period. Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity's or the individual financial statement's net profit after tax in the most recent year.

The name and title of each individual manager should be disclosed respectively, while surplus can be disclosed in summary.

According to the Taiwan-Finance-Securities-III-0920001301 issued on March 27, 2003, the applicable scope of the managers is as follows:

- (1) General Manager and equivalent level;
- (2) Vice General Manager and equivalent level;
- (3) Director and equivalent level;
- (4) Financial supervisor;
- (5) Accounting supervisor;
- (6) Other managers and authorized personnel.

- (4) A comparative description with analysis on the ratio taken by the gross total of remuneration paid by Giga-Byte and all firms covered in the consolidated financial statements to Giga-Byte's directors, president and vice presidents to the net earnings after tax over the past two years. Please describe as well the policies, criteria and composition of remuneration, procedures to fix remuneration, their interrelationship with Giga-Byte's business performance and future risks.

Title and Description	2022		2023	
	Giga-Byte	All firms covered the consolidated financial statements	Giga-Byte	All firms covered the consolidated financial statements
Directors	9.81%	9.81%	12.20%	12.10%
GM & Vice GM				

Title Description	The remuneration of directors	The remuneration of president and vice presidents
1.Policies of remuneration	The remuneration of directors is calculated according to the Company's articles of incorporation. The approval of the meeting of shareholders is required, should there be any additional allocation and changes to remuneration to directors and supervisors.	Carried out in accordance with the Company's Remuneration Management Regulations, Employee Performance Review Regulations, Business Unit Financial Performance Calculation and Review Principles, and the Performance Bonus Evaluation and Distribution Rules.
2.Criteria and composition of remuneration	Based on the weight allocation of the business responsibility and guarantee responsibility of directors.	Includes base salary, living allowance, food allowance, duty allowance, travel allowance, holiday bonuses and performance bonuses.
3.Procedures to fix remuneration	The appropriation of surplus is proceeded in accordance with the Articles of Incorporation, resolved by the board meeting, and approved by the general meeting of shareholders.	Their salaries are fixed based on their educational and professional backgrounds, performance and service seniority and approved in accordance with the Company's delegation of authorization.
4.Interrelationship with Giga-Byte's business performance and future risks	Based on the Company's performance and profitability. Fulfilling business operation supervision responsibilities, detailing business operation direction, transforming crisis into new business opportunities.	Remuneration is paid based on target achievement rate, performance, profitability and contribution of the respective BU. Strengthening employees' loyalty to achieve the common goal of balancing gains and losses between employers and employees and tide over the risky economic landscape together.

#### IV. Corporate Governance

##### (I) The operation of BOD

In 2023, BOD held 11 meeting (A), the attendance of the directors is as follows.

Title	Name(Note 1)	Actual attending B	Authorized attending	Ratio of actual attending (%) [B/A] (Note 2)	Remark
Chairman	Yeh, Pei-Chen	11	0	100%	
Vice Chairman	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	10	1	91%	
Director	Shi Jia Investment Co., Ltd. Representative: Ma, Mou-Ming	11	0	100%	
Director	Yuei-yei Development Investment Ltd. Representative: Tseng, Chun-Ming	11	0	100%	
Director	Shi Da Investment Limited Representative: Ko, Cong-Yuan	8	3	73%	
Director	Xi Wei Investment Co., Ltd. Representative: Lee, E-Tay	11	0	100%	
Independent Director	Wang, Hwei-Min	11	0	100%	
Independent Director	Chan, Yi-Hung	11	0	100%	
Independent Director	Yang, Cheng-Li	11	0	100%	
Independent Director	Peng, Peng-Huang	6	0	100%	Inaugural in 9th June 2024
Independent Director	Lin, Li-Chen	6	0	100%	Inaugural in 9th June 2024

Important notice

I. When BOD is under any one of the following circumstances, the date, session, and proposal of board meeting; the opinion of independent directors; and the BOD's response to such opinions shall be specified:

(I) Matters specified in Article 14-3 of the Securities and Exchange Act

Date of Meeting (Session)	Proposal and Resolutions	Matters Specified in Article 14-3 of the Securities and Exchange Act	Opinions or Objections of Independent Directors
2023.01.13 (16th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•Appointment and remuneration of the Company's CPA for 2023.</li> <li>•Endorsement and Guarantee by the Company to its Subsidiary, Giga Computing Technology Company's (hereinafter referred to as "Giga Computing Technology")</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: Except for the part on Giga Computing Technology, which requires price negotiation with the CPAs, Proposal 1 was approved by all attending directors (including those attending the meeting by proxy). Proposal was passed without objection by all attending directors (including those attending the meeting by proxy) following extensive discussion.</p>	V	None
2023.03.13 (17th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•Proposal for Distribution of Employee and Director Remuneration for the Year 2022.</li> <li>•Proposal to increase 2 more independent directors of the Company.</li> <li>•The Company's proposed revision to the level of authority for income and expenditure approval.</li> <li>•Applying for a Letter of Support (LOS) from parent company in response to subsidiary, Giga Computing Technology's proposed credit facilities with Mega International Commercial Bank.</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: Proposal 1 was unanimously approved without objection by attending directors, except for directors who recused themselves due to a conflict of interest and explained the contents in which they have an interest in the meeting but did not attend discussion and voting in person or on behalf of another member. Proposal 2, 3, and 4 was unanimously approved by all attending directors.</p>	V	None
2023.04.18 (18th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•2022 earnings distribution</li> <li>•2022 cash dividend distribution</li> <li>•Applying for a LOS from parent company in response to subsidiary, Giga Computing Technology's proposed credit facilities with Yuanta Commercial Bank</li> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology's proposed credit facilities with DBS Bank</li> <li>•Removal of non-compete clauses for the Company's newly elected directors.</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: The proposal was passed without objection by all attending directors following extensive discussion..</p>	V	None

Date of Meeting (Session)	Proposal and Resolutions	Matters Specified in Article 14-3 of the Securities and Exchange Act	Opinions or Objections of Independent Directors
2023.04.28 (19th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•Amendments to the Company’s Articles of Incorporation</li> <li>•The Company’s proposed issuance of new restricted employee shares.</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: The proposal was approved by all attending directors (including those attending the meeting by proxy).</p>	V	None
2023.05.12 (20th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•2022 director’s remuneration distribution, evaluation, and suggestion</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: The proposal was unanimously approved without objection by attending directors (including those attending the meeting by proxy), except for directors who recused themselves due to a conflict of interest and have explained the contents in which they have an interest in the meeting and did not attend discussion and voting in person or on behalf of another member.</p>	V	None
2023.06.09 (21th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•The Company’s proposed issuance of the third overseas unsecured convertible bonds</li> <li>•The Company’s proposed investment of NTD150 million in Nexus CVC Partner Fund (“Nexus”) as Limited Partner (“LP”)</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: The proposal was passed without objection by all attending directors following extensive discussion..</p>	V	None
2023.8.11 (22th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology’s proposed credit facilities with CTBC Bank</li> </ul> <p>Opinion(s) of independent director(s): None.</p> <p>Actions taken by the company in response to the opinion of independent directors: None.</p> <p>Resolution: The proposal was passed without objection by all attending directors following extensive discussion..</p>	V	None
2023.9.13 (23th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>•Proposed issuance of employee stock option certificates by subsidiary Giga Computing Technology</li> <li>•Amendments to the Company’s “Rules of Procedure for board of directors meetings”</li> <li>•Establishment of “Procedures for Loan of Funds to Others” by subsidiary Giga Computing</li> <li>•Establishment of the “Procedures for Endorsements/Guarantees” by subsidiary Giga Computing</li> <li>•Establishment of the “Regulations Governing the Acquisition and Disposal of Assets” by subsidiary Giga Computing</li> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology’s new credit facilities with Citibank Taiwan</li> </ul>	V	None

Date of Meeting (Session)	Proposal and Resolutions	Matters Specified in Article 14-3 of the Securities and Exchange Act	Opinions or Objections of Independent Directors
	Opinion(s) of independent director(s): None. Actions taken by the company in response to the opinion of independent directors: None. Resolution: The proposal was passed without objection by all attending directors following extensive discussion (proxy attendance included).		
2023.12.20 (26th Meeting of the 13th-term Board of Directors)	<ul style="list-style-type: none"> <li>• Acquisition of the third plant in the United States by Freedom International Group Ltd. (“Freedom”), subsidiary of the Company</li> <li>• Capital increase (stock dividends and follow-on offering) of the subsidiary (Freedom) by the Company</li> <li>• Amendments to the Company’s “Internal Control System – Computer Information Management System” Regulations</li> </ul> Opinion(s) of independent director(s): None. Actions taken by the company in response to the opinion of independent directors: None. Resolution: The proposal was passed without objection by all attending directors following extensive discussion..	V	None

(II) Other BOD resolutions for the records or written statements regarding the objection or qualified opinion of independent directors: None.

II. Status of directors’ avoidance of conflicts of interest in relevant proposals:

- (1) The discussion focused on the distribution of remuneration to directors on March 13th, 2023 and May 12th, 2023. The relevant directors should not be involved in the discussion and voting of the matter regarding remuneration to director respectively.
- (2) Salary of managers (annual salary adjustment): The salary of managers proposed by the Board of Directors on August 11, 2023 involves the salary of individual director's representative who is also a manager. Those directors involved do not participate in discussion and voting.

III. Listed and over-the-counter companies shall disclose the evaluation cycle and periods, scope, method, and content of evaluation and other information relevant to the self (or peer) evaluation of board of directors : Please see Note 3.

IV. An evaluation on the goal of improving the functions of the Board in the current year and the most recent year (such as forming an audit committee and improving information transparency) and its implementation: See below

- (1) Targets for improving the competency of the Board of Directors
  - a. The BOD of this Company formed the Audit Committee on June 17, 2015 to replace the duty of supervisors and the re-election of the 2<sup>nd</sup> Audit Committee on June 11 2018. The committee is formed by three independent directors and holds a committee meeting at least once a quarter. The major duties and functions of the Audit Committee are as follows:  
 Audit the presentation adequacy of the Company’s financial statements, selection (dismissal) and independency and performance of CPAs, the effectiveness of implementation of the Company’s internal control, the Company’s compliance with relevant laws and regulations and rules; and the Company’s control of existing and potential risks.
  - b. The BOD of this Company established the Remuneration Committee in December 2011 and re-elected members of the fourth term on June 11, 2018. Mr. Wang, Hwei-Min (independent Director) was reelected as the chairman of the Remuneration Committee of the fourth term. The major duties and functions the Remuneration Committee are as follows:
    - \* Regularly evaluate and advise on the policy, system, standards and structure of the annual and long-term performance targets and remuneration of GIGABYTE directors, supervisors and executives.
    - \* Evaluate and advise on the meeting of performance targets by GIGABYTE directors, supervisors and executives as well as the content and amount of individual remuneration.
  - c. The BOD of this Company established the "Internal Material Information Processing SOP" in October, 2011.
  - d. The Nominating Committee was established by the Company’s Board of Directors in August 2021. Yang, Cheng-Li (Independent Director) was elected as the convener of the 1st Nominating Committee

by the rest of the committee on August 13, 2021. The main roles and responsibilities of the Remuneration Committee are as follow:

- \* Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the Board of Directors and the Group President, and finding, reviewing, and nominating candidates for directors and Group President
  - \* Establishing and developing the organizational structure of the Board and each committee, evaluating the performance of the Board, committees, directors and Group President, as well as evaluating the independence of the independent directors.
  - e. On June 9, 2023, the Company's shareholders' meeting approved the appointment of two additional independent directors, Ms. Lin, Li-Chen (independent director) and Mr. Peng, Peng-Huang (independent director), in order to meet the criteria of diversified backgrounds and independence in terms of expertise, technology, experience and gender required for corporate governance.
- (2) Evaluation of execution
- \* The Audit, Remuneration, Nominating Committee are functioning well.
  - \* GIGABYTE's disclosure of important information follows a principle of honesty and integrity. Disclosure has been accurate, timely and fair.

Note 1: For institutional directors, disclose the names and the names of their representatives.

- Note 2: (1) If directors leave their positions before the end of the year, the service termination day should be stated in the remarks section. The actual attendance rate (%) is calculated with the number of times the Board meets when they are on the Board and the actual number of times that member attends.
- (2) Before the end of the year, if there is an election of the Board, the names of new and old directors should both be filled out, and whether a director is old, new, or re-elected should be filled out in the remarks section in the remarks section, as should the re-election date. The actual attendance rate (%) is calculated with the number of times the Board meets when they are on the Board and the actual number of times that member attends.

Note 3: Implementation status of the evaluation of the Board of Directors:

(a) Implementation status of the evaluation of the Board of Directors in 2024:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Content of Evaluation
Implemented once every year	2024/02/01 ~ 2025/01/31	(1)Board of Directors (2)Individual directors	(1)Board internal self-assessment (2)Director self-assessment	(1)Degree of participation in the Company's operations; quality of board decisions; board composition and structure; selection of suitable board directors and continuing professional education; and internal control. (2)Alignment of the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationship and communication; director's professionalism and continuing education;; internal control.

(b) Implementation status of the evaluation of the Board of Directors in 2023

The results of board internal self-assessment and board members self-assessment were reviewed and passed in the meeting of Remuneration Committee, March 2024 and were further approved by the Board of directors. Filing of assessment results on the specified website has been completed before the deadline (end of March, 2024).



(II) The operation of the Audit Committee

1. The operation of Audit Committee.

In 2023, the Audit Committee held 11 committee meetings (A), and the attendance of independent directors is as follows:

Title	Name	Actual attendance (B)	Proxy attendance	Actual attendance rate (%) [B/A] (note)	Remarks
Independent Director	Wang, Hwei-Min	11	0	100%	
Independent Director	Chan, Yi-Hung	11	0	100%	
Independent Director	Yang, Cheng-Li	11	0	100%	
Independent Director	Peng, Peng-Huang	6	0	100%	Inaugural in 9th June 2024
Independent Director	Lin, Li-Chen	6	0	100%	Inaugural in 9th June 2024

1. This Company formed the Audit Committee on June 17, 2015 to audit:
  - (1) the adequacy of presentation of the Company's financial statements,
  - (2) the selection (dismissal) and independency and performance of CPAs,
  - (3) the effectiveness of implementation of the Company's internal control,
  - (4) the Company's compliance with relevant laws and regulations and rules; and
  - (5) the Company's control of existing and potential risks. °
2. The duties and functions of the Audit Committee include:
  - (1) Establishment or amendment of an internal control system according to Article 14-1 of the Securities and Exchange Act.
  - (2) Evaluation of the internal control system.
  - (3) Establishment or amendment of operating procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others, according to Article 36-1 of the Securities and Exchange Act.
  - (4) Matters involving the personal interest of a director.
  - (5) Transactions of material assets or derivatives.
  - (6) A material monetary loan, endorsement, or provision of guarantee.
  - (7) The offering, issuance, or private placement of any equity-type securities.
  - (8) The appointment or dismissal of CPAs, or their compensation.
  - (9) The appointment or discharge of financial, accounting, or internal auditing officers.
  - (10) Annual financial statements or biannual financial statements.
  - (11) Any other material matter specified by the Company or competent authorities.

Other information to disclose:

- (1) If one of the situations below occurs during Audit Committee operations, the Audit Committee meeting date, period, proposal content, content of objections, qualified opinions or material suggestions made by independent directors, the outcomes Audit Committee resolutions, and the Company's handling of the Audit Committee members' opinions should be described:
  - (I) Matters specified in Article 14-5 of the Securities and Exchange Act : Audit Committee's opinions or resolutions approved are as follows:

Date of Meeting (Session)	Proposal and Resolutions	Matters Specified in Article 14-5 of the Securities and Exchange Act	Matters not approved by all the members of Audit Committee, but approved by 2/3 of directors
2023.01.13 (14th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•The appointment and remuneration of the Company's CPA for 2023.</li> <li>•Endorsement and Guarantee by the Company to its Subsidiary, Giga Computing Technology Company's ((hereinafter referred to as "Giga Computing Technology"))</li> </ul>	V	None
	Resolution of the audit committee: Approval was granted by all members of the Audit Committee. Actions taken by the Company in response to the opinion of audit committee: Approval was made by all attending directors (including those attending the meeting by proxy).		

Date of Meeting (Session)	Proposal and Resolutions	Matters Specified in Article 14-5 of the Securities and Exchange Act	Matters not approved by all the members of Audit Committee, but approved by 2/3 of directors
2023.03.13 (15th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•2022 parent company only and consolidated financial statements</li> <li>•The Company’s proposed revision to level of authority for income and expenditure approval.</li> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology’s credit facilities with Mega International Commercial Bank</li> <li>•Capital increase of the subsidiary in Japan</li> <li>•2022 statement of internal control system</li> </ul>	V	None
	Resolution adopted by the Audit Committee: Passed by all committee members as proposed.		
	Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.		
2024.04.18 (16th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•The Company’s 2022 business report</li> <li>•The Company’s 2022 cash dividend distribution</li> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology’s new credit facilities with Yuanta Commercial Bank</li> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology’s new credit facilities with DBS Bank</li> </ul>	V	None
	Resolution adopted by the Audit Committee: Passed by all committee members as proposed.		
	Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.		
2023.05.12 (18th meeting, 3rd term)	•2023 Q1 consolidated financial statements	V	None
	Resolution adopted by the Audit Committee: Passed by all committee members as proposed.		
	Actions taken by the Company in response to the opinion of audit committee: Approval was made by all attending directors (including those attending the meeting by proxy).		
2023.06.09 (19th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•Issuance of the Company’s 3rd overseas unsecured convertible corporate bonds</li> <li>•Investment of NTD150 million in</li> <li>•Nexus CVC Partner Fund (“hereinafter referred to as “Nexus”) as Limited Partner (“LP”)</li> </ul>	V	None
	Resolution adopted by the Audit Committee: Passed by all committee members as proposed.		
	Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.		
2023.08.11 (20th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•2023 Q2 Consolidated financial statements</li> <li>•Applying for LOS from parent company in response to subsidiary Giga Computing Technology’s new credit facilities with CTBC Bank</li> </ul>	V	None
	•Resolution adopted by the Audit Committee: Passed by all committee members as proposed.		
	•Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.		

Date of Meeting (Session)	Proposal and Resolutions	Matters Specified in Article 14-5 of the Securities and Exchange Act	Matters not approved by all the members of Audit Committee, but approved by 2/3 of directors
2023.09.13 (21th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•Amendments to the Company’s “Rules of Procedure for board of directors meetings”</li> <li>•Acquisition of 100% share capital in the group’s Singapore subsidiary, AORUS PTE.LTD. by subsidiary Bestyield BYTE International Co., Ltd.</li> <li>•Proposed establishment of the U.S. subsidiary by subsidiary Giga Computing Technology</li> <li>•Issuance of employee stock option certificates by subsidiary Giga Computing Technology</li> <li>•Applying for a LOS from parent company in response to subsidiary Giga Computing Technology’s new credit facilities with Citibank Taiwan</li> </ul> <p>Resolution adopted by the Audit Committee: Passed by all committee members as proposed.</p> <p>Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.</p>	V	None
2023.10.17 (22th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•Employee stock option certificates issued by subsidiary Giga Computing Technology, managers’ subscription list and number of shares, and non-manager’s subscription list and number of shares</li> </ul> <p>Resolution adopted by the Audit Committee: Passed by all committee members as proposed.</p> <p>Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.</p>	V	None
2023.11.03 (23th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•The Company’s 2024 audit plan</li> <li>•2023 Q3 consolidated financial statements</li> </ul> <p>Resolution adopted by the Audit Committee: Passed by all committee members as proposed.</p> <p>Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.</p>	V	None
2023.12.20 (24th meeting, 3rd term)	<ul style="list-style-type: none"> <li>•Acquisition of the third plant in the United States by Freedom International Group Ltd., subsidiary of the Company</li> <li>•Capital increase (stock dividends and follow-on offering) of the subsidiary (Freedom) by the Company</li> <li>•Amendments to the Company’s “Internal Control System – Computer Information Management System” Regulations</li> </ul> <p>Resolution adopted by the Audit Committee: Passed by all committee members as proposed.</p> <p>Actions taken by the company in response to the opinion of the Audit Committee: Passed by all attending directors as proposed.</p>	V	None

(II) Matters other the above unapproved by the Audit Committee but resolved by over two thirds of all directors: None

- (2) Specify the name of independent directors, proposal content, reasons for the need of avoidance of conflicts of interest, and involvement in voting for implementation of the avoidance of conflicts of interest in independent directors: None.

(3) Communication between independent directors and the internal chief auditor and accountant (shall include communication on the company's material financial and sales affairs, including the topics, methods, and results of communication):

1) Apart from submitting the audit report to each independent director for review each month, the chief auditor will report material issues found in the audit to the BOD or board members.

When auditing or reviewing quarterly consolidated statements (annual and including individual financial statements) of this Company at the planning and completing stages, CPAs consolidate information and communicate with the Audit Committee in writing or face to face according to SAS No. 39 "Communications with Those Charged with Governance" and Letter Tai-Cai-Zheng-Liu-Zi No. 0930105373 issued by the Securities and Futures Bureau dated March 11, 2004.

Note: (1) When there are independent directors resign before the end of a fiscal year, the service termination day should be stated in the remarks section. The actual attendance rate (%) is calculated based on the number of Audit Committee meetings that have been held in that year and the actual number of meetings that have attended.

(2) Before the end of a fiscal year, if there is a re-election of independent directors, the names of new and current independent directors should both be listed in the remarks column and their status: current, new, or re-elected, and the date of re-election shall be specified. The actual attendance rate (%) is calculated based on the number of Audit Committee meetings that have been held in that year and the actual number of meetings that have attended.

(III) The Status of Corporate Governance to be enforced by listed companies, the variations and the causes of variations

Evaluation item	Implementation status			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary description	
1. Has the Company defined and disclosed its corporate governance best practice principles in accordance with the "Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies"?	✓		The Company has established a "Corporate Governance Best-practice Principles" based on the "Corporate Governance Best-practice Principles" and disclosed it on the Company's website and the Market Observation Post System.	Conforms to the Corporate Governance Best-practice Principles
2.. Structure of shareholdings and shareholder's equity (1) Does the Company have and enforce internal procedures for handling shareholder suggestions, questions, disputes and litigation? (2) Does the Company keep an effective list of its dominant shareholders and the parties with ultimate control over its dominant shareholders? (3) Has the Company established and enforced a risk control mechanism and firewall between its affiliates? (4) Does the Company have internal rules in place to prevent insider trading?	✓		(1) Our PR Office and Investor Services personnel are assigned to handle shareholder suggestions or disputes. (2) Our Investor Services personnel work closely with the "Transfer Agency Department of China Trust Securities" to effectively track the list of dominant shareholders and the parties with ultimate control over the dominant shareholders. (3) Our Company has defined regulations for "Supervision and Management of Subsidiaries" and "Management of Transactions with Group Companies, Designated Companies and Stakeholders". These establish an appropriate risk control mechanism and firewall between affiliates. (4) The BOD passed the "Internal Procedure for Major Disclosure" in October 2011, to establish an appropriate risk control mechanism.	Conforms to the Corporate Governance Best-practice Principles
3. The Organization and functions of the board of directors (1) Does the Board formulate diversity policies, specific management objectives and implement them?	✓		(1) The nomination and selection of members of the board of directors of the company follows the provisions of the company's articles of association and adopts a candidate nomination system. In addition to evaluating the educational experience and qualifications of each candidate, it also refers to the opinions of stakeholders, and abides by the " Rules for Director Election " and "Corporate Governance Code of Practice", diversity and independence of board members. The company's board of directors currently has 11 members, including 6 directors and 5 independent directors. Independent directors account for more than 45% of all board members. There are 3 independent directors, with terms of less than 3 years, and 2 independent directors, with terms of 4 to 9 years. There are 8 directors aged between 61 and 70 years old, and 3 directors aged between 51 and 60 years old.	Conforms to the Corporate Governance Best-practice Principles

Evaluation item	Implementation status		Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	
<p>(2) In addition to the Remuneration Committee and Audit Committee required by law, has the Company voluntarily established any other functional committees?</p> <p>(3) Has the company established and implemented methods for assessing the performance of the Board of Directors, conducted performance evaluation annually, presented the performance evaluation results to the Board of Directors, and used the results as reference for individual director remuneration and re-election nomination?</p> <p>(4) Does the Company regularly evaluate the independence of the public auditors?</p>			<p>(2) Our Company established the Remuneration Committee on December 15, 2011, the Audit Committee on June 17, 2015 and the Nominating Committee on August 13, 2021. Other functional committees will be established as necessary in the future.</p> <p>(3) Our Company has defined the "Board of Director Management Rules" to manage the running of the Board.</p> <p>(4) The Company's Audit Committee evaluates the independence and suitability of its attesting CPAs annually. In addition to requesting the attesting CPAs to provide a "declaration of independence" and "Audit Quality Indicators (AQIs)," the evaluation is also conducted in accordance with the criteria set forth in Note 1 and the 13 AQIs. After confirming that the CPAs and the Company have no other financial interests or business relationships except for the fees for assurance and tax cases, and that the members of the CPA's family do not violate the independence requirements. In addition, by referring to the AQIs, we recognize that the audit experience and training hours of the CPA firm and CPAs are better than the average of the industry, and digital audit tools will continue to be introduced to improve the quality of audits in the next three years. The results of the most recent annual evaluation were discussed and approved by the audit committee on January 16, 2024, and were submitted to the board of directors to approve the evaluation of the independence and suitability of the CPAs on January 16, 2024.</p>
<p>4. Does the listed company appoint a suitable number of designated personnel and supervisor to be in charge of corporate governance related affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors with legal compliance, handling matters relating to board meetings and shareholders meetings according to laws, processing company registration and change of registration, and producing minutes of board meetings and shareholders' meetings)?</p>	✓		<p>The Company was approved by the resolution of the board of directors on January 16, 2024 and appointed Huang, Szu-Cheng as the chief corporate governance officer.</p> <p>The chief corporate governance officer's main responsibilities are to handle matters relevant to Board of directors and Shareholders' meeting in accordance with the law, to prepare minutes of Board meetings and Shareholders' meetings, to assist directors' inauguration and continuing professional education, to provide the directors with information required for performing their duties, and to assist the directors to act in compliance with the laws.</p> <p>Conforms with the Corporate Governance Best-Practice Principles</p>

Evaluation item	Implementation status		Variation from Corporate Governance Best Practice Principles, and Reason	
	Yes	No		Summary description
5. Has the Company established channels for stakeholder (including but not limited to shareholders, employees, customers, and suppliers) communication, set up a stakeholder section in the corporate website, and responded appropriately to important CSR issues material to shareholders?	✓		Our Company has a spokesperson system in place for communication with shareholders. The Stakeholder section on the corporate website is expected to be completed by the end of 2015 to respond appropriately to important CSR issues material to stakeholders.	Conforms to the Corporate Governance Best-practice Principles
6. Has the Company appointed a transfer agency for organizing shareholder meetings?	✓		Our Company has appointed the "Transfer Agency Department of CTBC Securities" as the organizer of shareholder meetings.	Conforms to the Corporate Governance Best-practice Principles
7. Disclosed information (1) Has the Company set up a website to disclose its financial information and the status of corporate governance. (2) Are there other means for the Company on disclosure (such as English website, designated personnel to gather and disclose relevant information on the Company, effective implementation of the spokesperson system, and the online broadcast of institutional investor conferences)? (3) Does the company publicly disclose its annual financial report within two months after the end of the accounting year, and publicly disclose its Q1, Q2, and Q3 financial reports and monthly operation status ahead of the prescribed time limit?	✓		(1)Our corporate website: <a href="http://www.GIGABYTE.com/index.aspx">http://www.GIGABYTE.com/index.aspx</a> .  (2) Our corporate website is available in Chinese and English. It provides timely disclosure of company information including company profile, investor relations, CSR, products, services and current events for shareholders and consumers.  (3) Pursuant to regulations, the Company has disclosed monthly operation status ahead of the prescribed time limit and included priority for improvement in the schedule for announcing and reporting financial reports.	Conforms to the Corporate Governance Best-practice Principles
8. Are there any other important information that will help with understanding corporate governance practices at the Company (including but not limited to employee rights, employee care, supplier relations, stakeholder rights, continuing education for directors and supervisors, the implementation of risk management policy and risk measurement measures, the implementation of customer policy, and the purchase of liability insurance for directors and supervisors)?	✓		(1)Employee benefits and employee care: Incentive schemes/ company facilities/company Organization and Services/Talent development (2)Investor relations: The GIGABYTE website provides a disclosure platform that investors can access for financial information/ corporate governance / shareholder meeting/ shareholder services. (3)Supplier relations: GIGABYTE received AEO certification as a quality enterprise in February, 2012. We have signed the Declaration of Supply Chain Safety with our suppliers and use external audits of suppliers to ensure conformity. (4)Stakeholder rights: Our Company has avoided conflicts of interest with stakeholders in accordance with the law. (5)Further education status of directors, accounting chiefs, audit chiefs and chief corporate governance officer: These personnel have completed further education at the regulatory length. Please refer to the annexe (Note) for details.	Conforms to the Corporate Governance Best-practice Principles

Evaluation item	Implementation status		Summary description	Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No		
			(6)Risk management policy: GIGABYTE has risk management policies in place for inventory, equipment, buildings and receivables. We are also insured against any potential losses. (7)Liability insurance for directors and supervisors: This Company buys liability insurance for all directors and supervisors by the Company.	
<p>9. Please specify the status of improvements and prioritized improvements with reference to the Corporate Governance Evaluation results announced by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the previous year.</p> <p>Completed improvements: The company has added a female independent director in 2023 to achieve the goal of diversifying board members.</p> <p>Prioritized improvements: The interim financial report shall be disclosed in English within two months after the filing deadline.</p>				



Note1: The evaluation criteria of accountant independence

The evaluation item for accountant independence	result of evaluation	Is it consistent with independence?
1. Does the accountant have a direct or significant indirect financial interest relationship with the company?	No	Yes
2. Whether Accountants, Spouses and Underage Children Hold GIGABYTE's Stock?	No	Yes
3. Does the accountant have financing or guarantee activities with the company or the company's directors and supervisors?	No	Yes
4. Does the accountant have close business relationship and potential employment relationship with the company?	No	Yes
5. The accountants and members of the audit service team are currently or in the last two years whether they act as directors, supervisors, managers or have significant influence on auditing cases in the company?	No	Yes
6. Does the accountant provide non-audit services to the company that may affect the audit work?	No	Yes
7. Does the accountant publicize or mediate shares or other securities issued by the company?	No	Yes
8. Whether the accountant acts as the defender of the company or coordinates the conflicts with other third parties on behalf of the company?	No	Yes
9. Whether the accountant has kinship with the company's directors, supervisors, managers, or persons who have significant influence on the auditing?	No	Yes
10. Whether the accountant is dismissed by a joint certified public accountant within one year as the supervisor or manager of the company or has a significant influence on the audit case?	No	Yes

Note2: Status of further education of directors, accounting chiefs, and audit chiefs in 2023.

Title	Name	Date	Course	Hours
Chairman	Yeh, Pei-Chen	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Vice Chairman	Liu, Ming-Hsiung, Representative of Mingwei Investment Co., Ltd.	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
		Nov 3, 2023	Anti-Tax Avoidance Wave—CFC Responses and New M&A Ideas that Taiwanese Businesses Need to Know	3
Director	Ma, Mou-Ming Representative of Shih-Chia Investment Co., Ltd.	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Director	Tseng, Chun-Ming Representative of Yuei-yei Development Investment Ltd.	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Director	Ko, Cong-Yuan Representative of Shih Dah Investment Co., Ltd.	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3

Title	Name	Date	Course	Hours
Director	Lee, E-Tay Representative of Xi Wei Investment Co., Ltd.	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Independent Director	Wang, Hwei-Min	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Independent Director	Chan, Yi-Hung	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Independent Director	Yang, Cheng-Li	Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
		Nov 3, 2023	Anti-Tax Avoidance Wave—CFC Responses and New M&A Ideas that Taiwanese Businesses Need to Know	3
		Dec 22, 2023	Tax issues involved with the Company and major shareholders	3
Independent Director	Peng, Peng-Huang	Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
Independent Director	Lin, Li-Chen	Apr 18, 2023	Corporate Directors and Supervisors Course—“2023 Taiwan New Net Zero Electricity Summit”	3
		Aug 11, 2023	The Future of Enterprises under the War: Tactical Shift & Strategic Transformation	3
CFO	Chen, Chun-Ying	May 25-26 2023	Accounting Research and Development Foundation Continuing Education Course for Accounting Supervisors	12
Chief corporate governance officer	Chen, Chun-Ying	Mar 16, 2023	Management right competition	3
		Apr 18, 2023	Fiscal and Taxation Thinking of Taiwanese Businesses under the Trend of Global Re-arrangement of Supply Chain	3
		Aug 11, 2023	Operation Diversification Strategy under Geopolitical Risk	3
		Dec 7, 2023	Reading and Utilization of Intangible Assets Evaluation Report	3
Audit Chief	Ting, Yu-chi	Jul 18, 2023	Introduction and Seminar of Important Internal Audit Practices	6
		Sep 13, 2023	Supervision of subsidiaries	6

(IV) Composition, Duties, and Operations of the Remuneration Committee:

The Company's Board established the Compensation Committee in December 2011 and elected members for the fifth term of the committee on July 2, 2021. Mr. Wang, Hwei-Min(independent director) was consecutively elected to a fifth term of the chairman of the Compensation Committee.

1. Information on the members of the Compensation Committeejj

Capacity	Name	Criteria	Professional qualifications and experience	Independence status	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director	Wang, Hui-min		Wang has been a practicing accountant for 33 years and a director of Moores Rowland CPAs for 21 years. He graduated from the National Taipei University of Business and obtained a Master's degree from the Department of Industrial Management at Chung Hua University. Mr. Hwei-Min Wang did not violate any of the matters stipulated in Article 30 of the Company Act. He has professional knowledge in finance, accounting, business regulations, public laws and regulations, making him a capable advisor of compliance and management decisions with respect to business management, internal control, and internal audit. Therefore, when exercising his powers as a member of the Remuneration Committee, Wang can contribute his expertise in finance, accounting, and management to improve the functionality of the Remuneration Committee.	According to the Company's Articles of Incorporation and Corporate Governance Best Practice Principles, election of directors adopts a candidates nomination system. During the nomination and selection of board members, the Company has obtained the written statement, work experience, current incumbency certificate, and kinship table provided by each director to verify and confirm that they, their spouses, and relatives within the third degree kinship are independent of the Company. The Company has also verified that the 2 independent directors all fulfilled the qualification requirements stipulated in FSC's Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 14-2 of the Securities and Exchange Act during the two years before their election and during their tenure. In addition, independent directors have been empowered to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act to exercise their powers independently.	0
Independent Director	Henry Yang		Mr. Yang holds two MBA degrees, one from Tulane University, USA, and another from National Chengchi University, Taiwan. He is currently the Chairman of King Core Electronics Inc.; was formerly a Remuneration Committee member at Ace Pillar Co. Ltd.; and is now a member of the Remuneration Committee of Scientech Corporation. He has more than 30 years of experience in management administration. With his business and marketing experiences as well as business decision-making, risk management, and corporate business capabilities, Mr. Yang contributes his diverse views of management services in different industries and offers suggestions in a timely manner when exercising his power as a member of the Remuneration Committee, thereby helping the board improve corporate governance management and the Audit Committee enhance its supervisory functions and management quality.		1
Committee Member	Peng, Peng-Huang		Mr. Peng graduated from Department of Electrical Engineering, National Taipei University of Technology and obtained an MBA from Soochow University. He is the Chairman of Tranwo Technology Corp., Vice Chairman of Singatron Enterprise Co., Ltd., Director of INFO-TEK Corporation, and Director of Kingstate Electronics Corp. Mr. Peng has professional business management ability and years of practical experience in commerce and corporate business operations. He has not been in any circumstances stated in Article 30 of the Company Act.	During the 2 years before being appointed or during the term of office, Mr. Peng did not violate each of the provisions regarding independence in Article 6 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange, nor concurrently serve as remuneration committee member at other public companies.	0

2. The powers and jurisdiction of the Compensation Committee

- \* On a regular basis, evaluate and recommend on the Company's policies, institutions, standards, and structure of the annual and long-term performance targets and compensation for directors, supervisors, and managers.
- \* Evaluate and recommend on the level of performance of the Company's directors, supervisors, and managers, and the nature and amount of their compensation.

### 3. The operation of the Compensation Committee

- (1) The Company's Compensation Committee consists of three members.
- (2) The duration of this term: The 5<sup>th</sup> committee is from July 2, 2021 to July 1, 2024. In 2023, the Compensation Committee held 7 committee meetings (A). The attendance record of members is as follows:

Title	Name	Actual attending B	Authorized attending	Ratio of actual attending (%) [B/A] (Note)	Remark
Convener	Wang, Hwei-Min	7	0	100%	
Committee	Yang, Cheng-Li	7	0	100%	
Committee	Peng, Peng-Huang	7	0	100%	

Other matters that should be documented:

I. Recommendations of the Compensation Committee rejected or modified by the Board: None.

II. Resolutions of the Compensation Committee that met opposition or reservation from members and have been documented: None.

III. Extracts from important agendas in the 2023 Remuneration Committee meeting:

Date of Meeting (Session)	Agenda and follow-up	Remarks and Other Recommendations
January 13th, 2023 (The 7nd session of 5th)	<ul style="list-style-type: none"> <li>•Assessment and recommendation on the year-end bonus for managers of the Company.</li> <li>•The Company's regulations on the performance bonus of Channel Solution BU for 2023</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed.	
March 13th, 2023 (The 8nd session of 5th)	<ul style="list-style-type: none"> <li>•Assessment and recommendation on the distribution of compensations to employees and directors in 2022.</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed. The first proposal will be reported to the 2023 Annual Shareholders' Meeting.	
April 28th, 2023 (The 9nd session of 5th)	<ul style="list-style-type: none"> <li>•To approve the issuance of employee restricted stock awards.</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed.	
May 12th, 2023 (The 10nd session of 5th)	<ul style="list-style-type: none"> <li>•Assessment and recommendation on 2022 distribution of remuneration to directors.</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed.	
August 11th, 2023 (The 11nd session of 5th)	<ul style="list-style-type: none"> <li>•Assessment and recommendation on the Company's distribution of remuneration for managers in 2022 based on operating performance.</li> <li>•The Company's manager salary (annual pay raise) evaluation and suggestions.</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed.	
September 13th, 2023 (The 12nd session of 5th)	<ul style="list-style-type: none"> <li>•Proposed issuance of employee stock option certificates by subsidiary Giga Computing Technology</li> <li>•The Company's 2024 incentive and growth bonus regulations for the channel solution business unit</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed.	
October 17th, 2023 (The 13nd session of 5th)	<ul style="list-style-type: none"> <li>•Employee stock option certificates issued by subsidiary Giga Computing Technology, managers' subscription list and number of shares, and non-manager's subscription list and number of shares</li> </ul>	None
	Resolutions adopted by the Remuneration Committee: Passed by all committee members as proposed.	
	Actions taken by the company in response to the opinion of the Remuneration Committee: Passed by all attending directors as proposed.	

Note: (1) Before the end of the year, if a member of the compensation committee leaves his position, his termination date should be noted in the remarks section. The actual attendance percentage is calculated according to the number of meetings and actual

- attendance during the term of the committee.
- (2) Before the end of the year, if there is a re-election of the Compensation Committee, the former and current committee members should both be listed. In the remarks section, whether a member is newly elected or reelected should be noted, along with the election date. The actual attendance percentage is calculated according to the number of meetings and actual attendance during the term of the committee.

(V) Composition and operating status of the Nominating Committee:

The Nominating Committee was established by the Board of Directors in August 2021. The 1st Nominating Committee was chosen on August 13, 2021, with Independent Director Yang, Cheng-Li appointed as the convener of the 1st Nominating Committee.

1. Role and responsibility of the Nominating Committee:

- (1) Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the Board of Directors and the Group President, and finding, reviewing, and nominating candidates for directors and Group President.
- (2) Establishing and developing the organizational structure of the Board and each committee, evaluating the performance of the Board, committees, directors and Group President, as well as evaluating the independence of the independent directors.
- (3) Establishing and reviewing on a regular basis programs for directors' continuing education and the succession plans of directors and Group President.
- (4) Establishing corporate governance guidelines of the Company.

2. Professional qualifications and experience of Nominating Committee members, and the operation of the Committee:

- (1) There are three members in the Company's Nominating Committee.
  - (2) Current term of office: From August 13, 2021 to July 1, 2024. In recent years up to the date of publication of the annual report, the Nominating Committee met 3 times
- (A). The members' qualifications, experience, attendance and agenda were as follow:

Title	Name	Professional qualifications and experience	Attendance in Person [B]	By proxy	Attendance Rate in Person (%) [B/A] (note)	Remarks
Convener	Yang, Cheng-Li	•Independent Director •Extensive experience in business management, leadership, decision-making and the industry.	3	0	100%	
Committee Member	Yeh, Pei-Chen	•Company Chairman •Extensive experience in business management, leadership, decision-making and the industry.	3	0	100%	
Committee Member	Wang, Hwei-Min	•Independent Director •Professional business management ability along with knowledge of corporate governance trends and securities regulation	3	0	100%	

Note:(1) Where a member of the Nominating Committee separated from the Company before the end of the financial year the date of separation should be noted in the Remarks. Attendance rate in person (%) should be calculated based on the number of Nominating Committee meetings convened and their actual attendance while they were still with the Company.

- (2) Where by-elections for a member of the Nominating Committee was held before the end of the financial year, the outgoing and incoming member of the Nominating Committee should both be listed.

Whether the Committee member is incoming, outgoing, re-elected, and their date of by-election should also be noted in the Remarks.

Attendance rate in person (%) should be calculated based on the number of Nominating Committee meetings convened and their actual attendance while they were with the Company.

Other matters that require reporting:

1. Recommendations of the Nominating Committee that were not adopted, or were amended, by the Board of Directors: None.
2. Any objection or expression of reservations by an independent director of which there is a record or written statement: None.
3. Summary of Nominating Committee agenda:

Date of meeting (Term)	Agenda and Follow-up	Remarks and Other Recommendations
March 14th, 2023 (The 3rd session of 1th)	•Recommendation of candidates for directors (including independent directors) of the Company	None
	Resolution of the nomination committee: Approval was granted by all members of the nomination committee.	
	Actions taken by the Company in response to the opinion of nomination committee: Approval was granted by all attending directors.	

(V) Promotion status of sustainable development, deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons:

GIGABYTE's vision of promoting sustainable development is based on the basic tenet "innovative technology optimizes the beauty of life" in the aspects of operating, product, environment and society, thus setting up the 4 major directions to promote the policy of sustainable development including the excellent industrial capabilities of research and development (R & D) and innovation, the development of low carbon technology making, Improve energy resource usage efficiency and sustainable supply chain resilience, GIGABYTE provide friendly product services and sincere caring for the society as well as achieving the goal of mutual benefits and common good by the means of actively creating the sustainable value for the company, for the environment and for the society. Nevertheless, ever since the United Nation has announced its sustainable development goals in 2015, we have also reviewed our global influence by the means of promoting sustainable development. Consequently, among the 17 goals of sustainable development, we have self-responsive targets that highly link to GIGABYTE's operation management. By integrating with promoting directions in regard to the policies of corporate social responsibilities established by the GIGABYTE Green sustainable development committee, it's expected that future facilitation of the relevant special projects and acts will broaden the company's vision and ambitions, thus promoting more forward-looking and influential acts to the society.

Sustainable Development Policy

1. Strive to improve the efficiency of our energy and resource use, eliminate hazardous substances, make zero waste and emissions our goal.
2. Implement clean production and strengthen green supply chain management to push for sustainable development based on the highest ethical standards and guidelines.
3. Develop low-carbon technologies and green products, promote green consumption, build a green brand.
4. Care for the environment and ecology and achieve symbiosis with planet Earth.
5. Care for culture and society

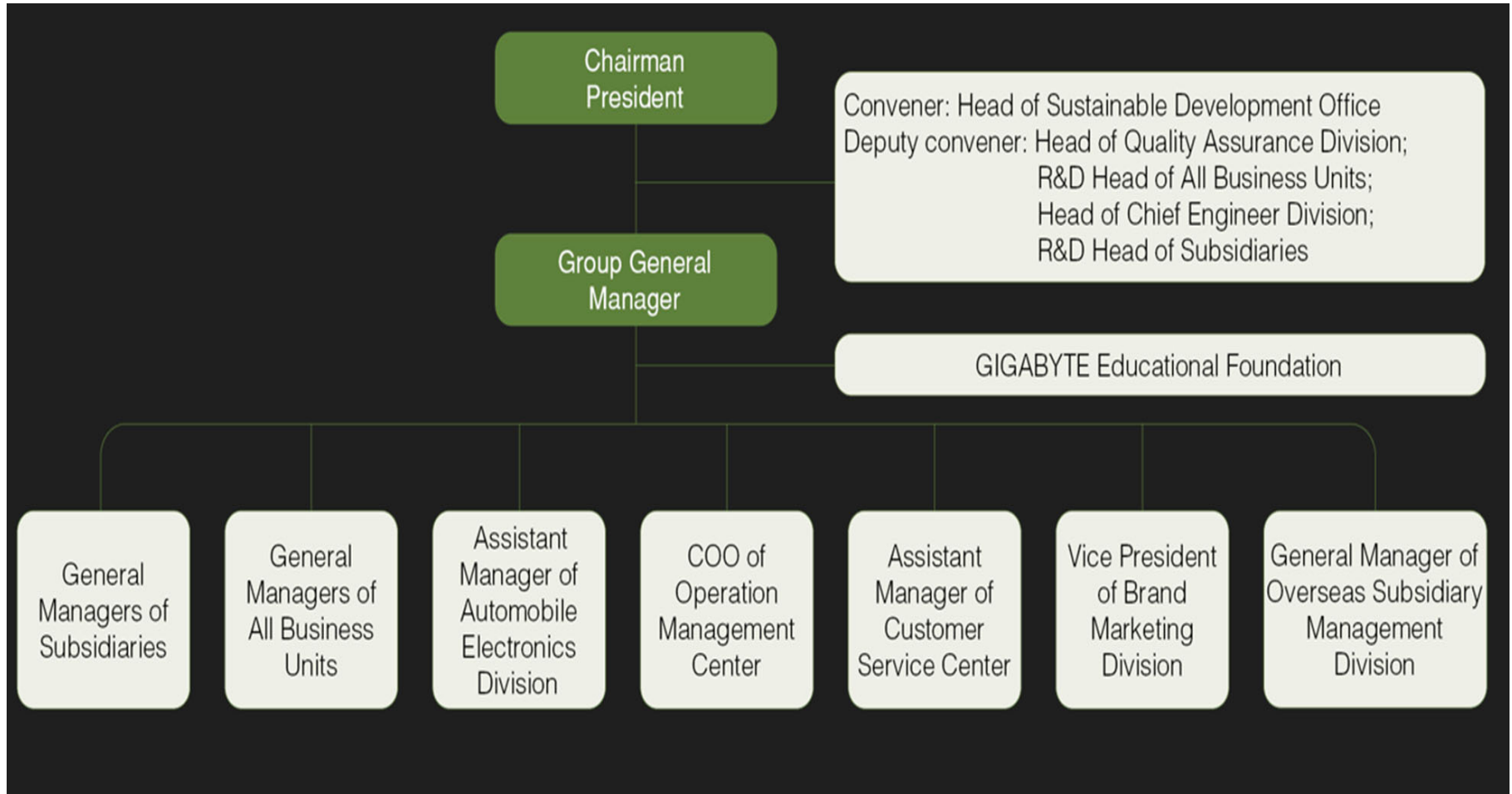
GIGABYTE Green Sustainable Development Committee:

GIGABYTE has established the "WEEE/RoHS Committee" in 2005 on the basis of operation risk control. The committee is mainly responsible for framing kinds of policies such as WEEE and RoHS to comply with environmental regulations, promoting the group to pay attention on environmental issues and to carry out relevant policies, and conducting education training. In 2009, in order to further extend its management scope, GIGABYTE not only set sustainable development as an important management goal of the Company in the future but also changed the committee's name to "Green Sustainable Development Committee", which has become a committee in charge of the overall planning, decision-making and operation of GIGABYTE's promotion of sustainable development.

The current GIGABYTE technology group chairman of the committee is the Company's CEO; the convener is the supervisor of the sustainable development office; while the vice conveners are the CSR supervisors of the R&D management office, general engineering office and quality office from each group company and subsidiary of the Company. A meeting among group companies, factories and subsidiaries is held. The representative from each organization will keep communicating with stakeholders during daily operation and collect their feedbacks to manage various stakeholder issues. They will also report the conclusion of each monthly meeting and communication items to chief executive's office regularly during GIGABYTE's meetings to facilitate the management team to control GIGABYTE's operation, corporate social responsibilities commitment link and the progress of sustainable development policy's practice. The Board of Directors is briefed by the GIGABYTE Green

Sustainable Development Committee. The Board should determine the feasibility of the strategy, review its progress, and require changes to be made by the Committee where necessary. The goal is to ensure that GIGABYTE's promotion of Environmental, Social, and Governance (ESG) sustainability factors are in line with the latest standards.

Organization Chart:





## Sustainable Development Goals and Results

Term	Goals	Practice and Effectiveness
<ul style="list-style-type: none"> <li>•Short</li> </ul>	<ul style="list-style-type: none"> <li>•Optimize environmental and safety policies and commitments</li> <li>•Ensure compliance with customer and environmental requirements of products.</li> <li>•Strengthen employee awareness and the urgency of environmental protection and spread from the enterprise through the family to society from: Love for Earth with True Environmental Protection.</li> </ul>	<ul style="list-style-type: none"> <li>•Obtained ISO14001 and ISO45001 Occupational Health and Safety Management System and improved the environmental monitoring practices of GIGABYTE and employees' work environment.</li> <li>•Focused on the R&amp;D and innovation of green product and green technology and produced high-quality products to satisfy customers.</li> <li>•Activated the 2009 Green Action Plan for employees to fully understand the importance of sustainable environment cumulative number of participant 151,024.</li> <li>•Established the GIGABYTE to Green Club .At the environmental services event where participants walked around the island to help clear rubbish, here were 2,015 participants, each clocking in1,123.06 kilometers on the road with 16,733.77 kilograms of plastic waste collected.</li> </ul>
<ul style="list-style-type: none"> <li>•Medium</li> </ul>	<ul style="list-style-type: none"> <li>•Promote business ethics and CSR</li> <li>•Establish the organization level GHG and product carbon footprint performance indicator system</li> <li>•Continuingly reduce the carbon emissions and environmental impacts of products.</li> </ul>	<ul style="list-style-type: none"> <li>•Published the sustainable development report on an annual basis and the code of business conduct in 2010.</li> <li>•Began adopting ISO 14064 for the quantification and reporting of greenhouse gas (GHG) emissions in 2009. In 2015, the scope of greenhouse gas inventory was expanded to include Scope 3 according to ISO 14064-1: In 2022, indicators and guidelines were set for assessing the significance of indirect greenhouse gas emission from type 3 to type 6 in accordance with the ISO 14064-1:2018 standard. After the identification and weighted analysis of emission sources, those that scored more than 3 were listed as material indirect emission sources prioritized for quantitative inventory. The external verification was also conducted for such matter. For detailed information, please refer to the climate-related disclosures of listed and over-the-counter companies.</li> <li>•Implemented LCA assessment on all products to develop a product EIA system and database.</li> </ul>
<ul style="list-style-type: none"> <li>•Long</li> </ul>	<ul style="list-style-type: none"> <li>•Share value with society through “Upgrade Your Life”</li> <li>•Create customer value and eco-friendly products to build a green brand.</li> </ul>	<ul style="list-style-type: none"> <li>•Promoted SROI assessment in 2016 to value GIGABYTE’s social influence.</li> <li>•Promoted the Green Action Plan 2.0 to extend GIGABYTE’s value sharing.</li> <li>•In 2018, issued the first GIGABYTE Product Environment Report in Taiwan. In 2019, extended the number of disclosure items to 12 and fully disclosed the data of its products’ influence to the environment, community and human bodies. By this report,</li> </ul>

Term	Goals	Practice and Effectiveness
		<p>GIGABYTE protects the environment together with its consumers.</p> <ul style="list-style-type: none"> <li>•Established the motto “Reduce, Share, Love the Earth, Collaborate” to share our love for the Earth with our suppliers. Organized a large-scale suppliers meeting to raise awareness among the suppliers of GIGABYTE’s sustainability movement and create a win-win situation as we grow with them.</li> <li>• Launched the “Remembering the Sea is Our Home” project to adopt Dayuan Beach in Taoyuan.</li> <li>•With the idea of “restoring earth by planting trees”, the Company collaborated with Plant for the Planet again, planting 62,500 trees for earth, training approximately 1,000 children into climate justice ambassadors, providing local indigenous peoples with job opportunities, and supporting community development.</li> <li>•We plan to invest in a solar power generation facility in Pai Pien Cinema, Miaoli in 2024. The annual electricity generation will be about 4,094 kWh. We are developing corporate green energy in response to the global net zero trend in order to maintain our competitiveness.</li> </ul>

Major CSR Events:

- 2009 Established the GIGABYTE Sustainable Development Committee to make commitments to promote sustainable development.
- 2009 Activated the “Green Action Plan from the Heart” to plan short-, medium-, and long-term strategies to confirm sustainable development goals.
- 2009 Organized the “GIGABYTE Technology Environmental Policy Presentation” and held supplier conferences to explain GIGABYTE’s environmental policy to work for environmental protection together with suppliers.
- 2009 Organized a conference on the “Promotion Procedure for Product Carbon Footprint Declaration”.
- 2010 Published GIGABYTE’s first sustainability report to disclose ESG performance and demonstrate the company’s determination to promote sustainable development.
- 2011 Invited employees to make commitments to contribute to mitigate climate change.
- 2011 Organized the “Green Ideas” creativity activity to encourage total participation, multiple development, and energy saving education to disseminate sustainable development.
- 2012 Awarded the “Industrial Sustainable Excellence Award” at the 13<sup>th</sup> Industrial Sustainable Excellence Awards organized by the Industrial Development Bureau, Ministry of Economic Affairs.
- 2012 Developed the sustainable supply chain evaluation to extend CSR, environmental protection, labor rights, fair commercial practice, supply chain responsibility, and social and local contributions, so as to work for a sustainable future.

- 2012 Promoted the recycling of waste electrical and electronic equipment at all service locations regardless of brands to reduce load and hazards on the environment.
- 2013 Organized the “Green Product Innovation” activity to set the foundation toward sustainable development based on sustainability, innovation, and value.
- 2013 Pioneered the green roof on office buildings for protecting Earth and promoting employee health by growing trees to promote sustainability and environmental education.
- 2013 Formed the volunteer service team, GIGABYTE Green Club, to promote enterprise volunteer service for the environment and society.
- 2013 Promoted the “eco working holiday” to contribute ourselves to realize environmental protection to protect our home.
- 2013 Awarded the “Excellence Award for Energy-Saving & Emission Reduction Mark” in the office category by the Environmental Protection Administration, Executive Yuan.
- 2014 Organized the “Meeting Green Happiness” serial activities: family guided tour, family painting competition, and eco-photography contest to indigenize environmental protection and sustainable development in daily life.
- 2014 Ranked the top 18<sup>th</sup> in the large enterprise category in the “Excellence in Corporate Social Responsibility Survey” organized by the Common Wealth Magazine and the TCSA Climate Leader Award.
- 2014 Awarded the “Excellence Award for Environmental Education in New Taipei City” in the private sector category.
- 2014 Organized the “Reducing Operational Risk in Green Supply Chain and the Waste of Resources” conference to emphasize product responsibility, so as to create a win-win situation with suppliers.
- 2014 Promoted the GMCP (Green Material Cloud Platform) with Green Share Technology to reduce the management risk of hazardous substances, enhance management efficiency, and cope with future legal trends. Organized the GMCP supplier conference to work for environmental protection with suppliers.
- 2015 Won the “Excellence Award” in the private sector category of the National Environmental Education Awards.
- 2015 Promoted the legislation of green roof and built the urban eco-corridor to reduce the urban heat island effect and relieve electricity consumption at summer peak hours to reduce the demand for nuclear energy.
- 2015 Rated as the top 30 in CSR in the CSR Survey conducted by the *Global View Magazine*.
- 2015 Ranked Taiwan’s top 36<sup>th</sup> enterprise and top 17<sup>th</sup> in the social aspect at the Excellence in Corporate Social Responsibility Award by Common Wealth Magazine.
- 2016 Ranked Taiwan’s top 40th enterprise and top 16th enterprise in the electronics industry in the CSR Survey by Global View Magazine.
- 2016 Ranked Taiwan’s top 32nd enterprise and top 14th in the environmental aspect at the Excellence in Corporate Social Responsibility Award by Common Wealth Magazine.
- 2016 10<sup>th</sup> Excellent Enterprise Award by the Taoyuan City Government.
- 2017 The Global View Magazine released the "CSR Survey 2017", which listed GIGABYTE the top 40th enterprise and the winner of the award of Model Enterprise in Electronics industry.
- 2017 The Common Wealth Magazine listed GIGABYTE the top 18th enterprise and the winner of "Corporate Citizenship Awards 2017".

- 2017 GIGABYTE was awarded "TCSA Climate Leadership Award 2017" (There were only ten enterprises winning the award, listed as Taiwan Top 50 Sustainable Enterprise (including 9 enterprises in the technology industry, and GIGABYTE ranked the 6th place) and awarded Top 50 Sustainable report Gold Medal.
- 2017 GIGABYTE was awarded "2017 ISO 14001+ Award Model Enterprise in Environmental Performance".
- 2018 Top 5 electronics & technology companies listed in the 2018 CSR Survey by Vision magazine; Top 6 in education & promotion of CSR.
- 2018 In 2018, listed in the top 21 Taiwanese corporations for the world corporate citizen award.
- 2018 In 2018, received the TCSA Climate Leadership Award (13 companies received the award). Top 50 sustainable businesses (placed 5th of 14 technology companies). Top 50 sustainability report gold award.
- 2018 Organized the “Reduce, Share, Love the Earth, Collaborate” supplier meeting in 2018 to share GIGABYTE’s sustainablebusiness activities and work with suppliers to develop growth opportunities with focus on sustainability.
- 2018 Issued our first GIGABYTE Technology Environmental Report in 2018, working together with the consumers to protect our environment.
- 2019 Ranked Top 5 of Electronics and Technology Industry in the Common Wealth CSR Survey
- 2019 Ranked top 33 of corporate citizens in Taiwan in the Commonwealth Corporate Citizenship Award
- 2019 Won the Taoyuan City Excellent Enterprise Award
- 2019 Won the 2019 Award of Excellence in Corporate Promotion of Family-Friendly Workplace in New Taipei City
- 2020 Won the Model Award of Electronics and Technology Industry in the Common Wealth CSR Survey
- 2020 Ranked top 26 of corporate citizens in Taiwan in the Commonwealth Corporate Citizenship Award
- 2020 Ranked number 649 in Forbes the World's Best Employers 2020, which is the ninth highest in Taiwan.
- 2020 Won the “Epidemic Prevention Gold Award” given by Taiwan Immunization Vision and Strategy.
- 2021 Ranked Top 6 in the Electronic Technology Industry and Top 8 in the Social Innovation category of the 2021 Global Views Magazine CSR Awards.
- 2022 Won the Model Award of Electronics and Technology Industry at the 2022 Global Views Magazine CSR and ESG Awards
- 2022 Won the Excellent Enterprise Award in Taoyuan City, under the categories Enterprise Prosperity and Gender Equality
- 2022 Ranked top 10% listed/OTC-traded electronic companies with exceptional performance in occupational health and safetyIndicators
- 2023 Global Views ESG Corporate Sustainability Award - Top 4 Electronic Technology Enterprises (Overall Performance)

### GIGABYTE Technology's Sustainability Program:

As a member of the global village, we not only want to bring high-quality and high-value products to our consumers, but also bear the responsibility to protect our world. In 2019, we actively carried out the sustainable development strategy “Reduction, Sharing, Love for Earth” on the basis of Green Action Plan 2.0. Furthermore, we have shown GIGABYTE’s philosophy and values on various perspectives such as responsible consumption and production, climate action, sustainable cities and communities, and quality education to reflect UN Sustainable development goals. In terms of products, the carbon footprint evaluation system for products in the whole group is officially launched. Impact of carbon emissions have been taken into consideration when designing products, and the environmental friendly package which is 100% made by rice hulls (recycle fiber of plant) has also been introduced to gaming laptops AORUS X7 and X9. In 2019, we extended the number of disclosure items in Product Environment Report to 12 and fully disclosed the data of our products’ effect to environment, community and human bodies, Initiate the product packaging material reduction plan which is an important milestone for our goal to achieve zero carbon, zero waste, environmental friendly, and society friendly. In terms of the environment, we continue the idea used when establishing G-HOME - Plant for the Planet. We also cooperate with the UNEP authorized foundation Plant-for-the-Planet, initiated the project “Make Earth Green Again”, in which an action promotion project lasting for at least three years is planned. We, together with our consumers, business partners, students and all the other fellows caring about our planet will devote ourselves in the project. In 2020, we adopted Forestry Bureau’s forest land in Pinglin and planted 2,860 indigenous species trees for Taiwan. In 2022, we collaborated with Plant For The Planet again, planting 62,500 trees for earth, training approximately 1,000 children into climate justice ambassadors, providing local indigenous peoples with job opportunities, and supporting community development In response to Business Today's Project Blue 1095 initiative in 2021, the Company promoted marine waste recycling, supported non-governmental marine conservation organizations, launched ocean clean up activities, and adopted Dayuan Beach in Taoyuan. Contribute to the marine environment and life.

In terms of the society, G-HOME has obtained the authentication “Environmental Education Facilities and Venues” from Environmental Protection Administration and become the first building rooftop recognized as an environmental education venue, spreading the positive influence of GIGABYTE’s sustainable green rooftop. Additionally, we held the “Reduction, Sharing, Love for Earth” Green Product Design Competition and sponsored UX Trans-Action Award, hoping to encourage college students to express their sustainable concept, novelty and ingenuity and design consumer friendly, environmental friendly and society friendly works.

In terms of social-oriented control in the supply chain, GIGABYTE has formulated the “GIGABYTE sustainable purchasing standard.” The corporate social responsibility aspect covers sub-targets, such as labor and human rights, conflict minerals, and corporate ethics. In addition, four zero-tolerance rules have been set up, which include prohibition of child labor, forced labor, discharge of untreated hazardous substances, and behavior that immediately causes physical injuries to the employees. In terms of supplier audits, GIGABYTE performs classification management on existing and new suppliers. In addition to supply contracts and material evaluation, the evaluation also includes a sustainable supplier evaluation system. CSR high risk assessment of suppliers is conducted quarterly to eliminate high-risk D-grade suppliers initially to ensure the quality stability of the supply chain.

Please visit the GIGABYTE CSR website for more information: <https://csr.gigabyte.tw/>

### GIGABYTE Education Foundation

The “GIGABYTE Education Foundation” was set up in March 2002 to achieve harmonious progress in the society by promoting technology education, arts and humanities, and enhancing lives. We aim to realize our goal of giving back to society through the elevation of technology education, creativity, the arts and humanities, and social programs like caring for the marginalized. Leading by example, we hope to guide our employees and partners to participate in charitable and social activities, ensuring that the communities that we live in benefit from the active involvement of GIGABYTE personnel.

Pease refer to the GIGABYTE Education Foundation site for more information: <http://www.gigabyte.org.tw/>

Promotion of Sustainable Development –  
Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	√		<p>1. Our Company has established a “GIGABYTE Green Sustainability Development Committee” headed by the executive president for promoting corporate social responsibility policies. The “GIGABYTE Green Sustainability Committee” serves as a cross-department communication role that is integrated horizontally.</p> <p>2. The Company established a Sustainability Office in 2009. The office has 14 full-time staff responsible for promoting corporate sustainable development, and convenes monthly meetings to review and make improvements. The office reports implementation status to directors on a biweekly basis and presents a report during executive management meetings every year. The Year in Review 2023:</p> <ul style="list-style-type: none"> <li>• The newly implemented supplier classification management system, incorporating ESG evaluations since 2022, not only serves as a procurement criterion but also mitigates operational risks for the company.</li> <li>• “Reducing, Sharing, Love for Earth” alliance joined our beach clean-up initiative; a total of 31 suppliers, GIGABYTE executives, employees, and the GIGABYTE Green Club, self-organized group of employees, had a total of 190 volunteers, and they removed more than 1.38 metric tons of garbage from the Taoyuan coast.</li> <li>• We participated in the “Transition Project on Low Carbon and Intelligent Upgrading for Manufacturing Industries—the Big Leads the Small” of the Industrial Development Bureau, Ministry of Economic Affairs to provide practical counseling to suppliers on carbon reduction, in order to promote the low-carbon transition of the supply chain and expand our sustainability influence.</li> <li>• We remained a member of the New Taipei City Enterprises Disaster Prevention Alliance, donated communication equipment and backup generators, and assisted with community-based disaster prevention affairs.</li> <li>• We launched the 3unlight volunteering platform as a means of inspiring employees’ selfless commitments to societal issues. 10 volunteer events were held in 2023</li> <li>• The Company again collaborated with Germany-based Plant for the Planet to continue our commitment to the voluntary planting of trees and ecological restoration, all the while supporting local empowerment.</li> <li>• We set up a series of sustainability courses across the group to cultivate employees’ awareness of ESG and sustainability literacy, thereby strengthening our corporate green culture.</li> </ul>	Conforms to the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies.

Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<ul style="list-style-type: none"> <li>We raised awareness of disaster prevention and road safety at a flea market and organized a 2023 Sustainability Carnival, both aimed at promoting the concept of “circular economy” and “disaster prevention” and “Caring for the disadvantaged.” across communities.</li> </ul> <p>3. The Board of Directors is briefed by the GIGABYTE Green Sustainable Development Committee. The contents of the report cover (1) sustainable development projects, (2) international benchmarking and analysis, and (3) international advocacy progress ;The Board should determine the feasibility of the strategy, review its progress, and require changes to be made by the Committee where necessary.</p>	
<p>2. Exercising Corporate Governance</p> <p>Does the Company conduct risk assessment on environmental, social, and corporate governance issues related to the Company's operation in accordance with the principle of materiality and then formulate relevant risk management policies or strategies?</p>	√		<p>The GIGABYTE Green Sustainable Development Committee is responsible for assessing environmental and social risk as well as the setting of their management policy in accordance with the Company’s principle of materiality. Global Operations and Risk Management Division is responsible for assessing operating risk policy and the setting of its management policy. The Financial and Accounting Division is responsible for assessing corporate governance risk and the setting of its management policy. The Audit Committee is responsible for supervising the control of existing or potential corporate risks; the establishment of risk management mechanism for early identification, effective monitoring and control that is continuously adjusted in response to changes in the internal and external environment serves to safeguard to interests of stakeholders and create value for the Company. there is also a corporate governance officer to assist directors in complying with the law, etc. For details, please refer to the 2023 GIGABYTE Sustainable Development Report, sections 2.3 Risk Management, 「 2.4 Information Security and Privacy Protection 」 3.2 Climate Change Mitigation and Adaptation, and 4.1.2 Supplier Risk Management. For information on corporate governance, please visit the Corporate Governance website <a href="https://www.GIGABYTE.com/tw/Investor/81">https://www.GIGABYTE.com/tw/Investor/81</a>.</p>	Conforms to the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies.
<p>3. Environmental Issues</p> <p>(1) Has the Company established a proper environmental management system based on the characteristics of the industry?</p>	√		<p>(1)GIGABYTE is committed to promoting environmental sustainability through the strengthening of corporate sustainability and environmental sustainability policies. Management systems are used to form the basis for implementing environmental and quality initiatives at each site. GIGABYTE believes that the constantly changing issues on green management can only be addressed by creating a systematic management approach. In 1998, GIGABYTE received ISO14001 and ISO9001 certifications and in 2005, the Company became the world's first system manufacturer to pass the IECQ QC 080000 verification. Since then, we have introduced ISO 14064 and PAS 2050 standards to achieve the environmental goal of low-carbon management. Regarding hazardous substance management, GIGABYTE constantly monitors the status of environmental laws around the world, such as: REACH, EU Batteries Directive, EU Packaging Directive, and China RoHS, in order to provide consumers with</p>	Conforms to the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies.

Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2)Is the Company committed to improving the efficiency of the various resources and using recycled materials which have a low impact on the environment?			<p>safe products that meet international laws and customer requirements. GIGABYTE's products are compliant with the EU RoHS Directive. In addition, GIGABYTE has established the GIGABYTE Harmful Chemical-Substances Requirements (HCSR). We ask our partners to comply with these requirements. By following the principle of "mastering the present and monitoring the future", we classify hazardous substances to systematically manage them and, where appropriate, we include hazardous substances that are regulated by law in our list of controlled highly hazardous substances and further restrict or prohibit their use to meet regulatory requirements regarding elimination of hazardous substances. The Harmful Chemical-Substances Requirement (HCSR) was updated to version 4.7</p> <p>(2)The company enhances the efficiency of energy and resource utilization through measures such as energy conservation, water conservation, waste reduction, and product-friendly design. Environmental impact is considered from the design stage of products, with a focus on "reducing environmental burden." Environmental design is implemented from the source to the end user, and efforts are made to improve the efficiency of resource utilization and implement activities such as waste reduction and resource classification recycling in factories to minimize resource consumption. Continuous development of process optimization and automation is pursued, aiming to effectively enhance energy and resource utilization efficiency throughout the product development, production, use, and disposal processes, and to implement responsible production. In 2017, the company introduced Recycled Fiber of Plant (RFP) made from renewable agricultural fiber, which is used to produce 100% rice husk environmentally friendly packaging. In 2018, Material Flow Cost Accounting (MFCA) was implemented to establish sustainable circularity. In 2019, a reduction incentive system was introduced to encourage employees to innovate and seize opportunities for carbon reduction, water conservation, waste reduction, and other initiatives, creating multiple values for the company and the environment. Since 2011, we have been analyzing the recycling rate and composition of packaging materials, and reviewing the reduction status every year. In 2021, GIGABYTE launched the "Product Packaging Material and Feed Packaging Material Reduction Program," which sets the ultimate goal of eliminating the use of disposable packaging materials by 2030 .For details, refer to the 2023 Sustainability Report, sections 3.1.1 Environmental Management Performance and 3.3 Responsible Production. 「 3.5 Disclosure of Product Environmental Impacts 」°</p>	
(3)Does the Company assess the current and future potential			<p>(3)As the "climate risk measurement" has a critical impact on the sustainable operation of modern enterprises. GIGABYTE Technology deeply agrees that enterprises are entrusted with the task of protecting</p>	





Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
consumption reduction, or other waste management policies?				
<p>4. Social Issues</p> <p>(1) Has the Company drafted management policies and procedures in accordance with the relevant laws and international conventions on human rights?</p> <p>(2) Does the company formulate and implement reasonable employee benefits measures(including compensation, leave, and other benefits)) and appropriately reflect its business performance or achievement in employee compensation?</p> <p>(3) Does the Company provide employees with a safe and healthy work environment? Do employees receive regular safety and health</p>	√		<p>(1) GIGABYTE embraces the philosophy of "A happy workplace for a better life". We believe that every employee should be treated equally and with respect. We strive to uphold and respect internationally recognized human rights (including the UN Declaration of Human Rights, and the International Labor Organization's core labor standards) such as freedom from discrimination and abuse, illegal employment, and promises to abide by the highest ethical standards in our compliance with local laws and the 《Responsible Business Alliance (RBA) Code of Conduct》. We also request suppliers to comply with the 《Responsible Business Alliance (RBA) Code of Conduct》 so as to fulfill CSR together. We have therefore defined various management policies and procedures including the "Employee Code of Conduct", salary &amp; benefits, training &amp; development, attendance system, business travel management, labor safety and more. For details, refer to the 2023 Sustainability Report, section 5.1 Commitment to Human Rights.</p> <p>(2) Employees are a business' most important partners in sustainability. In addition to protecting the working rights of employees, GIGABYTE also offers competitive compensation and benefits. The Company has established a Remuneration Management Committee that professionally and objectively evaluates and recommends periodically the Company's annual and long-term performance goals as well as remuneration policies, systems, standards, and structures. For information on remuneration, leave, and other benefits, please visit the CSR website, section Employee care and development  <a href="https://csr.gigabyte.tw/talent-management/">https://csr.gigabyte.tw/talent-management/</a>  <a href="https://csr.gigabyte.tw/employee-education-and-welfare/">https://csr.gigabyte.tw/employee-education-and-welfare/</a>  <a href="https://csr.gigabyte.tw/employee-health-care/">https://csr.gigabyte.tw/employee-health-care/</a></p> <p>(3) GIGABYTE has passed ISO 14001 and ISO 45001 certification. Work environments are tested every 6 months to ensure work environment safety. The Company also arranges annual employee health exams and organizes occupational safety and first aid training, emergency response training, art and culture talks, as well as workshops on health topics conducted by experts to improve employee health awareness. We implement “Environmental Considerations and Identification of Safety and Health</p>	Conforms to the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies.

Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>education?</p> <p>(4) Has the Company established an effective career development plan for employees?</p> <p>(5) Does the company comply with relevant laws and international standards in relation to customer health and safety, customer privacy, marketing, and labeling of products and services, and does it establish relevant consumer or custom protection</p>			<p>Risks” and conduct emergency response drills to enhance employees’ health knowledge and safety awareness of employees. In 2015, the launched of a comprehensive integration strategy of the Employee Assistance Program (EAP), which assisted employees to deal with various intangible personal, family, life or work pressure. It's hoped that through active care and timely assistance, each colleague can keep the best physical and mental state at any time, welcome each day happily and deal with the source of pressure with positive thinking to maintain working efficiency and quality. Please visit our CSR site for details on occupational health and safety. There were no fires or other disasters in the Company’s plants and office areas in 2023.</p> <p>For details, refer to the 2023 Sustainability Report, section 5.2 Talent Management 、「5.3 Occupational Health and Safety” 、「  <a href="https://csr.gigabyte.tw/occupational-safety/">https://csr.gigabyte.tw/occupational-safety/</a> and <a href="https://csr.gigabyte.tw/employee-health-care/">https://csr.gigabyte.tw/employee-health-care/</a>.</p> <p>(4) The learning and development system at GIGABYTE is based on the Company’s organizational strategy, vision, and corporate vision. A holistic curriculum enables the adaptive development of employees. New employees receive 1-day of orientation training as well as other internal or external specialist training based on their job requirements. Managers also take part in the "Groups Consensus Conference" and management competency courses every year so they can continue to strengthen their professional know-how and make the Company more competitive. These include : management competency, core competency, foreign languages, external training, the e-learning system and library. For details, refer to the 2023 Sustainability Report, section 5.2.3 Talent Cultivation and Development</p> <p>(5) GIGABYTE places value on responsible consumption and production and upholds a consumer-centric business philosophy to provide customers with world-class services, The Company has passed ISO 9001 quality management system and ISO 14001 environmental management system certification, and our products and services comply with the relevant global regulations and standards. while imparting protection of the highest specifications to customers' confidential information. We offer three-year warranty for our entire line of motherboard products and establish a complete network of services globally to render efficient and considerate after-sales service. Consumers can provide feedback via email or telephone. Dedicated department is set up in Taiwan, mainland China, and overseas to provide consumers with product inquiry and product feedback services.</p> <p>1. Customer Service: Technical support hotline in Taiwan: 0800-079-800; service website in Taiwan:</p>	

Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>policies and grievance procedures?</p> <p>(6) Does the company establish supplier management policies, which require suppliers to observe relevant regulations on environmental protection, occupational safety and hygiene, or labor and human rights? If so, describe the implementation results.</p>			<p><a href="http://service.gigabyte.tw/">http://service.gigabyte.tw/</a>.</p> <p>2. Investors: Stock Affairs Department Hotline: (02)8912-4000 ext1091 Email : <a href="mailto:stockholder@gigabyte.com">stockholder@gigabyte.com</a></p> <p>3. Suppliers: GIGABYTE CSR email: <a href="mailto:CSR@gigabyte.com">CSR@gigabyte.com</a></p> <p>In addition, the Company has formulated standard corporate identity (CI) rules and applicable regulations. All materials made internally or externally using CI must be submitted by the responsible unit for review. The material can be printed and distributed only after approval is obtained. The Company faithfully complies with ethical management rules and applicable laws and international regulations in relation to marketing and labeling of products and services so that consumers are made fully aware of the Company's products and services. For details, refer to the 2023 Sustainability Report, section 4.2 Customer Relationship Management.</p> <p>(6) The company regards the supplier as a long-term partner in order to jointly establish a stable and sustainable supply chain. GIGABYTE Technology Group requires all First-Tier suppliers to join in adhering to the Responsible Business Alliance Code of Conduct (RBA CoC) and to build an environmental management system. At present, all GIGABYTE's First-Tier suppliers are verified by ISO14001 verification. In terms of products, all suppliers should comply with GIGABYTE Eco products requirements as well as International standards, such as EU RoHS Directive and REACH Decree; in addition, the Supplier Assessment Form including corporate social responsibility management, environmental protection, labor practices and human rights, fair business practices, supply chain responsibility, social and local contributions. Suppliers are urged to respect internationally recognized human rights and focus on global environmental issues to optimize the reduction of product life cycle to the society and improving supply chain performance and reducing operating risk, GIGABYTE hopes that a long-term partnership can be established. Please visit the CSR Website, section responsible supply chain. For details, refer to the 2023 Sustainability Report, section 4.1 Sustainable Supply Chain.</p> <p><a href="https://csr.gigabyte.tw/supply-chain-management/">https://csr.gigabyte.tw/supply-chain-management/</a>、  <a href="https://csr.gigabyte.tw/four-steps-supply-chain-communication/">https://csr.gigabyte.tw/four-steps-supply-chain-communication/</a>and  <a href="https://csr.gigabyte.tw/conflict-mineral-management/">https://csr.gigabyte.tw/conflict-mineral-management/</a>.</p>	

Indicator	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
5. Does the company adopt internationally widely recognized standards or guidelines when producing corporate sustainable development reports and reports disclosing the company's non-financial information? Have the aforementioned disclosures been assured, verified or certified by a third party?	√		The Company's sustainability report complies with the latest GRI Standards, Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and FSC's sustainability disclosure indicators), SASB Guidelines, and the United Nations Global Compact, and other international guidelines to prepare and disclose corporate sustainability commitments, strategies, and implementation results of Gigabyte during the reporting period. For more information on the scope of this report and the boundaries of disclosure, please refer to the "About the Report" section of the 2023 GIGABYTE Sustainability Report. The third party verification unit, British Standards Institution, Taiwan Branch, has confirmed that it meets the requirements of the medium assurance level in accordance with GRI Standards (2021) and AA1000ASv3 Type 1. However, the disclosed financial data are based on the annual reports which have been audited and attested by a CPAs. The organization level GHG inventory report boundary and reduction data include our headquarters, Taoyuan Nanping plant, China Dongguan plant, China Ningbo plant, and subsidiaries including G-STYLE Ltd., BYTE International Co., Ltd., Cloudmatrix Co., Ltd., Selita Precision Co., Ltd. and the Taipei Silicon Valley Park, where the subsidiary GIGAIPC is located. The Company's sustainable development reports please visit to the website: <a href="https://csr.gigabyte.tw/sustainability-report/">https://csr.gigabyte.tw/sustainability-report/</a>	Conforms to the Corporate Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies.
6. If the Company has drafted its own corporate sustainable development guidelines according to "Corporate Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies," the Company should clarify the difference between its operation and the codified principle: No difference. The Company has established a "Corporate Social Responsibility Practice Principles" based on the "Corporate Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies" and related laws and regulations.				
7. Other pertinent Information that helps the general public understand sustainable development operations: Please visit our sustainable development website at <a href="https://csr.gigabyte.tw/">https://csr.gigabyte.tw/</a> for more information about our CSR practice and sustainable development.				

## Climate-related Information of TWSE/TPEX Listed Companies

### 1. Implementation of Climate-Related Information

Item	Implementation Status
<p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>1. GIGABYTE has established Corporate Social Responsibility Best Practice Principles, which stipulate that an executive management shall be delegated by the Board of Directors to address economic, environmental, and social issues arising from operating activities and to report the status of implementation to the Board of Directors. GIGABYTE Green Sustainable Development Committee is the organization that oversees decision-making and operations with respect to sustainable development. The Committee is chaired by CEO and Chairman, Pei-Chen Yeh, and committee meetings are convened by the Director of the Sustainable Development Office. The Committee convenes a meeting once every 1 or 2 months with business groups, plant officers, and subsidiaries. These meetings are focused on the promotion, implementation, and performance of the company's overall sustainability strategy, paying particular attention to climate-related issues. Plans and indicators have been established to monitor the effectiveness of the organization's climate governance, specific practices, and value chain-based climate strategies. In light of the rising external interest in climate issues, Gigabyte Technology released its first standalone TCFD report in 2023 to improve the disclosure of climate-related financial information. Details of the supervision and governance of the board of directors and management over climate-related risks and opportunities can be found in the "GIGABYTE 2023 Climate-Related Financial Disclosures" (1. Climate Governance Organization).</p>
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>2. In identifying climate-related risks and opportunities, time of occurrence of short-, medium-, and long-term impacts is defined as the next 0–3 years, 3–5 years, and 5–10 years. The 10 risks and 4 opportunities identified in 2023 are summarized below, and detailed information on their impact on the Company's business, strategy, or finances can be found in the "GIGABYTE 2023 Climate-Related Financial Disclosures" (3. Climate-Related Risks and Opportunities).</p> <p>(1) Transition risks: Carbon fee collection by the Ministry of the Environment, Taiwan; greenhouse gas inventory in the consolidated statements of TWSE/TPEX Listed Companies; introduction of carbon pricing mechanisms in international markets; low-carbon transformation of manufacturing processes; awareness of sustainable consumption on the rise; establishment of a green brand image; customers' requirements for disclosure and compliance with sustainability.</p> <p>(2) Physical risks: increase in immediate extreme weather events; intensification of long-term warming and increase in average temperature; prolonged precipitation intensity and distribution extremes.</p> <p>(3) Opportunities: resource productivity increases through process energy efficiency improvements; developing and expanding the market for low-carbon products; diversifying product and business models; diversifying climate risks in the supply chain of materials and components.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>3. A summary of the financial impacts of extreme weather events and transition actions on GIGABYTE Technology is provided below. For detailed information, please refer to Section 3 of the "GIGABYTE Technology 2023 Climate-Related Financial Disclosure Report: Climate-Related Risks and Opportunities."</p> <p>(1) If extreme weather and climate events, such as typhoons, floods, and droughts, have a direct impact on operations and the supply chain of critical components, the Company will incur operating costs. These costs include loss of work stoppages, personnel costs, and post-disaster recovery costs. The Company may be able to resume its basic operations and find alternative suppliers in the short term, or restructure its supply chain in the medium to long term. When downstream</p>

Item	Implementation Status
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p> <p>6. If there is a transition plan for managing climate-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>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>markets experience structural changes in demand as a result of global or regional natural disasters, resulting in shortages or excess inventory of materials and products, the Company's operating costs and revenues will be further affected.</p> <p>(2) If transition actions are taken to address climate risks, such as reducing operational greenhouse gas emissions, developing low-carbon products, transforming manufacturing toward low-carbon process, complying with domestic and international climate-related laws and regulations, and meeting customer requirements, it will increase capital expenditures, direct and indirect operating costs, and in turn, affect the Company's profitability. Consumer and market preferences and stakeholder concerns about climate issues affect the demand of the Company's products and services, which in turn will affect the revenues.</p> <p>4. GIGABYTE manages risks by adhering to the principles of stakeholder engagement and materiality. Our risk control process involves identifying major risks, determining key risks from the external environment and internal operations, evaluating potential impact and possibility of occurrence, and subsequently measuring risk criticality to formulate and adopt appropriate measures accordingly. Climate-related risks are a main risk of GIGABYTE. For details, please refer to Section 2 of the "GIGABYTE Technology 2023 Climate-Related Financial Disclosure Report: Identification and Assessment of Climate-Related Risks and Opportunities."</p> <p>5. Based on the defined four focal questions, GIGABYTE Technology's climate scenario analysis employs six scenario models: IEA B2DS, IEA APS, SSP1-1.9, SSP1-2.6, SSP2-4.5, and SSP5-8.5, with SSP5-8.5 representing the Business-as-usual (BAU) scenario. Under the assumption of consistent future operational conditions and changes in energy and resource utilization, The degree of climate warming, the degree of renewable energy development, the carbon pricing mechanism and price, and the cost of possible carbon reduction action plans to be taken are used as differentiating factors to evaluate the parameters of each scenario. Five future scenario outcomes were analyzed to respond to the focus questions. For details of the scenarios, parameters, assumptions, analysis factors, and major financial impacts, please refer to the "Gigabyte 2023 Climate-Related Financial Disclosures" (4. Climate Resilience Analysis (Climate Scenario Analysis)).</p> <p>6. In 2019 GIGABYTE was began employing SBTi tools to analyze expected pathways to carbon reduction based on the principles of SBT. As recommended by TCFD, we analyze 1.5°C and well below 2°C climate scenarios annually, while taking into consideration changes in domestic and global climate regimes, systemic impacts caused by energy resource supply and structural adjustments, and transition costs that companies expend to achieve mitigation goals and adapt to major environmental changes. Our results provide a reference for making decisions with regard to the formulation of climate transition plans that are compatible with business strategy plans.</p> <p>7. GIGABYTE introduced sustainability funds and emission reduction rewards in 2019 as a means of encouraging innovative proposals on reduction measures and low-carbon R&amp;D. Proposals are reviewed and rewarded by using the "shadow carbon pricing" method, which measures the cost effectiveness of emission reduction. Price on carbon is set at US\$50 per metric ton with reference to GHG management regulations and penalties imposed at the location of operations, environmental tax regulations, market price of carbon trading, and prices set by industry peers.</p>

Item	Implementation Status
8.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	8.Presently, GIGABYTE aims to achieve 50% reduction in GHG emissions by 2025 compared with 2009. The scope of this goal includes direct emissions (Scope 1) and indirect emissions (Scope 2) of its Xindian headquarters, office in Silicon Valley Science Park, Taoyuan Nanping Plant, China Dongguan Plant, and China Ningbo Plant. By 2023, greenhouse gas emissions have been reduced by 43.95% compared to 2009, and the achievement rate of the cumulative target is 87.9%. In 2023, GIGABYTE and Plant-for-the-Planet Foundation (Germany) cooperated for the second time in the tree planting program.
9.Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan	9.The greenhouse gas inventory and verification status, as well as reduction targets, strategies, and specific action plans, are provided separately as below.

## 2. The greenhouse gas inventory and verification status for the past two years.

### 1、Greenhouse gas inventory information

In the last two years, GIGABYTE has conducted greenhouse gas inventory, and the scope of the inventory includes the headquarters, Ping-Jen plant, Dongguan plant, Ningbo plant, and The Silicon Valley Park where parts of the Group's subsidiaries (G-STYLE Ltd., GIGAIPC Co., Ltd., BYTE International Co., Ltd., and Selita Precision Co., Ltd.) are located. Please refer to the inspection statement for details:<https://csr.gigabyte.tw/quality-and-environmental-certification/>

	2022年	2023年
Direct emissions Scope 1 (metric tons of CO <sub>2</sub> e)	627.8059	832.8622
Intensity (metric tons of CO <sub>2</sub> e/NTD million)	0.0059	0.0061
Energy indirect emission Scope 2 (metric tons of CO <sub>2</sub> e)	27,283.6386	26,606.4019
Intensity (metric tons of CO <sub>2</sub> e/NTD million)	0.2544	0.1945
Other indirect emissions Scope 3 (metric tons CO <sub>2</sub> e)	6,593,183.1484	5,751,348.1098

Note 1: Direct emission Scope 1 refers to the emission sources owned or controlled by the Company. Energy indirect emission Scope 2 refers to the indirect greenhouse gas emission and other indirect emission caused by the input of electricity, heat or steam. Scope 3 refers to emissions from the Company's activities that are not energy indirect emissions but come from emission sources owned or controlled by other companies.

Note 2: The data coverage of direct emissions and indirect energy emissions shall be handled in accordance with the schedule specified in Article 10, Paragraph 2 of the rule. Other indirect emissions information may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standard: Greenhouse Gas Inventory Protocol (GHG Protocol) or ISO 14064 1 issued by International Organization for Standardization.

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product service or turnover. However, at least the data calculated in terms of turnover (NTD million) shall be stated.

### 2、Greenhouse gas assurance information



Since 2010, GIGABYTE has conducted ISO 14064 organizational greenhouse gas inventory and external verification every year. The scope of the inventory includes the headquarters, Ping-Jen plant, Dongguan plant, and Ningbo plant. From 2021 to 2023, the scope has been expanded to include The Silicon Valley Park where parts of the Group's subsidiaries (G-STYLE Ltd., GIGAI PC Co., Ltd., BYTE International Co., Ltd., and Selita Precision Co., Ltd.) are located. In the past two years, GIGABYTE obtained ISO 14064-1:2018 certification through inspection of SGS Taiwan. The periods covered are from January 1 to December 31, 2022 and 2023. SGS Taiwan guarantees the consistency and relevance of the scope, objectives and criteria based on the test results. The evidence from the Type 1 and 2 tests of GIGABYTE's GHG claims for its headquarters, Silicon Valley Park, and Ping-Jen Plant, showed no violation of the material difference threshold, and it meets the reasonable assurance level recognized by the competent authority. However, the Type 1 and 2 of the greenhouse gas claims of the Dongguan plant, and Ningbo plant in the China are of limited warranty level. Limited level of assurance is provided to types 3 and 6.

For the inspection statement and certificate, please : <https://csr.gigabyte.tw/quality-and-environmental-certification/>

Note 1: The process shall be conducted in accordance with the schedule specified in Paragraph 2, Article 10 of the regulations. If the Company has not obtained the full assurance of greenhouse gas opinion by the date of publication of the annual report, it shall indicate that "complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall indicate that "complete assurance information will be disclosed on the Market Observation Post System." Moreover, complete assurance information shall be disclosed in the next annual report.

Note 2: The assurance organizations shall comply with the relevant requirements of the assurance organizations of sustainability report established by the TWSE and the TPEx.

Note 3: Please refer to the best practice reference examples on the website of the Corporate Governance Center of Taiwan Stock Exchange for the disclosure contents.

### 3、Greenhouse gas reduction goals, strategies and concrete action plans

Describe the greenhouse gas reduction base year, its data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

GIGABYTE has currently set a long-term goal of reducing carbon emissions by 50% by 2025, using the base year of 2009. Since 2016, it has also set a short-term target "Reduction 333" program, aiming to reduce carbon, water and waste by 3% each year compared to the previous year. Since 2009, we have implemented the "Green Action Program" and are committed to introducing low-carbon design from the product end, reducing the amount of packaging materials, and promoting various green projects such as "sustainable fund" and "Plant for the Planet," in order to reduce the Company's impact on the environment. Moreover, GHG emissions reductions are reviewed annually based on long-term and short-term reduction targets. For details, please refer to 5. Risks and Opportunities Management in the "GIGABYTE 2023 Climate-Related Financial Disclosures." GIGABYTE's GHG emissions in 2023 were 43.95% lower than in 2009. The cumulative target achievement rate was 87.9%, 1.69% lower than in 2022.

Note1: The matter shall be conducted the order issued under Paragraph 2, Article 10, of the Regulations.

Note 2: The base year shall be the year in which the consolidated financial report boundary is completed. For example, according to the order stipulated in Paragraph 2 of Article 10 of the regulations, a company with a capital of over NT\$10 billion shall complete the consolidated financial report for the year 2024 in the year 2025; therefore the base year shall be the year 2024, and if the company has completed the consolidated financial report earlier than that, it may use that earlier year as the base year, and the data in the base year may be calculated as the average of the data of a single year or several years.

Note 3: Please refer to the best practice reference examples on the website of the Corporate Governance Center of Taiwan Stock Exchange for the disclosure contents.

(VI) Our Company's implementation of ethical corporate management

1. Our Company's management upholds our belief in prudent, sustainable management and accountability and has drafted management policies based on ethical practice. Our management is in compliance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies.
2. Implementation of Ethical Corporate Management and Departure from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons:

Indicator	Operation			Variation from Ethical Corporate Management Best Practice Principles, and Reason
	Yes	No	Summary	
<p>1. Codify Ethical Management Policies and Plans</p> <p>(1) Does the company formulate ethical corporate management policies that have been approved by the Board of Directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its Board of Directors and management team to implementing policies?</p> <p>(2) Does the company establish a mechanism for assessing the risk of unethical conduct, regularly analyze and evaluate business operations at a relatively high risk of unethical conduct, and accordingly formulate solutions to prevent unethical conducts, which covers at least preventive measures against conducts as indicated in Article 7 Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(3) Does the company have any measures against unethical conducts? Are these measures supported by proper procedures, behavioral guidelines, disciplinary actions and complaint systems? Does the company implement and regularly review and revise such measures?</p>	√		<p>The Company has established a "Ethical Corporate Management Best Practice Principles" based on the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and disclosed it on the Company's website and the Market Observation Post System.</p> <p>The management follows ethical management principles and has codified policies based on ethics, ensuring that the Board, supervisors, and employees abide by the Company Act, Securities and Exchange Act, Business Entity Accounting Act, laws that pertain to publicly traded companies, and other laws that govern business transaction, while discharging their duties.</p>	In compliance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies"
<p>2. Implementing ethical management</p> <p>(1) Does the Company evaluate the ethical record of its transaction parties and explicitly include clauses on ethical behavior in contracts?</p>	√		<p>(1) Our Company maintains a registry of all vendors we deal with. For key suppliers and customers we also inspect their credit profile to avoid losses due to breaches of contract.</p>	In compliance with "Ethical Corporate Management Best Practice Principles for

Indicator	Operation			Variation from Ethical Corporate Management Best Practice Principles, and Reason
	Yes	No	Summary	
<p>(2) Does the company establish a dedicated unit supervised by the board, to be in charge of corporate integrity, report it integrity policy and unethical conduct prevention solutions as well as supervision implementation status to the board of directors on a regular basis (at least once a year)?</p> <p>(3) Does the Company have a conflict-of-interest prevention policy with suitable channels for reporting such conflicts, and enforces such a policy?</p> <p>(4) Has the company implemented effective accounting and internal control systems for the purpose of maintaining business integrity? Does the internal audit unit establish applicable audit plans based on the results of unethical conduct risk assessment, and use the plans to audit unethical conduct prevention solutions or engage a CPA to carry out the audit?</p> <p>(5) Does the Company regularly host internal and external training on ethical management?</p>			<p>(2) Our Company does not yet have a dedicated (concurrent) unit for promoting ethical corporate management. This is currently performed by each department to the best of their ability.</p> <p>(3) Our Company completed the stakeholder section on our website at the end of 2015 to respond to important CSR issues material to our stakeholders.</p> <p>(4) Our Company's accounting system and internal control system both conform to the spirit of ethical management. Internal auditors also carry out audits in accordance with the law.</p> <p>(5) Our Company does not regularly host internal and external training on ethical management. Related courses will be organized as necessary in the future.</p>	TWSE/GTSM-Listed Companies”
<p>3. Operation of the corporate whistleblower system</p> <p>(1) Does the Company have an explicit whistleblower and incentive scheme in place that protects whistleblowers and assigns appropriate personnel for investigating the target of the whistleblower complaint?</p> <p>(2) Has the company implemented any standard operating procedures, post-investigation measures, or confidentiality measures for handling reported matters?</p>	√		<p>(1) If any company personnel harms the Company's interests by violating the Company regulations or ethical principles, employees can report this through the proper channels to their direct manager, the internal audit manager or administrative unit. Disciplinary action will be taken by the decision-maker or Human Resources unit based on the severity of the offense.</p> <p>(2) Handled in accordance with the relevant HR management regulations.</p>	In compliance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies”

Indicator	Operation			Variation from Ethical Corporate Management Best Practice Principles, and Reason
	Yes	No	Summary	
(3) Does the Company have measures to protect whistleblowers against retaliation?			(3) Once a complaint is received by the head of the relevant unit, it is treated confidentially to protect the background of the whistleblower and the provided information.	
4. Greater disclosure Does the Company disclose its ethical management principles and progress on its promotion through its website or the Market Observation Post System website?	√		We have a corporate website on which we disclose any information we have related to ethical management.	In compliance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies”
5. If the Company has drafted an ethical management principle according to “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies,” the operation of the principle and the deviation from the principle should be clearly stated: No difference. The Company has established a “Ethical Corporate Management Best Practice Principles” based on the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and related laws and regulations.				
6. Other material information that helps to understand the operation of the Company’s ethical management (such as the Company’s declaration of its resolve and policies to its business partners; the Company’s invitation of training to its partners; and the Company’s revision of its ethical management principles): None				

- (VII) If the Company has codified corporate governance guidelines and applicable regulations, the Company should disclose the method by which such regulations can be accessed: For information on the Company’s governance principles and related regulations, please visit our corporate website <http://www.gigabyte.com/index.aspx> and Market Observation Post System.
- (VIII) Other important information that is helpful for understanding the implementation status of corporate Governance may be disclosed together: <https://csr.gigabyte.tw/corporate-organization/>

(IX) Status of Enforcement of Internal Control System:

**GIGABYTE Technology Co., Ltd.**  
**Statement of Internal Control**

Date: March 14, 2024

GIGABYTE Technology Co., Ltd. has conducted an internal audit in accordance with its Internal Control Regulation covering the period from January 1 to December 31, 2023 and hereby declares as follows:

- I. The Company acknowledges and understands that, the establishment, enforcement and preservation of internal control system is the responsibility of the Board and the managers, and that the Company has already established such system. The purpose is to reasonably ensure the effect and efficiency of operation (including profitability, performance and security of assets), the reliability of financial reporting and the compliance with relevant legal rules
- II. There is limitation inherent to an internal control system, no matter how perfect the design. As such, effective internal control system may only reasonably ensure the achievement of the aforementioned goals. Further, the operation environment and situation may vary, and hence the effectiveness of the internal controls system. The internal control system of the Company features a self-monitoring mechanism. Once identified, any shortcoming will be corrected immediately.
- III. The Company judges the effectiveness of the internal control system in design and enforcement in accordance with the “Criteria for the Establishment of Internal Control System of Public Offering Companies” (hereinafter referred to as “the Criteria”). The Criteria is instituted for judging the effectiveness of the design and enforcement of the internal control system. There are five components of effective internal control as specified in the Criteria with which the procedure for effective internal control is composed by five elements, namely: 1. Control environment, 2. Risk Evaluation and feedback, 3. Control Operation, 4. Information and Communication, and 5. Monitoring. Each of the elements in turn contains certain audit items and shall be referred to the Criteria for details.
- IV. The Company has adopted the aforementioned internal control system for internal audit on the effectiveness of the design and enforcement of the internal control system
- V. Based on the aforementioned audit findings, the Company holds that it has reasonably preserved the achievement of the aforementioned goals at December 31, 2023 (including the monitoring over the subsidiaries), including the effectiveness and efficiency in operation, reliability in financial reporting and compliance with relevant legal rules, and that the design and enforcement of internal control are effective.
- VI. This statement of declaration shall form an integral part of the annual report and prospectus on the Company and will be announced. If there is any fraud, concealment and unlawful practice discovered in the content of the aforementioned information, the Company shall be liable to legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
- VII. This statement of declaration has been approved unanimously by the Board in a session held on March 14, 2024 with the presence of 11 directors (including proxies).

GIGABYTE Technology Co., Ltd.

Chairman : Yeh, Pei-Chen

General Manger : Lee, E-Tay  
Lin, Yin-Yu

Note 1: For public companies, when there is a shortage in the design or implementation of the internal control system in any period of the year, companies should state and explain the shortage they noted in the 4<sup>th</sup> item in Statement of Internal Control by adding an explanatory paragraph and also state the plans and execution status before balance sheet date.

Note 2: The date of the statement will be the “the day the fiscal year ends”.

2. Where the Company may be requested to conduct an audit on its internal control system by external auditors, is there any audit report for disclosure: None.
- (X) Any personnel of the Company sentenced by law, punished by internal regulation due to violation of internal control system, major shortcomings and status of corrective action in the most recent year to the day this report was printed: None.
- (XI) Important resolutions at the shareholders' meeting and the meeting of Board of Directors in recent years and in the current year (till printing of the annual report):
1. Significant Resolutions from Shareholders' General Meeting and Their Implementation

Date	Significant Agenda	Implementation
2023.06.09	1. Recognize our Company's business report and financial statements from 2022.	Approved.
	2. Recognize our Company's earnings distribution for 2022.	Approved. 2023.8.9 has been ratified as the stock dividend distribution date, and the cash dividend has been distributed on 2023.8.31 (NT\$6.2 cash dividends per share)
	3. Approval of amendment to the Company's "Articles of Incorporation"	Approved. The agenda has been carried out as resolved in the shareholders' meeting.
	4. Approval of The issuance of employee restricted stock awards	After the resolution was passed, due to the significant increase in GIGABYTE's stock price, the issuance cost would have substantially increased. Considering the potential impact on shareholder interests, the issuance application was not completed
	5. To elect two additional independent directors.	Elected as Peng, Peng-Huang and Lin, Li-Chen an independent director of our company.
	6. Releasing the restriction of the non-competitor clause for new directors	Approved.

## 2. Important Resolutions of Meetings of the Board of Directors

Date	Important Resolution
2023.01.13	The appointment and remuneration of the Company's CPA for 2023.
	Proposal of the Company's intention to provide endorsement and guarantee to subsidiary Giga Computing Technology
	Assessments and recommendations with respect to year-end bonus for the Company's managers.
	2023 self-assessment of the Company's Board of directors and individual directors.
	Job promotions for the Company's managers.
2023.03.13	The Company's intension to pre-approve a CPA, the CPA's firm and its affiliates, and alliances for providing the Company and its subsidiaries with non-assurance services.
	2022 parent company only and consolidated financial statements
	The date, venue, and agendas of the 2023 Shareholders' Meeting.
	Relevant matters concerning nominations and proposals submitted by shareholders for the 2023 shareholders' meeting
	Budget of the Company for 2023
	The 2022 Board of Directors and individual directors' self-performance evaluation
	Proposal for the distribution of remuneration to directors and employees for 2022
	Proposal to increase 2 more independent directors of the Company
	Nomination of independent director candidates by the board of directors and review of the list of candidates
	The Company's proposed revision to the level of authority for income and expenditure approval

Date	Important Resolution
	The Company's intention to continue facilities granted by Mega International Commercial Bank Xindian Branch.
	2022 Annual Internal Control System declaration
2023.04.18	The Company's 2022 business report
	The Company's 2022 distribution of Profits
	The Company's 2022 cash dividend distribution
	Applying for a LOS from parent company in response to subsidiary, Giga Computing Technology's proposed credit facilities with Yuanta Commercial Bank
	Applying for a LOS from parent company in response to subsidiary Giga Computing Technology's proposed credit facilities with DBS Bank
	Removal of non-compete clauses for the Company's newly elected directors.
2023.04.28	Amendments to the Company's Articles of Incorporation
	The Company's proposed issuance of new restricted employee shares.
	Proposed changes to the reasons for the convening of the 2023 general shareholders' meeting
2023.05.12	The Company's Consolidated Financial Statements for Q1 2023.
	2022 director's remuneration distribution, evaluation, and suggestion
	Proposed establishment of the Thailand office by the channel solution business unit
2023.06.09	Determination of baseline date for distribution of the Company's 2023 dividends.
	The Company's proposed issuance of the third overseas unsecured convertible bonds
2023.08.11	2023 Q2 Consolidated financial statements
	The Company's intention to continue facilities granted by Taipei Fubon Bank
	The Company's intention to continue facilities granted by CTBC Bank
	Applying for a LOS from parent company in response to subsidiary Giga Computing Technology's new credit facilities with CTBC Bank
	The Company's manager salary (annual pay raise) evaluation and suggestions.
	Assessment and recommendation on the Company's distribution of remuneration for managers in 2022 based on performance.
2023.09.13	Appointment of senior managers of the Company
	Proposed issuance of employee stock option certificates by subsidiary Giga Computing Technology
	Proposed establishment of the U.S. subsidiary by subsidiary Giga Computing Technology
	Acquisition of 100% share capital in the group's Singapore subsidiary, Aorus Pte. Ltd. by subsidiary Bestyield BYTE International Co., Ltd.
	Amendments to the Company's "Rules of Procedure for board of directors meetings"
	Applying for a LOS from parent company in response to subsidiary Giga Computing Technology's new credit facilities with Citibank Taiwan
2023.10.17	The Company's intention to continue facilities granted by HSBC Bank (Taiwan) Limited
	The Company's intention to have new facilities granted by DBS Bank (Taiwan) Limited
2023.11.03	2024 audit plan
	2023 Q3 consolidated financial statements
2023.12.20	Acquisition of the third plant in the United States by Freedom International Group Ltd., subsidiary of the Company
	Capital increase (stock dividends and follow-on offering) of the subsidiary (Freedom) by the Company
	Amendments to the Company's "internal control system – computer information management system" regulations
2024.01.16	Review of the Appointment and Compensation of the Company's CPAs for 2024
	Evaluation of the independence of the Company's CPAs
	Assessments and recommendations with respect to year-end bonus for the Company's managers.
	The 2024 board of directors and individual director self-performance evaluation
	Appointment of the Company's corporate governance officer
2024.03.14	2023 statement of internal control system
	Budget of the Company for 2024
	2023 parent company only and consolidated financial statements

Date	Important Resolution
	The Company's intension to pre-approve a CPA, the CPA's firm and its affiliates, and alliances for providing the Company and its subsidiaries with non-assurance services.
	Proposal to request the shareholders' meeting to deliberate on the authorization of the board of directors to conduct a cash capital increase by issuing common shares and to engage in the issuance of overseas depositary receipts
	Date, place and reason for convening the 2024 general shareholders' meeting
	Relevant matters concerning proposals submitted by shareholders for the 2024 shareholders' meeting
	Relevant matters on the nomination of director (including independent director candidates) candidates for the 2024 shareholders' meeting
	Amendments to the Company's "Articles of Incorporation"
	Election of the entire 14th directors (including independent directors) of the Company and director candidates (including Independent Directors) nominated by the board of directors
	The Company's 2023 board of directors, individual directors and functional committee self-performance evaluation
	Proposal for the distribution of remuneration to directors and employees for 2023
	The Company's intention to have new facilities granted by E.SUN Commercial Bank
	The Company's intention to have new facilities granted by Chang Hwa Commercial Bank, Ltd.
	The Company's intention to have new facilities granted by Yuanta Commercial Bank
	The Company's intention to have new facilities granted by Land Bank of Taiwan
	The Company's intention to continue facilities granted by Citibank Taiwan
	The proposed solar energy project investment in the BOT project of Miaoli County Government, Pai Pien Cinema
	Applying for a LOS from parent company in response to subsidiary Giga Computing Technology Company's ((hereinafter referred to as "Giga Computing Technology"))new credit facilities with Taishin International Bank
2024.04.17	The Company's 2023 business report
	The Company's 2023 earnings distribution
	Removal of non-compete clauses for the Company's newly elected directors
	The Company's intention to have new facilities granted by Taishin International Bank
	The Company's intention to have new facilities granted by Cathay United Bank
	The Company intends to continue credit transactions with Mega International Commercial Bank
	The Company's intention to continue facilities granted by Citibank Taiwan
	Amendment to the Company's "Procedures for Derivative Transactions"
	Amendments to the reasons for convening the 2024 general shareholders' meeting
	Proposed acquisition of Tokyo Office by subsidiary Nippon Giga-Byte Corp. (hereinafter referred to as "GIGABYTE Japan")
	Cash capital increase of subsidiary GIGABYTE Japan by the Company
	Receipt of employee stock options by employees of the company from the Company's subsidiary GIGAIPC Co., Ltd. (hereinafter referred to as "GIGAIPC")

(XII) Dissents from directors or supervisors on major resolutions of the Board that have been recorded or provided with written statement in the most recent year and up to the publication date of the annual report: None.

(XIII) Resignation or Dismissal of the Company's Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit, Corporate Governance and R&D in the most recent year to the day this report was printed:

Title	Name	Date of Appointment	Date of Termination	Reasons for Resignation or Dismissal
Corporate Governance Officer	Chen, Chun-Ying	2021/01/15	2024/01/16	Adjustment of position



V.Information regarding CPA auditing fee:

In NTD 1,000

CPA Firm	CPA	Auditing Period	Auditing Fees	Non-Auditing Fees	Total	Note
PWC Public Accountants	Xiao Chun-Yuan	112/1/1~ 112/12/31	10,160	14,295	24,455	Non-audit fee services include transfer pricing taxation services ECB services,
	Lin, Se-Kai					

VI.Information regarding replacement of CPAs: None.

VII. Service by Giga-Byte's chairman, president, managerial officers in charge of finance or accounting having served with the office(s) or affiliate(s) of the auditing CPAs: None.

VIII. Transfer of and lien on shares by directors, supervisors, managers and shareholders holding more than 10% of the outstanding shares in the most recent year until the date this report is printed:

Title	Name	2023		By April 14, 2024	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Chairman and President, GIGABYTE	Yeh, Pei-Chen	0 0	0 0	0 0	0 0
Vice Chairman	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	0	0	0	0
Director	Yuei-Yei Development Investment Ltd. Representative: Tseng, Chun-Ming	0	0	0	0
Director	Shih-Chia Investment Co., Ltd. corporate representative: Ma, Mou-Ming	0	0	0	0
Director	Shih Dah Investment Co., Ltd. corporate representative: Ko, Cong-Yuan	0 (3,928,000)	0 (2,000,000)	0 (275,000)	0 0
Director	Xi Wei Investment Co., Ltd. corporate representative: Lee, E-Tay	0 0	0 0	0 0	0 0
Independent Director	Wang, Hwei-Min	0 0	0 0	0 0	0 0
Independent Director	Chan, Yi-Hung	0 0	0 0	0 0	0 0
Independent Director	Yang, Cheng-Li	0 0	0 0	0 0	0 0
Independent Director	Peng, Peng-Huang	0 0	0 0	0 0	0 0
Independent Director	Lin, Li-Chen	0 0	0 0	0 0	0 0
Senior VP of GIGABYTE	Liu, Ming-Hsiung	0 0	0 0	0 0	0 0

Title	Name	2023		By April 14, 2024	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Senior VP of GIGABYTE	Ma, Mou-Ming	0 0	0 0	0 0	0 0
Manufacturing Business Unit Senior VP	Tsent, Chun-Ming	0 (450,000)	0 0	0 0	0 0
Group General Manger	Lee, E-Tay	0 0	0 0	0 0	0 0
Group General Manger	Lin, Yin-Yu	0 (27,000)	0 0	0 0	0 0
Manufacturing Business Unit President	Meng, Hsian-Ming	0 0	0 0	0 0	0 0
Channel Solution Business Unit Senior Special Assistant	Hong, Wen-Chi (Dismissal in 25th March 2024)	0 0	0 0	0 0	0 0
CFO, Operations Management Center and Financial & Accounting HQ	Chen, Chun-Ying	0 (20,000)	0 0	0 (20,000)	0 0
Operations Management Center Overseas Subsidiary Management Division. Vice General Manager of the US Platform	Lu, Zheng-Wei	0 0	0 0	0 0	0 0
C.O.O. , Operation Management Center	Bai, Guang-Hua	0 0	0 0	30,735 (75,000)	0 0
Brand Marketing Division, Vice President and Special Assistant to the President	Chen, Jin-Ting	28,980 (20,000)	0 0	0 (7,000)	0 0
President's office, manager special assistant	Chen, Shi-Cheng	0 0	0 0	0 0	0 0
Channel Solution Business Unit M/B Research& Development Center, Vice General Manager	Chen, Chen-shun	0 (2,000)	0 0	0 (2,000)	0 0
Vice General Manager, Channel Solution Business Unit, Gaming Products Research & Design Center	Huang, Shun-Chih	0 0	0 0	0 (50,000)	0 0
Operation Management Center Legal and IP Affairs Div. General Counsel	Chiu, Chih-Peng	0 0	0 0	0 0	0 0
Channel Solution Business Unit, Sales Marketing Center, America& Asia Platform, Vice General Manager	Liao, Chi- Li	0 0	0 0	0 0	0 0
Channel Solution Business Unit, Sales Marketing Center, Europe Platform, Vice General Manager	Hsiao, Wen-Ta	0 0	0 0	0 0	0 0
Channel Solution Business Unit, M/B Research& Business Unit Vice General Manager	Liao,Zhe-Xian	0 0	0 0	0 0	0 0

Title	Name	2023		By April 14, 2024	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Overseas Subsidiary Management Division APAC Platform Senior AVP	Liu, Wen- Chung	0 0	0 0	0 0	0 0
Channel Solution Business Unit, M/B Research& Development Center, software office, AVP	Deng, Yi-Ming	0 0	0 0	0 0	0 0
Channel Solution Business Unit, M/B Research& Development Center, Firmware Division II, Senior AVP	Tseng, Wei-Wen	0 0	0 0	0 0	0 0
Manufacturing Business Unit Chief Engineering Division AVP	Sun, Wu-Hsiung	0 (9,000)	0 0	0 0	0 0
Senior AVP, Advanced E-Auto Research Center	Gu Rui-Lin	0 0	0 0	0 0	0 0
AVP, Information Technology Division, Operation Management Center	Sun, Guo-Ren	0 0	0 0	0 (15,000)	0 0
AVP, Channel Solution Business Unit, M/B Research& Development Center, Firmware Division I,	Gao, Sheng-Liang	0 0	0 0	0 0	0 0
AVP, Channel Solution Business Unit, Sales & Marketing Center, America Asia Platform	Liu, Jia-Yi	0 0	0 0	0 0	0 0
AVP, Channel Solution Business Unit, Sales & Marketing Center, Europe Platform	You, Hong-Dao	0 0	0 0	0 (9,000)	0 0
Corporate governance officer	Huang, Szu-Cheng (Inaugural in 16th January 2024)	0 0	0 0	0 0	0 0
Special assistant to the President and spokesperson of the Group's Spokesperson Office	Yang,Lan-Tai (Dismissal in 29th December 2023)	0 0	0 0	0 0	0 0

Information on counterparties of share transfers or pledges who are related parties by directors, supervisors, managers, and shareholders owning more than 10% of shares outstanding: None

IX. Top ten shareholders and relationship between the shareholders

NAME (*1)	SHAREHOLDINGS BY SELF-OWNED		SHAREHOLDINGS BY SPOUSE AND UNDERAGE CHILDREN		SHAREHOLDINGS UNDER THE TITLE OF A THIRD PARTY		TOP 10 OF SHAREHOLDERS TO CONFORM TO THE ROC STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 3		REMARK
	Shares	Ratio	Shares	Ratio	Shares	Ratio	Name	Relationship	
Ming Wei Global Co., Ltd	42,583,497	6.70%							
Representative: Yang, Xue-Qing	360,000	0.06%	44,331,497	6.97%			Ming Wei Investment Co., Ltd.	Chairman	
Cathay Taiwan ESG Sustainable High Dividend ETF Securities Investment Trust Fund Special Account, entrusted to Taiwan Shin Kong International Commercial Bank Co., Ltd. for custody	31,788,000	5.00%							
Yeh, Pei-Chen	30,211,237	4.75%	5,821,063	0.92%			Xi Wei Investment Co., Ltd. Ming Wei Investment Co., Ltd.	Chairman Director	
Fubon Life Insurance Co., Ltd.	26,577,000	4.18%							
Representative: Tsai, Ming-Hsing	-	-							
Ma, Mou-Ming	23,733,383	3.73%	470,914	0.07%					
Ming Wei Investment Co., Ltd.	14,062,200	2.21%					Ming Wei Global Co., Ltd	The same Representative	
Representative: Yang, Xue-Qing	360,000	0.06%	44,331,497	6.97%			Yeh, Pei-Chen	Director	
Labor Pension Fund	9,950,800	1.57%							
Yuanta Taiwan High Dividend Fund Special Account	9,282,012	1.46%							
Xi Wei Investment Co., Ltd.	9,187,075	1.45%					Yeh, Pei-Chen	Chairman	
Representative: Yeh, Pei-Chen	30,211,237	4.75%	5,821,063	0.92%			Ming Wei Investment Co., Ltd.	Director	
WALSIN TECHNOLOGY CORP	8,590,000	1.35%							
Representative: Jiao, You-Heng	-	-							

Note 1: All of the top ten shareholders should be listed. Names of the corporate shareholders and the representatives thereof should be listed separately.

Note 2: Ratio means the shareholding by self-owned, spouse and underage children, and the title of a third party as of total these three titles of shares.

Note 3: Relationship between shareholders listed above, including corporations and natural persons, should be disclosed.

X.Companies directly or indirectly invested by the Company, the directors and supervisors of the Company, managers and the proportion and quantity of shareholdings on the same company

December 31, 2023/Unit: share; %

Invested companies	Invested by the Company		Invested by directors, supervisors, managers, or by direct or indirect subsidiaries		Total investment	
	Quantity of shares	Proportion of holdings	Quantity of shares	Proportion of holdings	Proportion of shares	Proportion of holdings
GB.T. Inc.	54,116	22.64%	184,916	77.36%	239,032	100%
GB.T. Technology Trading GmbH	0	100%	0	-	0	100%
Freedom International Group Ltd.	176,571,691.54	100%	0	-	176,571,691.54	100%
Charleston Investments Limited	0	-	57,032,141.68	100%	57,032,141.68	100%
Dongguan GIGABYTE Electronics Co., Ltd.	0	-	0	100%	0	100%
GBT Tech. Co. Ltd.	800,000	100%	0	-	800,000	100%
Giga Investment Corp.	297,756,500	100%	0	-	297,756,500	100%
Giga Future Limited	0	-	82,819,549.86	100%	82,819,549.86	100%
Ningbo GIGABYTE Co., Ltd.	0	-	0	100%	0	100%
Ningbo Best-Yield Repair and Maintenance Co., Ltd.	0	-	0	100%	0	100%
Ningbo GIGABYTE International Trading Co.	0	-	0	100%	0	100%
Giga-Byte Technology B.V.	8,500	100%	0	-	8,500	100%
Giga-Trend International Investment Group Ltd.	0	-	56,890,000	100%	56,890,000	100%
Ningbo Zhong Jia Technology Trading Co.,Ltd.	0	-	0	100%	0	100%
GIGABYTE Technology Pty. Ltd.	2,400,000	100%	0	-	2,400,000	100%
Aorus Pte. Ltd.	0	-	3,073,000	100%	3,073,000	100%
Giga-Byte Communications Inc.	2,145,831	99.86%	7	-	2,145,838	99.86%
GIGABYTE Technology (India) Private Limited	4,600,000	100%	0	-	4,600,000	100%
G-Style Co., Ltd.	12,000,000	100%	0	-	12,000,000	100%
BYTE International Co., Ltd.	31,000,000	100%	0	-	31,000,000	100%
Nippon Giga-Byte Corp.	3,000	100%	0	-	3,000	100%
GIGABYTE Technology Poland SP Z.O.O.	0	-	100	100%	100	100%
GIGABYTE Technology ESPANA S.L.U.	5,000	100%	0	-	5,000	100%
GIGABYTE Information Technology Commerce Limited Company	8,000	100%	0	-	8,000	100%
GIGABYTE Technology LLC.	168,000	100%	0	-	168,000	100%
Senyun Precise Optical Co., Ltd.	0	-	324,586,585	96.41%	324,586,585	96.41%
OGS Europe B.V.	0	-	3,000	100%	3,000	100%
Selita Precision Co., Ltd.	0	-	5,000,000	100%	5,000,000	100%
SenYun Precision Optical (Dongguan) Co., Ltd.	0	-	0	100%	0	100%
Gigaipc Co., Ltd.	0	-	12,000,000	100%	12,000,000	100%
Zaozhuang Bestyield Resources Recycling Co., Ltd.	0	-	0	100%	0	100%
Cloudmatrix Co.,Ltd.	0	-	3,000,000	100%	3,000,000	100%
Giga Computing Technology Co., Ltd.	83,460,000	83.93%	5,340,000	5.37%	88,800,000	89.30%
GIGABYTE Canada Inc.	0	-	1,000	100%	1,000	100%

Note 1: If the invested companies are limited liability companies, only the amount of investments and proportion of shareholdings are shown in the above table.

## Four. Equity Capital and Shares

### I. Equity capital and shares

#### (I) Sources of equity capital

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
April 1986	\$1000/share	700	700,000	700	700,000	Initial capital	None	Apr. 30, 1986 Chien Yi Tze No.211834
September 1986	\$1000/share	5,000	5,000,000	5,000	5,000,000	Issuing new shares amounted to \$4,300,000	None	Sep. 30, 1986 Chien Yi Tze No. 185285
June 1991	\$1000/share	20,000	20,000,000	20,000	20,000,000	Issuing new shares amounted to \$15,000,000	None	Jun. 26, 1991 80Chien San Yi Tze No. 242795
July 1995	\$1000/share	96,000	96,000,000	96,000	96,000,000	Issuing new shares amounted to \$76,000,000	None	Jul. 20, 1995 84Chien San Ren Tze No. 402912
October 1996	\$10/share	30,600,000	306,000,000	30,600,000	306,000,000	Capitalization of retained earnings at \$60,000,000 Issuing new shares amounted to \$150,000,000	None	Jul. 06, 1996(85) Taiwan-Finance- Securities-I No. 41051
July 1997	\$10/share	57,820,000	578,200,000	57,820,000	578,200,000	Capitalization of retained earnings at \$183,600,000, of capital surplus at \$30,600,000, and employee bonus at \$18,000,000 Issuing new shares amounted to \$40,000,000	None	May 21, 1997(86) Taiwan-Finance- Securities-I No. 40522
April 1998	\$10/share	280,000,000	2,800,000,000	113,858,000	1,138,580,000	Capitalization of retained earnings at \$462,560,000, of capital surplus at \$57,820,000, and employee bonus at \$40,000,000	None	Apr. 04, 1998(87) Taiwan-Finance- Securities-I 29875
October 1998	\$172.5/share	280,000,000	2,800,000,000	123,858,000	1,238,580,000	Issuing new shares amounted to \$100,000,000	None	Oct. 22, 1998(87) Taiwan-Finance- Securities-I No. 85746

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
July 1999	\$120/share	280,000,000	2,800,000,000	126,358,000	1,263,580,000	Issuing new shares amounted to 25,000,000	None	Jun. 16, 1999(88) Taiwan-Finance- Securities-I No. 57028
July 1999	\$10/share	280,000,000	2,800,000,000	220,158,600	2,201,586,000	Capitalization of retained earnings at \$867,006,000, and of employee bonus at \$71,000,000	None	May 29, 1999(88) Taiwan-Finance- Securities-I No. 50319
June 2000	\$10/share	460,000,000	4,600,000,000	328,135,260	3,281,352,600	Capitalization of retained earnings at \$770,555,100, of capital surplus at \$220,158,600 and employee bonus at \$89,052,900	None	May 18, 2000(89) Taiwan-Finance- Securities-I No. 42789
July 2000	\$129.25/share	460,000,000	4,600,000,000	358,135,260	3,581,352,600	Issuing new shares for the subsequent issuing of GDR amounted to \$300,000,000	None	Jun. 27, 2000(89) Taiwan-Finance- Securities-I No. 46526
July 2001	\$10/share	800,000,000	8,000,000,000	458,936,251	4,589,362,510	Capitalization of retained earnings at \$537,202,980, of capital surplus at \$358,135,260 and employee bonus at \$112,671,670	None	May 31, 2001(90) Taiwan-Finance- Securities-I No. 134160
January 2002	\$88.7/share	800,000,000	8,000,000,000	459,121,458	4,591,214,580	Issuing of ECB amounted to \$1,852,070	None	Feb. 21, 2001(90) Taiwan-Finance- Securities-I No. 105452
March 2002	\$88.7/share	800,000,000	8,000,000,000	459,413,344	4,594,133,440	Issuing of ECB amounted to \$2,918,860	None	Feb. 21, 2001(90) Taiwan-Finance- Securities-I No. 105452
September 2002	\$10/share	800,000,000	8,000,000,000	549,447,798	5,494,477,980	Capitalization of retained earnings at \$689,120,020 and of employee bonus at \$211,224,520	None	Jun. 19, 2002 Taiwan-Finance- Securities-I No. 0910133363

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
September 2003	\$10/share	800,000,000	8,000,000,000	592,655,610	5,926,556,610	Capitalization of retained earnings at \$274,723,890 and of employee bonus at \$151,571,800 Issuing ECB amounted to \$5,782,940	None	Jul. 14, 2003 Taiwan-Finance- Securities-I No. 091021455
September 2004	\$10/share	950,000,000	9,500,000,000	624,509,332	6,245,093,320	Capitalization of retained earnings at \$289,772,330 and of employee bonus at \$159,874,380. Cancellation of treasury stocks amounting to \$131,110,000	None	Jul. 13, 2004 Financial-Supervisory Securities I-No. 0930131089
September 2005	\$10/share	950,000,000	9,500,000,000	671,885,898	6,718,858,980	Capitalization of retained earnings at \$312,254,660 and of employee bonus at \$161,511,000.	None	Jul. 7, 2005 Financial-Supervisory Securities No. 0940127429
September 2006	\$10/share	950,000,000	9,500,000,000	671,471,898	6,714,718,980	Cancellation of treasury stocks amounting to \$4,140,000 Employee bonus at \$46,308,407.	None	Aug. 24, 2006 Financial-Supervisory Securities No. 0950138850
December 2007	\$26.42/share	950,000,000	9,500,000,000	672,725,490	6,727,254,900	ECB 12,535,920	None	May 16, 2006 Financial-Supervisory Securities No. 0950115553
May 2008	\$10/share	950,000,000	9,500,000,000	644,755,490	6,447,554,900	Cancellation of treasury stocks amounting to \$279,700,000	None	May 7, 2008 Financial-Supervisory Securities III-No. 0970023166
October 2008	\$25.28/share	950,000,000	9,500,000,000	653,091,886	6,530,918,860	ECB 83,363,960	None	May 16, 2006 Financial-Supervisory Securities No. 0950115553



Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
December 2008	\$10/share	950,000,000	9,500,000,000	633,091,886	6,330,918,860	Cancellation of treasury stocks amounting to \$200,000,000	None	Oct. 20, 2008 Financial-Supervisory Securities III-No. 0970055414
July 2009	\$10/share	950,000,000	9,500,000,000	629,133,886	6,291,338,860	Cancellation of treasury stocks amounting to \$39,580,000	None	Apr. 22, 2009 Financial-Supervisory Securities III-No. 0980017260
January 2010	\$17.39/share	950,000,000	9,500,000,000	633,150,386	6,331,503,860	Exercise of 40,165,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
May 2011	\$17.39/share	950,000,000	9,500,000,000	642,565,886	6,425,658,860	Exercise of 94,155,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2010	\$17.39/share	950,000,000	9,500,000,000	643,114,886	6,431,148,860	Exercise of 5,490,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
November 2010	\$17.39/share	950,000,000	9,500,000,000	633,719,886	6,337,198,860	Exercise of 2,050,000 shares of employee stock option issued in 2007 (First); Cancellation of treasury stocks amounting to \$96,000,000	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711 Oct. 11, 2010 Financial-Supervisory Securities No. 0990055818
February 2010	\$16.10/share	950,000,000	9,500,000,000	634,610,386	6,346,103,860	Exercise of 8,905,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
April 2011	\$16.10/share	950,000,000	9,500,000,000	637,005,386	6,370,053,860	Exercise of 23,950,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2011	\$16.10/share	950,000,000	9,500,000,000	637,413,386	6,374,133,860	Exercise of 4,080,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
November 2011	\$14.80/share	950,000,000	9,500,000,000	637,922,386	6,379,223,860	Exercise of 5,090,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
February 2012	\$14.80/share	950,000,000	9,500,000,000	638,306,386	6,383,063,860	Exercise of 3,840,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
April 2012	\$14.80/share	950,000,000	9,500,000,000	624,060,386	6,240,603,860	Exercise of 33,140,000 shares of employee stock option issued in 2007 (First) ; Cancellation of treasury stocks amounting to \$175,600,000	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2012	\$14.80/share	950,000,000	9,500,000,000	624,548,386	6,245,483,860	Exercise of 488,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
November 2012	\$14.80 and \$13.68 per share	950,000,000	9,500,000,000	625,401,386	6,254,013,860	Exercise of 853,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
January 2013	\$13.68/share	950,000,000	9,500,000,000	625,891,386	6,258,913,860	Exercise of 490,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
April 2013	\$13.68/share	950,000,000	9,500,000,000	626,137,386	6,261,373,860	Exercise of 246,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2013	\$13.68/share	950,000,000	9,500,000,000	626,253,386	6,262,533,860	Exercise of 116,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
November 2013	\$12.70/share	950,000,000	9,500,000,000	626,323,386	6,263,233,860	Exercise of 70,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
February 2014	\$12.70/share	950,000,000	9,500,000,000	626,571,386	6,265,713,860	Exercise of 248,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
April 2014	\$12.70/share	950,000,000	9,500,000,000	626,822,886	6,268,228,860	Exercise of 251,500 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
November 2014	\$11.90/share	950,000,000	9,500,000,000	626,832,886	6,268,328,860	Exercise of 10,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
February 2015	\$11.90/share	950,000,000	9,500,000,000	628,882,886	6,288,828,860	Exercise of 2,050,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
April 2015	\$11.90/share	950,000,000	9,500,000,000	629,012,886	6,290,128,860	Exercise of 130,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
September 2015	\$10.90/share	950,000,000	9,500,000,000	629,062,886	6,290,628,860	Exercise of 50,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
November 2016	\$10.20/share	950,000,000	9,500,000,000	629,067,886	6,290,678,860	Exercise of 5,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
January 2017	\$10.20/share	950,000,000	9,500,000,000	629,117,886	6,291,178,860	Exercise of 50,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
August 2017	\$10.20/share	950,000,000	9,500,000,000	629,719,886	6,297,198,860	Exercise of 602,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
December 2017	\$ 9.55/share	950,000,000	9,500,000,000	633,193,886	6,331,938,860	Exercise of 3,474,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
February 2018	\$ 9.55/share	950,000,000	9,500,000,000	635,688,886	6,356,888,860	Exercise of 2,495,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711

#### Types of shares

Types of shares	Authorized capital (share)			Remarks
	Outstanding shares	Unissued shares	Total	
Common shares	605,688,886	314,311,114	920,000,000	
GDR	30,000,000	None	30,000,000	

Information of overall declaration system: Nil.

## (II)The structure of shareholdings

April 14, 2024

Shareholder Quantity	Government agencies	Financial institutions	Other institutional investors	FINI and FIDI	Natural persons	Treasury stock	Total
Number of shareholders	0	36	568	796	104,842	0	106,242
Quantity of shares held	0	94,253,411	161,562,331	121,988,543	257,884,601	0	635,688,886
Proportion of holdings	0.00%	14.83%	25.42%	19.19%	40.56%	0.00%	100.00%

## (III)The diversification of shareholdings

April 14, 2024

Ranking of shareholding	Number of shareholders	Quantity of shares held	Proportion of holdings
1-999	52,044	6,409,783	1.01%
1,000-5,000	47,955	83,967,216	13.20%
5,001-10,000	3,499	26,988,648	4.25%
10,001-15,000	867	11,043,427	1.74%
15,001-20,000	522	9,549,436	1.50%
20,001-30,000	404	10,273,891	1.62%
30,001-40,000	180	6,470,585	1.02%
40,001-50,000	135	6,228,866	0.98%
50,001-100,000	241	17,155,171	2.70%
100,001-200,000	138	20,147,294	3.17%
200,001-400,000	110	31,772,544	5.00%
400,001-600,000	35	17,178,028	2.70%
600,001-800,000	17	11,896,807	1.87%
800,001-1,000,000	22	19,506,255	3.07%
1,000,001 and more	73	357,100,935	56.17%
Total	106,242	635,688,886	100.00%

## (IV)List of dominant shareholders

April 14, 2024

Name of dominant shareholders	Quantity of shares held	Proportion of shareholdings
Ming-Wei Global Co., Ltd	42,583,497	6.70%
Cathay Taiwan ESG Sustainable High Dividend ETF Securities Investment Trust Fund Special Account, entrusted to Taiwan Shin Kong International Commercial Bank Co., Ltd. for custody.	31,788,000	5.00%
Yeh, Pei-Chen	30,211,237	4.75%
Fubon Life Insurance Co., Ltd.	26,577,000	4.18%
Ma, Mou-Ming	23,733,383	3.73%
Ming-Wei Investment Co., Ltd.	14,062,200	2.21%
Labor Pension Fund	9,950,800	1.57%
Yuanta Taiwan High Dividend Fund Special Account	9,282,012	1.46%
Xi-Wei Investment Co., Ltd.	9,187,075	1.45%
WALSIN TECHNOLOGY CORP	8,590,000	1.35%

(V) The market price, net value, earning and dividend per share and related information in the last two years

Subject		Year	2022	2023	By March 31, 2024
Market price per share (Note1)	Highest		160.00	382.50	394.50
	Lowest		78.30	105.00	241.00
	Average		107.98	215.75	318.83
Net value per share	Cum-dividend		56.53	58.95	-
	Ex-dividend		50.33	52.25	-
EPS	Weighted average number of shares		635,124,886	635,688,886	-
	EPS (Note 3)		10.29	7.46	-
Dividend per share	Cash dividend (Dollar)		6.20	6.70	-
	Stock divided	-	-	-	-
		-	-	-	-
	Accumulated unpaid dividends		-	-	-
Analysis on ROI	P/E ratio(Note 4)		10.49	28.92	-
	P/P ratio(Note 5)		17.42	32.20	-
	Cash dividend yield(Note 6)		5.74%	3.11%	-

Note 1: The information comes from TWSE's after-market trading information.

Note 2: The basis is the number of shares already occurred in previous years and filled out according to the distribution resolved by the shareholders' meeting next year.

Note 3: If retrospective adjustments are required for share distribution without consideration, earnings per share before and after the adjustment should be listed.

Note 4 :P/E Ratio = Average closing price per share over the year / earnings per share.

Note 5 :Price / Dividend Ratio = Average closing price per share over the year / cash dividend per share.

Note 6: Cash Dividend Yield = Cash Dividend per Share / Average closing price per share over the year.

Note 7: Distribution for 2023 is based on the resolution of the Board of Directors on April 17, 2024.

Note 8: The Board of directors resolved to grant NT\$6.7 of cash dividend for each share based on earnings.

(VI) Dividend policy and implementation

1. Dividend policy:

The Company is under an environment of keen competition in the industry and a high level of uncertainty. In addition, the enterprise is at the mature stage of the life cycle. In consideration of the capital requirement for operation and long-term financial planning and meeting the needs of the shareholders in cash inflow, the Company, as a matter of principle, will appropriate 5% to 80% of the accumulated unpaid income as dividend for the shareholders. The Board shall, at the time of issue of the issuance of new shares, call upon the shareholders meeting to authorize the Board to delegate to more than two-thirds directors and to attend the resolutions of more than half of the directors in accordance with the provisions of the Company Act, and shall assign dividends and dividends or all or part of the statutory surplus reserve and capital public funds provided for in Paragraph I of Article 241 of the Company Act, for the payment of cash, and report to the shareholders' meeting. The ratio of cash dividends for shareholders shall not be less than 5% of the total shareholder dividend. In addition, cash dividends less than NT\$0.1 per share will only be distributed through stock dividends. The proposal of dividend payment presented by the board will be based on the industry level in dividend payment for maintaining proper balance and stability. Stock dividend will be paid out by the capitalization of capital surplus, and will be made in conjunction with cash dividend and in accordance with applicable legal rules.

2. The dividend payment plan as proposed in this General Meeting:

Unit: Share; NTD

Subject	New shares	Amount
Accumulated unpaid income (19,061,404,701)		
5%	-	953,070,235
80%		15,249,123,761
Cash dividend from retain earnings (@\$6.7)	-	4,259,115,536

(VII) The impact on the Company's operations and EPS of the stock dividend proposed by this shareholders' meeting: None.

As proposed at the present shareholders' meeting, cash dividend from retained earnings and capital reserve shall be distributed, without the issuance of bonus shares.

(VIII) Compensation for Employees and Fees for Directors and Supervisors

1. The percentage or range of compensation for employees and remuneration for directors stated in the Company's Articles of Incorporation:

If there is a profit after the annual closing of books, this Company shall appropriate 3-10% as compensation for employees and not more than 3% as remuneration for directors. If there are accumulative deficits, the amount for covering the losses of previous years shall first be retained. The compensation for employees described above shall be distributed in either stock or cash, and the remuneration for directors shall be distributed in cash. Compensation shall be approved by over half of the directors at a board meeting attended by two-third of the board members. In addition, the compensation for employees and directors shall be reported to the meeting of shareholders

2. Bases for estimating the compensation for employees and remuneration for directors this period, calculating compensation for employees in stock, and accounting solution for differences between actually distributed amount and estimated amount:

The compensation for employees and remuneration for directors and supervisors are estimated based on the balance from deducting accumulative losses in previous years from the income. If there is balance, this Company shall appropriate 3-10% as compensation for employees and not more than 3% as remuneration for directors.

The compensation for employees is calculated at the closing price one day before the date of the resolution made by the meeting of BOD and in consideration of the impact on the ex-right and ex-dividend date.

There is no difference between the actual distribution amount of 2023 compensation for employees and remuneration for directors resolved by the BOD and the adopted estimates.

Where there is a difference between the actual distribution amount and the estimates, the difference will be listed as a loss of the distribution year.

3. Information on the proposal on compensation for employees made by the board:

The board resolved in favor of the motion presented for the paid out of retained earnings for 2023 and the details are described as follows:

Unit: NTD/share

Subject	Quantity	Amount
Compensation for employee (10%):		
Compensation for employee -cash	-	588,689,898
Fees for directors (0.78%)	-	46,000,000

Note: The above amounts are the same as that estimates for 2023.

4. Retained earnings 2022 released as cash dividend to employees and fees for directors and supervisors:

Unit: NTD/share

Subject	Quantity	Amount
Compensation for employee (10%): Compensation for employee -cash	-	894,836,324
Fees for directors (0.51%)	-	46,000,000

Note: The amounts of remuneration actually paid to the abovementioned employees and directors are consistent with those presented in the financial statements for 2022, i.e. TWD 894,836,324 for employees and TWD 46,000,000 for directors.

(IX) Stock buyback (Completed) : None.

## II. Corporate bonds

### 1. Issuance of Corporate Bonds

Type of corporate bonds	Third Issue of the Unsecured Overseas Convertible Bonds	
Issue date	July 27, 2023	
Par value of the issue	USD 200,000	
Place of offering and transaction	Singapore Exchange Securities Trading Limited	
Issue price	100% of par value	
Total amount of the issue	USD 300,000,000	
Interest rate of issue coupon	0%	
Maturity date	July 27, 2028	
Guarantor	None	
Trustee	Citicorp International Limited	
Underwriter	UBS AG Hong Kong Branch	
Attesting lawyer	None	
Attesting CPA	None	
Repayment method	The issuer shall redeem this bond at maturity in US dollars, with an interest of 1.00% per annum (Calculated based on half a year) added to the face value of the bond.	
Unredeemed balance	USD 300,000,000	
Conditions for redemption or early redemption	The redemption amount at maturity is calculated by converting the total amount of the bonds issued in US dollars at the issuance date into New Taiwan dollars at the fixed exchange rate on that day (1 USD to 31.095 TWD), and then adding the interest calculated at the aforementioned rate in New Taiwan dollars. The total amount of the bonds and interest in New Taiwan dollars is then converted into US dollars at the fixed exchange rate on the maturity date, and the issuer pays the interest and redeems the bonds to the investors.	
Restrictive covenants	None	
Name of rating agency, date and result of rating	None	
Other rights	The monetary amount of common shares, global depository receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date	None
	The issuance and conversion, exchange, or subscription rules	Please refer to the Public Information Observation Station for details <a href="https://mops.twse.com.tw/mops/web/index">https://mops.twse.com.tw/mops/web/index</a>
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.	None	
Name of the custodian institution of the exchangeable underlyings	None	

## 2 Information on corporate bond conversion :

Type of corporate bonds		Third Issue of the Unsecured Overseas Convertible Bonds	
Item		2023	2024.01.01 to 2024.03.31
Market price of convertible corporate bonds	Maximum	USD 106.10	USD 121.90
	Minimum	USD 96.00	USD 102.60
	Average	USD 101.05	USD 112.25
Conversion price		375.00	367.20(Note 1)
Issue (transaction) date And conversion price at issuance		Issue date : 2023.7.27 conversion price at issuance NT\$375	
Method for performance of conversion obligations		None	None

Note 1 : Adjusting the conversion price according to regulations due to dividend distribution. °

3 Information of corporate bond exchange : None.

4 Information on shelf registration to issue corporate bonds : None.

5 Information on corporate bonds with warrants : None.

III. Status of preferred stock

None.

IV. Condition of GDRs

None.

V. Employee Stock Options:

The Company completed the employee stock options issuance in 2017. From 2022 through to the publication date of this year's annual report, no employee stock options had been issued.

VI. Issuance of New Restricted Stock for Employees

None.

VII. Issuance of New Stock from Merger or Acquisition of Other Companies' Stock

None.

VIII. Status of Capital Utilization Plan

The funds raised from the issuance of overseas convertible bonds on July 27, 2023, have been entirely used for overseas material purchases. Additionally, due to an increase in the actual payments for these overseas material purchases, the execution progress has been ahead of schedule. In terms of the interest savings on overseas material purchases, considering the interest expenses that could be saved after the funds were raised, there should be no significant difference between the anticipated benefits and the actual outcomes.



## Five. Review of Operation

### I.The business

#### (I) Scope of Operation

1. Content of business
  - (1) Manufacturing of computers and related components
  - (2) Information software services.
  - (3) Machinery wholesaling.
  - (4) Manufacturing of electronic parts and components.
  - (5) Digital information supply services.
  - (6) Manufacturing of wireless communications machines and devices.
  - (7) Manufacturing of prohibited telecommunications transmitters and equipment.
  - (8) Importing of prohibited telecommunications transmitters and equipment.
  - (9) Information software wholesaling.
  - (10) Computers and business machine and equipment wholesaling.
  - (11) Telecommunication equipment wholesaling
  - (12) Telecommunication equipment retailing.
  - (13) Any other business not banned or restricted by law with the exception of business that required special permission.
2. Business distribution:

Unit: NTD1,000

Proportion	2021		2022		2023	
	Sales value	%	Sales value	%	Sales value	%
Primary Products						
Mother boards& graphic cards	90,518,642	74.25	71,436,531	66.60	72,243,127	52.82
Others	31,386,715	25.75	35,827,113	33.40	64,530,282	47.18
Total	121,905,357	100.00	107,263,644	100.00	136,773,409	100.00

Note 1: The above table shows net sales revenues.

3. Current products:
  - (1) AORUS gaming tactical products.
  - (2) High-performance motherboard with exceptional low-temperature overclock ability.
  - (3) High-performance AI computing and 4K full-scene ray tracing gaming graphics card
  - (4) Professionally crafted gaming notebook computers and professional creator notebook computers.
  - (5) AI solution cloud server.
  - (6) 5G architecture integrated solution server.
  - (7) Ultra illuminating peripheral products.
  - (8) Optoelectronic products.
  - (9) IoT application system solution.
  - (10) Automotive electronics.
  - (11) Smart living application product.

#### 4. New product development plans:

- (1) AORUS gaming tactical products.
- (2) High-end mainboard product range based on next-generation platform architecture.
- (3) New-generation high-performance AI computing graphics card.
- (4) New-generation AI creator productivity laptops.
- (5) New-generation full-blood-version high-performance professional gaming laptops.
- (6) New-generation Intel, AMD, ARM64 server series.
- (7) Latest AI cloud solution.
- (8) Innovative PC peripherals.
- (9) Optoelectronic products.
- (10) IoT application system solution.
- (11) Automotive electronics
- (12) Smart living application product.

#### (II) Industry Overview:

##### 1. Industry status and developments

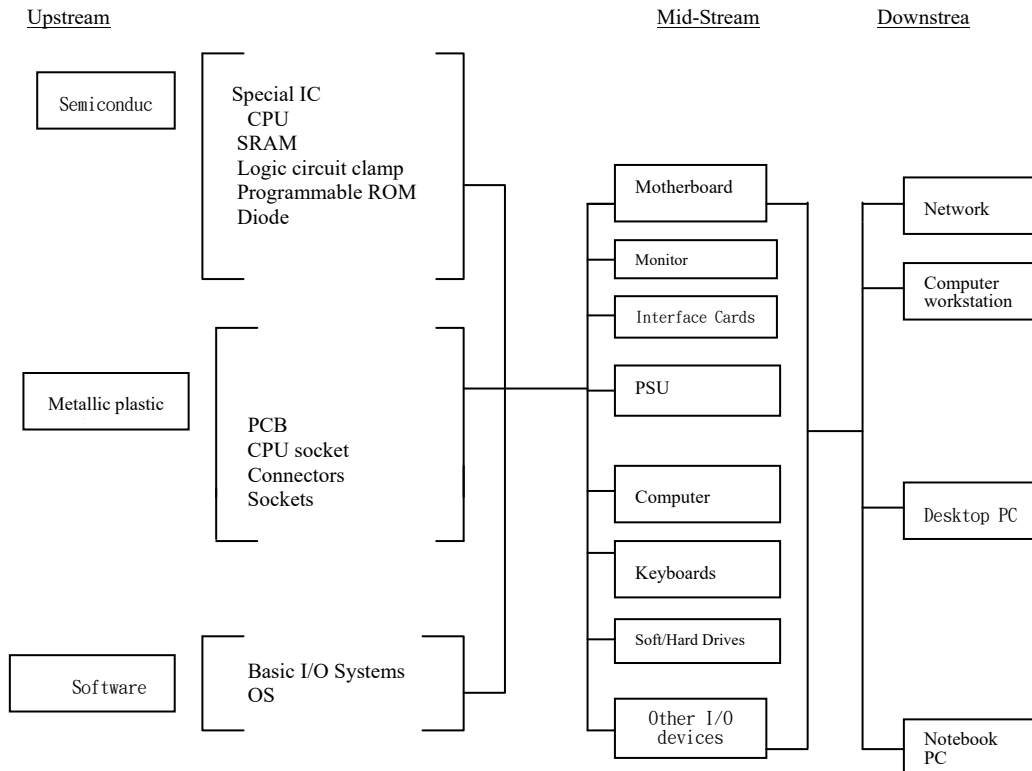
According to the estimate of Gartner, the total number of PCs shipped worldwide in 2023 was 240 million units, a decrease of 14.8% compared to 2022. 2023 Q4 shipments showed signs of bottoming out as they edged up for the first time after eight consecutive quarters of decline. However, the industry continues to face a number of challenges due to the expected increase in parts prices in 2024, as well as geopolitical and economic uncertainties. Fortunately, GIGABYTE has adjusted its marketing strategy dynamically, and the destocking time and cycle in each product line of consumer electronics is shorter than that of its competitors. Therefore, GIGABYTE's export performance is still outstanding. According to the research of IDC (International Data Corporation), artificial intelligence from the cloud to the customer end is expected to start developing in 2024. Due to privacy and security considerations, AI PCs will play an important role, especially in applications such as content creation and gaming communities. In response to the emerging trend and demand for PC gaming hardware and peripherals, GIGABYTE launched a wide range of PC gaming motherboards, graphics cards, laptops, and gaming peripherals. In particular, the internationally acclaimed new products that have won the Red Dot Product Design Award in Germany include the motherboards: Z790 AORUS XTREME, Z790 AORUS MASTER, Z790 AERO G, X670E AORUS XTREME, X670E AORUS MASTER, B650 AERO G; the graphics cards AORUS GeForce RTX 4080 16GB MASTER; gaming monitors AORUS FO48U, M32U Arm Edition; and award-winning mouse AORUS M6; AORUS 17X/17/15X/15 professional gaming laptops and AERO 16 OLED/14 OLED creator laptops; and the CES Innovation Design Award-winning AORUS STEALTH 500 PC DIY kit.

GIGABYTE continues to strive for victory in face of the ever-changing server market. The first half of 2023 was characterized by a shortage of chips, but this situation was reversed at the end of the year, with many suppliers having excess inventory. In such a year of constant changes, GIGABYTE's server revenue remained strong despite a headwind of material shortage, production line shutdown, and decrease in market demand, and continued to cement its leading position in the server market.

GIGABYTE continues to explore new server application markets in the spirit of continuous innovation. In particular, the Company is able to occupy a leading position the fields of immersion cooling technology, AI & HPC with GPU modular structure, and ARM64 architecture, providing a constant stream of high-quality products and services for its global customers.

In 2023, GIGABYTE Technology spun off its network and communication business as a wholly owned subsidiary under the name of Giga Computing Technology. This spin-off represents an opportunity brought about by the easing of COVID-19, which has rocked the world for more than three years. Going forward, the new company Giga Computing, known for its technological advantages and global landscape, is expected to achieve further growth and development.

## 2. The associations of the upstream, mid-stream and downstream industries



Increased specialization in the supply chain of the IT manufacturing industry is leading to closer integration between all of its parts.

## 3. Product trends and competition

### (1) Product development trend

Semiconductor technology keeps making progress. In 2023, industry leaders such as Intel®, NVIDIA® and AMD® continued to launch new-generation processors and platforms, which provide astonishing computing power that grants users unparalleled experiences when working or gaming. New products launched by GIGABYTE this year enable their users to control stronger computing power easily. Based on printed circuit boards, GIGABYTE reaches out to its customers through innovative servers, laptops and gaming peripherals. GIGABYTE brings out its main specializations, innovative research, development and high-quality performance. Coupled with its thorough understanding to kinds of scenarios, GIGABYTE launched many products that can satisfy their users in one place. New products launched since the first season include Z690 AORUS series motherboards, Regarding graphics card, GIGABYTE launched both water-cooled (WATERFORCE) and air-cooled (WINDFORCE) graphics cards, providing advanced gamers with different cooling methods for NVIDIA, GeForce RTX™ 40 series GPUs, or AMD RX Radeon™ 7000 series. For users in need of greater GPU performance, GIGABYTE launched the AERO series of graphics cards for creators and consumers with AI computing needs. GIGABYTE launched the AERO series graphics cards, In contrast to dark-toned gaming graphics cards, our AERO series graphics cards are also popular among consumers for their silver white, simplistic designs.

According to MIC, The scale of the semiconductor market in 2023 reached NT\$3.77 trillion. In particular, the performance of Taiwan's semiconductor industry outperformed the world, with an estimated output value of NT\$4.29 trillion in 2024, representing a growth rate of 13.7%. Thanks to the support of our business partners such as Intel®, NVIDIA®, AMD®, among other world-leading companies in the wafer industry, GIGABYTE is able to constantly develop new, innovative products, unleash its innovation and R&D capabilities, and commit to launching and developing more platform products that meet consumer expectations in order to satiate gamers' appetite for computing power and performance and increase work efficiency for creators and designers. Launched in the first quarter of this year, our AORUS 17X finely crafted flagship gaming laptops and AERO 16 OLED professional color-calibrated creator laptops create a top-notch mix for users who need advanced computing capabilities, combining fast-changing display technology, color calibration capability, and eye protection function to empower more immersive gaming and comfortable working experiences.

In 2023, the IT market witnessed the astonishing rise of Generative AI. Under this trend, NVIDIA's H100 GPU module has quickly become a highly sought after commodity in the market. As one of the first AI server vendors to develop and sell H100 GPUs, GIGABYTE's G593 servers are designed to meet the needs of generative AI applications, and have been successfully introduced into the market and massively deployed in emerging data centers built specifically for AI applications.

In May 2023, GIGABYTE demonstrated a number of server products designed for AI at COMPUTEX, including the H100 GPU server dedicated to large-scale language model training and the high-performance inference server. These products not only optimized in terms of computing performance and energy efficiency, but also demonstrated GIGABYTE's profound accumulation of knowledge and product design in the field of AI technology. At the exhibition, experts and business representatives all over the world showed great interest in and appreciation for GIGABYTE's innovative solutions, which further consolidated GIGABYTE's leading position in the global generative AI market.

At the end of the same year, to further strengthen its leading position in the AI server market, GIGABYTE also partnered with AMD to launch AI servers that support the AMD Instinct MI300 series, thus continuing to expand the diversified advantages of its product line.

With the advancement of 5G technology and growing demand for edge computing, AMD further enriches its server product line by launching the EPYC™ 8004 series processors in September 2023, which is designed for low-power and edge computing applications.

GIGABYTE has seized every market opportunity and introduced several E-series and R-series servers specifically designed for the AMD EPYC™ 8004 series processors. These servers not only demonstrate GIGABYTE's consistent solid quality, but also offer significant competitiveness in terms of cost-effectiveness, which makes this series of servers the preferred choice for telecom carriers and network builders looking for a reliable and affordable solution. These efforts highlight GIGABYTE's commitment to providing efficient solutions that meet market needs and technology trends, and further consolidate GIGABYTE's leading position in the global server market.

(2) Competition

In 2023, world economy showed relatively weak performance. However, semiconductor high-end product technologies continued to achieve groundbreaking innovations, prompting the continuous expansion of the advanced process market. In addition, thanks to the continued lifting of pandemic measures and border opening, global eSports events and large international science and technology exhibitions are thriving, with eSports products remaining the focus of discussion and attention. In recent years, GIGABYTE has forged strategic partnerships with major suppliers such as Intel, AMD, and NVIDIA, and promoted its products through different channels and collaborative efforts. We are expected to ride the trend of metaverse, becoming the main driving force for motherboards, graphics cards, laptops, and peripheral products.

(III) Technology and R&D:

Continuing research and development is a GIGABYTE legacy. Every year, we appropriate at least three per cent of sales revenue to research and development to secure key hardware and software technology for future growth and devote product value innovation and brand sustainable development. In recent years, our efforts have been rewarded by numerous international awards, such as iF and Red Dot. All these show GIGABYTE's solid technical capacity and R&D power.

1. Spending on research and development in the last two years until the date this report is printed:

Unit: NTD1,000

Subject	2022	2023	By March 31, 2024
R & D spending	2,226,275	2,747,327	671,181

Source: Consolidated financial report certified (audited) by CPA

2. Successful technologies or products developed over the two previous years up until the date of publication:

(1) 2023

- a. GIGABYTE motherboards continue to innovate to satisfy a wide range of users' needs. AORUS motherboards have been designed to enhance the gaming experience primarily with regards to gaming functions. For performance enthusiasts, the TACHYON series of motherboards are constantly setting new records in over clocking. The motherboard provides maximum power support during performance breakthroughs while ensuring system stability. As for the new generation of AERO D-series motherboards, they are launched in response to the AI trend, and their high-quality design with high efficiency, stability, and complete scalability has made them the first choice for building personal AI systems in the market.

In particular, the AORUS Z790 X-Generation motherboards demonstrate unparalleled performance. Through enhanced exclusive circuit design and solid materials, the Z790 X-Generation motherboards offer the best DDR5 compatibility and performance in the market, which can support up to DDR5 XMP-8266 and above. With the DDR5 XMP auto-overclocking feature, gamers can easily click and enable the feature to boost the native frequency from DDR5-5600 to DDR5-6000. In addition, the newly introduced back-drilled hole technology can strengthen the signal integrity and perfectly enhance the system performance and reliability.

In order to simplify the process for gamers to assemble their computers, many innovative functional designs are provided. M.2 EZ-Latch Click provides a screwless installation of M.2 heatsinks, while M.2 EZ-Latch Plus simplifies the installation process of M.2 SSD. The PCIe EZ-Latch (Plus) makes removing

graphics cards easy. In addition, the exclusive Sensor Panel Link technology in the industry simplifies the configuration of the sensor panel, thus allowing gamers to easily enjoy installation without wiring.

In order to handle the heat dissipation with high efficiency, the advanced all-metal heat dissipation design is used to solve the heat accumulation under high-intensity workloads. Through a unique structural design, the VRM Thermal Armor Fins-Array can increase the surface area for heat dissipation by up to 10 times. Furthermore, heat dissipation can be increased by another 10% through the design of the nanocarbon coating. The new M.2 Thermal Guard series heat dissipation design can provide the best heat dissipation effect tailored for the next-generation PCIe 5.0 SSD. In addition, the ventilation holes on the I/O backplane further enhance heat dissipation and reduce the overall system temperature by up to 7°C.

GIGABYTE Ultra Durability™ technology sets the standard for the reliability and strength of gaming platforms. The next-generation AORUS' motherboard is equipped with the latest PCIe UD Slot X design. Through the seamless and one-piece design, it can be firmly locked to the special backplane, which increases the weight-bearing capacity by 10 times. With the unique design of rubber lining, it can protect gamers' PCBs of graphics cards from unnecessary scratches and damage. As a result, a solid foundation is provided for graphic cards to ensure enhanced durability and performance. Together with advanced features, such as UD Memory Slot D5, UD M.2 Slot PG5 and UD Nanocarbon Backplate, the motherboards are more stable and durable.

By continuously optimizing the BIOS, GIGABYTE's next-generation motherboards can be fully exploited. The new UC BIOS offers a redesigned UI and UX including customized shortcut options. The PerfDrive technology integrates GIGABYTE's exclusive BIOS settings to facilitate the balance between performance, power consumption, and temperature for Intel® Core™ processors. The collaboration with HWiNFO software enhances the accuracy of hardware information. Consequently, gamers can easily grasp the status of their systems. Furthermore, many innovative features have also been introduced. This collaboration introduced the AORUS-themed skin designed for HWiNFO, the memory timing display, and the more detailed real-time BIOS information.

The AORUS Z790 X-Generation motherboard sets a new benchmark for high-performance computing and redefines the possibilities of motherboard technology for gaming enthusiasts, professional AI computing, and overclocking enthusiasts.

b. Industry-leading graphics card

AORUS series graphics cards provide gamers and enthusiasts with the ultimate performance and functions. The graphics cards are equipped with the classic WINDFORCE cooling system. In addition to the forward and reverse cooling technology, the new shark bionic fan design and innovative fan blade surface design are also combined. The air pressure can be greatly increased by 30% at the same speed compared with normal fans, and at the same time, the wind resistance can be effectively reduced. As a result, nearly 3dB of noise can be reduced. In terms of passive heat dissipation, the enlarged heat dissipation fin module with the corner shape provides the maximum heat dissipation performance. The display chips and other heat generating cores are also equipped. By the complete coverage of the super thermal conductive plate and composite heat pipes, as well as the enlarged Screen Cooling design, we can

ensure that the AORUS graphics cards can provide the best cooling efficiency even under high load operation.

In terms of appearance, the graphics cards are equipped with upgraded RGB Halo 3-ring lights; the delicate multi-colored rings are popular among DIYers. Moreover, different colors and modes can be customized through the software, allowing gamers to display different colorful lighting effects. On the side of the graphics cards, there are powerful built-in LCD screens that not only allow users to customize GIFs, text and images, but also monitor temperature, fan speed and other operating information.

AORUS graphics cards also feature aerospace-grade PCB protective film, dual BIOS design for quiet operation mode, and ULTRA DURABLE certified components. Thanks to the powerful power design and precise power control, the graphics cards have lower component temperature, less noise and less signal interference. Moreover, in addition to the upgraded and strengthened metal backplane, the tailor-made new anti-bending brackets can better prevent PCB from bending and sagging, while maintaining the overall visual appearance.

The Gaming series graphics cards are GIGABYTE's most classic and popular series, known for their outstanding performance and reliability. This series inherits the luminous effect of AORUS's 3-ring RGB Halo light. The delicate and multi-colored three-ringed lighting is very popular among DIYers. It can also be customized with different colors and modes through the software, allowing players to show their distinctive dazzling lighting effects. Thus, it is the first choice for most gamers.

The AERO series is known for its streamlined white and silver designs. It is very popular among designers who love minimalism and users who need high-performance computing such as AI. It is very suitable for PC systems with a theme of light colors and minimalism. The logo on the side of the graphics cards is made of special materials to display the stunning iridescent effect.

The EAGLE series incorporates a number of futuristic design elements to create unique and personalized features on the graphics card's exterior through cosmically themed images, symbols and geometric shapes. This series also introduces the EAGLE ICE in white color. White material is used extensively in the exterior, providing another option for individual gamers who prefer white color.

The WINDFORCE series is an ideal choice for users who demand the stability and durability of graphics cards.

In addition, GIGABYTE continues to introduce the world's only water-cooled graphics card enclosure – the AORUS RTX 4090 GAMING BOX. This allows laptops to be upgraded into gaming platforms with high-performance AI computing and full-scene ray tracing, thereby creating an unprecedented work efficiency experience. The graphics card enclosure is equipped with a built-in GeForce RTX™ 4090, which is the top-end graphics chip with the NVIDIA® Ada Lovelace architecture. Through the Thunderbolt™ 3 high-speed transmission interface, thin and light laptops can achieve unimaginable 3D computing performance. In addition, the AORUS water-cooling system is the only solution that combines performance and low noise. As such, users can enjoy a quiet and comfortable environment while performing high-intensity computing tasks.

c. Industry's innovative AI & cloud server

The introduction of the AI server product line with NVIDIA's HGX™ H100 GPUs, NVIDIA's HGX GPU modules and ChatGPT4 applications instantly changed the server market and pushed the development of Artificial Intelligence to a whole new stage. GIGABYTE was one of the first manufacturers that launch servers equipped with VIDIA HGX™ H100 AI. At the GIGABYTE booth in Computex 2023, the most eye-catching product is the G593-SD0 AI server, which is based on the fourth-generation Intel® Xeon® Scalable processor platform with eight NVIDIA HGX™ H100 SXM5 GPU modules; the server can realize data transmission by 900GB/s GPU-to-GPU bandwidth with NVLink®, and is the first HGX AI server that obtains “NVIDIA-Certified Systems™” from NVIDIA. Following GIGABYTE's philosophy of developing diversified server products, we also launched the G593 HGX AI server based on the AMD EPYC™ 9004 series processor platform to provide customers with more diversified choices.

We also launched a line of AI servers based on the AMD Instinct™ MI300A APU platform and powered by AMD Instinct™ MI300X GPUs.

GIGABYTE has built several powerful servers for the AMD Instinct™ MI300 series accelerators, including the Open Accelerator Module (OAM) specification, which is similar to its predecessor, namely MI250 accelerator. GIGABYTE tailor-made for different platforms based on the AMD Instinct™ MI300 series, and integrated the MI300X open accelerator module (OAM) into the 5U G593 series servers. As for the other MI300A, the APU adopts the LGA socket design. In the G383 series servers, there are four sets of APU sockets, and the CPU and GPU can be directly interconnected with each other to compute results . We also combined our existing R&D strengths and deepened our strategic partnership with AMD to launch these two series of AI servers simultaneously.

The server product line based on the AMD EPYC™ 8004 Series processor platform was launched. The new AMD EPYC 8004 Series processors are based on AMD's “Zen 4c” architecture on a 5nm process, and are focused on achieving greater energy efficiency and cost optimization. The 8004 series processors not only offer higher performance/power and price/performance ratios, but also retain the technological advantages that make server processors popular, including PCIe 5.0 and DDR5 memories that support ECC. The AMD EPYC 8004 series processors will be the best choice for cloud service providers, edge/telecom operators, storage demanders, and small and medium-sized enterprises. In conjunction with this new product line from AMD, GIGABYTE has launched server motherboards, 1U and 2U 5G edge computing server products simultaneously.

In 2023, the “All in One” single-phase immersion-cooling 12U EIA Tank – A1P0-EA0 with integrated Cooling Distribution Units (CDUs) was also launched, which allows data center users to configure more densely in their existing spaces and premises.



d. AORUS Professionally crafted gaming laptops and AERO professional creator laptops

After many years of dedication to the development of AI PCs, GIGABYTE AORUS gaming laptops have officially embraced the golden age of generative AI this year. GIGABYTE insists on providing consumers with top-notch computing performance, solid-quality key components, high-tech display panels, and high-precision product manufacturing processes to deliver unrivaled professional AI-generated content computing power. It truly realizes the full application of AI from the cloud to the edge, and enables users to enjoy the convenience and unlimited potential brought by the AI era. The latest AORUS 16X AI e-gaming laptop is based on the concept of “Playing with AI—the New World of Speed.” The laptop breaks the rules of the game, reconfigures gaming and is born for AI! The laptops are equipped with up to 14th Generation Intel® Core™ i9-14900HX series processors. The powerful AI computing performance can be unleashed by the NVIDIA® GeForce RTX™ 4070 dedicated graphics card with full-blooded TGP. With DLSS 3 technology, an artificial intelligence network trained by NVIDIA’s supercomputers, automatic frame generation, ray reconstruction, and restoration of native high-resolution images, players can enjoy an extremely fast gaming experience. Thanks to GIGABYTE’s exclusive WINDFORCE Infinity cooling technology, the powerful dual 12V fans, all-around high-efficiency 5 heat pipes, ultra-thin 0.1mm cooling fins and 3D VortX air duct design provide more air intake space and greatly enhance cooling efficiency. Furthermore, with the Icy Touch control panel, the system can deliver a stable output at high loads and maintain a noise-free immersive experience at low loads. In addition, GIGABYTE has introduced a dedicated Copilot Hotkey to activate the Windows Copilot artificial intelligence assistant function. GIGABYTE has also introduced GIGABYTE’s exclusive AI Nexus applications, including “AI Boost” which is driven by Microsoft Azure AI, and automatically adjusts the system’s wattage consumption and fan settings to allow gamers to enjoy an overclocked gaming experience. “AI Generator” utilizes edge AI computation capabilities and Stable Diffusion to allow gamers to experience the joy of generative AI graphics creation. Under the stylish appearance, it is packed with beast-like performance, and the AORUS Beacon faith searchlight is the finishing touch. In terms of screens, the borderless 91% huge screen-to-body ratio and the narrowest 3mm GIGABYTE’s patented ultra-narrow bezel design with a high update rate of up to 165Hz allow gamers to win the game right from the start. The screens are also certified by TÜV Rheinland for eye protection and by Pantone® Validated for color accuracy, thus giving high comfort and confidence over long periods of time. The latest creator series AERO 16 OLED laptop is “the Greatest Creator where EVERY COLOR COUNTS”. It is designed specifically for professionals, designers, and creators. With CNC milling precision, the laptop is equipped with the 13th-generation Intel® Core™ i9 processors, NVIDIA® GeForce RTX™ 40 Laptop GPU series, and 16:10 thin-bezel 4K+ OLED screen which has been certified by multiple third parties. Certified with X-Rite™ 2.0 factory-by-unit color calibration and Pantone® Validated color calibration, it is the best color-calibrated creator laptop in the

world. In addition, it has passed TÜV Rheinland low blue light and Eyesafe® 2.0 standards. The striking design with powerful real-time calculation and modeling functions makes it the best modern creativity accelerator!

e. Gaming peripherals that won numerous awards

AORUS series gaming monitors, which won multiple major media awards, feature many unique tactical characteristics like Black Equalizer 2.0, Aim Stabilizer, gamers-oriented specially designed GameAssist, hardware navigation panel AORUS Dashboard, OSD Sidekick, which can be directly controlled by mouses and keyboards, and the AORUS exclusive patent Active Noise Cancelling (ANC) 2.0. In addition, GIGABYTE also cooperates with upstream and downstream manufactures, With a synchronized and anti-tearing technology that is compatible with AMD FreeSync, gamers can enjoy a smoother, crack-free, and flicker-free gaming experience. Moreover, 24-inch to 55-inch models have been launched to meet the needs of different markets! The first large-size OLED gaming display and the 4K model with a cantilever arm were recognized by international awards.

As new computer platforms will support the latest PCIe® 5.0 specification for higher bandwidth and transfer performance, GIGABYTE, as the first company in the market to have both motherboard and SSD product lines, has also consolidated its offerings by launching the AORUS Gen5 12000 SSD series of SSDs. GIGABYTE selected the latest Phison PS5026-E26 control chips with an 8-channel design to provide users with excellent random read speed control and multitasking advantages. Equipped with 3D-TLC NAND Flash with the latest 232-layer stacking architecture and built-in physical LPDDR4 cache design, the performance of PCIe® 5.0 can be effectively realized. The theoretical read/write speeds are up to 12GB/s, which is more than 70% faster than the previous generation. At the same time, the PCIe® 5.0 specification is now supported by both AMD and Intel high-end computer platforms in the market, which can truly maximize the performance of AORUS Gen5 12000 SSDs and bring more power for content creators, gamers, and users who are looking for the ultimate in performance!

To solve the problem of high heat dissipation in high-performance PCs, GIGABYTE has also launched the AORUS WATERFORCE II series, which features a newly designed water pump and fan blades, as well as Fan EZ-Chain Mag: an innovative DIY-friendly fan design with magnetic interlocking system and DAISY-CHAIN setting that allows power and signal transmission between fans, thus saving a large amount of time on wiring. The LCD Edge View uses a circular full-color LCD that can play dynamic videos and has customized display functions. It also monitors clock frequency, system utilization, temperature, fan speed, and mercury speed.

f. New Application of 5G

In recent years, various countries have been actively preparing infrastructures for 5G, looking forward to utilizing the three main features of 5G (high bandwidth, low delay and massive connectivity) to drive the smart city, smart transportation and eHealth, to make transmission of information faster, and to protect security of privacy. The features “high bandwidth and low delay” can especially make real-time remote of “Industry 4.0” possible, immediately connect machines and devices to enable human-machine collaboration, effectively boost efficiency and yield of production, and re-optimize manufacturing procedure by collecting data to edge computing industrial computers for further information analysis.

GIGABYTE launched the first industry computer supporting 5G communication module in the industrial control industry. In the end of May, it even passed the field experiment in the CHT 5G laboratory of embedded high-performance fanless industrial computer control system, which is equipped with a variety of UI for industrial control, meeting the requirements for different industries such as smart factory, smart transportation, smart retail, e-Health and IoT edge computing. To make the best of the performance of 5G “high bandwidth and low delay” applications, design of miniature fanless is adopted, making it more flexible to plan the allocation of industrial control devices. The strict long-term supply management standard is applied to product management to provide products fitting the application environment of industrial computers.

(2) By the report publication date

- a. The AORUS Z790 X-Generation motherboards offer the best memory overclocking performance in the market due to exclusive circuitry, layout design, and BIOS optimization tuning. Both hardware and software methods are used to liberate powerful performance from these motherboards.

In terms of hardware design, the memory wiring is hidden in the inner layer of the PCB through anti-interference masking and independent configuration, and is isolated in a dedicated inner layer through a unique routing layout to achieve the best anti-interference effect. We optimized the low-impedance design for our memories. By optimizing the width, length, and format of the memory circuitry, the overall impedance between the controllers in the processor and the memory module is reduced to support higher DDR5 memory speeds. In addition, The optimized routing eliminates the stub effect, enabling higher memory frequencies and providing professional gamers with a faster and denser system memory experience. The server-grade 8-layer circuit board with low-loss board materials and exclusive layering methods effectively reduces signal interference and loss inside the board to ensure that DDR5 memory transmits at high speeds. Finally, back-drilled holes are used to effectively improve signal integrity in high-speed PCB designs, reduce signal reflections and timing problems, and thus enhance system performance and reliability.

For software tuning, the DDR5 XMP Booster function can analyze and provide optimized default configuration files based on the differences between memory ICs and PMICs. This allows users to easily enhance performance and remove the manual configuration needed for overclocking DDR5 memory kits. Moreover, detailed settings can be loaded automatically, without the need to enter dozens of memory parameters, such as frequency, voltage, and CL values. In addition, the database integrates the pre-tuned XMP setting databases from various memory chip vendors, so that gamers can easily optimize their memory settings to achieve the best performance for their systems.

The DIY-friendly design makes assembling the system simple, and the PCIe® EZ-Latch and EZ-Latch Plus technologies allow for quick and easy installation and removal of graphics cards. The card return system is effectively located far away from the card body through the design of extra-large latches and pushbuttons. Therefore, players can use their fingers or tools such as a screwdriver to easily loosen the locking latch system of the graphics card, and the graphics card mounting latches won't be difficult to loosen due to being blocked by the wide bottom of a large graphics card.

The reinforced M.2 SMD slot design increases strength by 1.5 times. With quick locking system, such as the M.2 EZ-Latch Click and M.2 EZ-Latch Plus, the M.2 SSD and overhead heatsink mounting screws can be replaced by a latch system

that automatically snaps into place with a reed blade. This system can reduce the troubles of screw alignment or loss and greatly simplify M.2 SSD installation for gamers.

GIGABYTE's new-Generation X motherboards are equipped with Wi-Fi 7 wireless networking chipsets that support 320/160 MHz channels, which significantly increases bandwidth and enables faster data rates. With MLO (Multiple Link Mode) technology, band usage can be freely assigned. Using the 2.4GHz band for streaming media and the 5/6GHz band for gaming, a higher quality network experience with fewer interruptions can be achieved. To enhance signal strength, the motherboard is equipped with an exclusive ultra-high gain antenna that integrates directional and omni-directional antennas, which allows directional signals to reach up to 5dBi and omni-directional signals to reach up to 4dBi. With GIGABYTE's ultra-high gain antennas, users can experience enhanced signal strength and optimize Wi-Fi signal transmission with the smart antenna feature.

b. World-leading graphics card

We are developing a new generation of NVIDIA GeForce RTX™ 40 SUPER series graphics cards with Ada Lovelace architecture. By combining GIGABYTE's exclusive WINDFORCE cooling technology, anti-disturbance forward and reverse flow function, shark bionic fan or unique blade fan, ultra-conductive heat-panel directly touching the GPU or copper heat-pipe directly touching the GPU, screen cooling technology, auto-stop fan function and dual BIOS silent mode, we have created the top-quality AORUS series, AI high-speed and creator-style AERO series, mainstream gamers' GAMING series, EAGLE series with personalized style design, and the stable and durable WINDFORCE series. As a result, consumers have a wider variety of choices to assemble computers that best suit their needs.

We developed the premier AMD Radeon™ RX 7000 series graphics cards based on the groundbreaking AMD RDNA™ 3 architecture and launched the AORUS, GAMING and EAGLE series. We've created graphics cards with the highest standards for the comprehensive ultimate. Featuring the GIGABYTE WINDFORCE Triple-Fan forward and reverse cooling system, and by supporting the latest DisplayPort 2.1 outputs, the cards can provide superior performance. The cards also feature RGB Fusion lighting, reinforced metal backplates, and GIGABYTE certified ultra durable materials. Consequently, all gamers will be able to experience the top-notch computing performance of the gaming graphics cards, both internally and externally, with stable operation.

c. Industry's innovative AI and cloud server

We are developing and going to launch NVIDIA HGX and AMD Instinct GPU AI servers for new generation.

NVIDIA and AMD are planning to launch a next-generation GPU modules to further enhance performance by increasing the capacity and bandwidth of high bandwidth memories (HBM). However, the corresponding thermal design power (TDP) will also become higher. GIGABYTE will leverage its technology advantage in thermal design to develop new-generation NVIDIA HGX and AMD Instinct system architectures, and simultaneously launch new-generation AI server products.

R&D and launch of AI servers with NVMI MGX™ architecture

To meet the accelerated computing needs of data centers around the world, NVIDIA has released the NVIDIA MGX™ server specification, which provides system manufacturers with a modular reference architecture to accommodate a

wide range of AI, high-performance computing and Omniverse applications. GIGABYTE, as NVIDIA's partner in the AI field, will adopt the new platform to develop and launch the X-Series servers, and will obtain the official certification from NVIDIA simultaneously.

R&D and launch of new-generation Intel Xeon and AMD EPYC mainstream servers

We have never been absent from the development of Intel Xeon and AMD EPYC. We will keep pace with the new generation of Intel Xeon and AMD EPYC processors, and integrate them with the new-generation Gigabyte R/H/G/E/S/M series architecture for optimal system design and further performance enhancements. Furthermore, we will work with our partners to develop and explore customer needs in a more comprehensive and detailed manner in order to achieve further growth.

Innovative data center deployment and design technologies to expand the market and demand for L11 full-rack server systems.

Based on the existing technology-leading L6 (Bare system) and L10 (fully assembled system), we will innovate and develop the L11 full-rack server array for configuration in data centers. Especially with the emergence of AI cloud, unlike traditional mainstream cloud data centers, there is a need for multiple GPU AI servers to form a basic workgroup, thereby maximizing the performance of AI data processing. The currently developed component architecture consists of 8 GIGA PODs in a base workgroup, each equipped with 32 G593 servers. A total of 256 NVIDIA H100 Tensor Core GPUs is used to achieve FP8 floating-point performance of 1 exaflop (100 billion floating points per second). After that, we will provide diversified solutions for GIGA POD, and introduce AMD Instinct's GPU AI servers, which will provide a significant help to AI workloads. In addition to the L11 full-rack server system for the AI field, we will develop and launch our own Direct Liquid Cooling (DLC) L11 full-rack server system to cope with the increasing thermal design power (TDP). From servers and water-cooling circulating boards to racks and coolant dispensers, all components are made by GIGABYTE and its certified partners, which makes it ideal for customers who are looking for a fully integrated and optimized solution.

d. Power Supply (PSU)

GIGABYTE continues to innovate and provide a full series of power supplies that support the PCIe Gen 5.0 and ATX 3.0 specifications. The UD PCIE 5.0 series of power supplies not only leads the industry, but also offers a wide range of wattage options, including 1300W, 1000W, 850W, and 750W. In addition, in order to give gamers an alternative, except for the traditional gaming black color, GIGABYTE is leading the fashion trend by launching the stylish white UD850GM PCIE 5.0 power supply. Combining the ultimate in technology and aesthetics, this power supply features a pure white coating that gives the metal case an elegant texture, and all modular cables are in a clean white color. Therefore, gamers who are eager to break away from the norm can choose to enjoy an even more seamless white theme. Let your gaming system shine in a unique way and become the brightest star on the table. GIGABYTE, with its rich innovative design and outstanding quality, brings you an unprecedented visual and technical feast.

Traditional PSUs require an external 8-pin to 16-pin adapter to support the latest PCIe Gen 5.0 graphics cards. However, the new UD PCIE 5.0 series PSUs can directly power PCIe Gen 5.0 graphics cards using only one 16-pin cable. A single PCIe Gen 5.0 16-pin cable can support up to 600W of power output. Simplified

cable quantity allows for easier and safer graphics card assembly, cleaner aesthetics inside the cases, and smoother airflow inside the cases. In addition, it is fully compatible with the Intel PSDG (Power Supply Design Guide) ATX 3.0 standard, supports up to 200% of power overload instantaneous output, achieves over 70% low-load efficiency, and meets the required power sequence standards.

e. Next-generation AI ultra-smart gaming laptops

GIGABYTE has consistently been known for its strong R&D capabilities and excellent hardware and software integration technology. In recent years, the Company has emerged victorious in the high-end laptop market, with its product designs endorsed by international awards, high-performance products well-received by benchmark media, and user experiences deemed satisfactory to consumers. We, nevertheless, continue to grow our market share and capture mind share.

GIGABYTE realizes that computing performance and effortless settings in the process of creation or gaming are key factors that affect experience. The convenience brought by the king of buzzwords “Artificial Intelligence.” In the future, GIGABYTE will continue to develop its exclusive AI Nexus hub control center to bring more comprehensive AI applications from the cloud to the edge in the more heated generative AI race. In addition, we will be working vigorously with Intel® and NVIDIA® to launch AI software applications and a complete line of laptop products for the next generation. We will position our Master, Elite, and Slim products in different product classes. Furthermore, we will utilize our market niche and product features to launch high-quality products with better gaming experience, thinness, and excellent battery life in order to unlock the challenges of the new era of AI for all users

f. GIGABYTE launched the world's first tactical gaming monitor:

For gaming screens, after launching the first large-size OLED model, Gigabyte AORUS is now offering 49”, 32”, 27” and other sizes of products with exclusive tactical features, allowing gamers to upgrade their visual experience and enjoy the excellent GIGABYTE experience in gaming. In addition, more than ten types of GIGABYTE M series monitors and Gaming series monitors apply the super-wide 21:9 curved monitor. Besides, they are also equipped with the uniquely innovative KVM cross-platform M series monitors, which enables users to conveniently operate different hardware platforms such as mobile phone, tablet computer, laptop, desktop PCs, etc, with different operating systems, including Windows, Mac OS, iOS, and Android by using one set of keyboard and mouse through Type-C technology, thereby becoming a true operating center equipped with all types of information equipment platform!

GIGABYTE developed the AORUS M6 lightweight wireless gaming mouse. AORUS M6 gaming mouse boasts an optimal wireless transmission technology and an enthusiast-grade optical sensor capable of supporting 26000 dpi, 650ips and 50G acceleration. It enables eSports gamers to make a seamless transition by fine-tuning the level that precisely fits their play style. AORUS M6 features 2.4Ghz wireless transmission technology with a low latency of 1ms, which overcomes the interference of environmental noise and transmission delay, realizing uninterrupted high-speed signal transmission so that the mouse can be used smoothly without interruption. The mouse is 74g, featuring a lightweight design that makes it lighter than most wired mouse devices even with a battery module. The symmetrical ergonomic design, classic Omron buttons, in addition to comfortable and lightweight designs, allow e-sports gamers to use the mouse comfortably and also for a long time without feeling tired.

Regarding the development of the GIGABYTE C301 GLASS gaming case, the GIGABYTE C301 GLASS features an optimized airflow design, which allows air to flow in and out from front panel and the top cover of the cases. The design of large mesh and ventilation holes enables sufficient cold air to enter the cases to achieve more effective airflow cooling, thus combining both efficiency and aesthetics. The mid-tower cases are compatible with motherboards up to E-ATX size. Up to seven 120cm fans models can be installed, and the water coolers can be up to 360mm in size. The I/O panel of the case is equipped with 2x USB3.0 and 1x USB 3.1 and 1x Type-C, and has 4 pre-installed ARGB fans. The built-in ARGB controller provides 6 sets of 5V 3pin interfaces. Gamers can directly expand RGB light bars or more fan equipment to create excellent heat dissipation systems that also have brilliant interiors. In addition, the GIGABYTE C301 GLASS is available in a white version in line with the trend of the times. It can be used with GIGABYTE white motherboards and graphics cards to satisfy gamers who prefer white looks.

g. New Application of 5G

- 5th generation mobile networks (5G) is the newest generation mobile communication technology. The target of 5G is high data speed, reduction delay, saving energy, lowering the cost, enhancing system volume and connection of devices on a large scale.
- Integration technologies of the industrial computer system are listed as following:
  - ① The Motherboard Design Supporting 5G Reception
  - ② The Design of Miniature Fanless System
  - ③ The System Heat Flow Analysis and Structural Design Integrating 5G
  - ④ The 5G Rf Antenna Pattern Analysis and Rf test

(IV) Long- and short-term business development plan:

Short-term plan:

(1)Market

Target high-growth markets such as gaming and creators, continue to expand width and depth, develop products designed to meet user requirements, with features such as personalization, intelligentization, high efficiency and ease of use, and implement brand spirit, "Upgrade Your Life!" to all over the world! In terms of cloud server market, cloud and AI demand is still strong, and 5G application demand will grow. GIGABYTE is confident to continue to drive the growth in both revenue and profitability.

(2)Product

Expected to develop diverse new generation products and services on open platform: AORUS gaming peripherals, new generation top series motherboard, new generation high-end gaming graphics card, innovative computer peripherals and world's first tactical gaming monitor. System platform comprises: Desktop workstations, Brix ultra-slim laptop and AI laptop: Server products such as 5G application series, Server products such as 5G application series, AI cloud computing series, hyper-converged infrastructure series, big data storage service series, enterprise IT architecture series, and front-end water cooling series. Smart applications comprises: AIoT application system solutions, smart recognition services, automotive electronics, photoelectric integration related application products, etc. Continue to integrate software and hardware, add new product elements, satisfy different user groups.

### (3)Marketing

AORUS will continue to lead the gaming market with its passionate and stunning product trend, while GIGABYTE will adhere to produce high quality and high efficiency products in the channel. In recent years, it has successively developed 5G, cloud computing, AIoT and smart applications, so as to cater customers with comprehensive products.

### (4)Sales Channel Establishment

In addition to strengthening traditional channel marketing of existing distributors, we also stepped up our cooperation with e-commerce vendors to use their platforms to expand sales and shopping guides, as well as carry out precision segment marketing and services. The new model effectively transforms competition into strength, while driving the growth of brand and operational performance at the same time.

### (5)Manufacture

GIGABYTE continues to enhance production through automation and intelligent processes, addressing short-term manpower issues while also reducing long-term trade risks and manufacturing costs.

### Long-term plan:

- (1) GIGABYTE focuses on gaming and other durable high-performance markets. Leveraging the leading status of AORUS, we continue to translate consumers' expectation into high-end tactical products that create a full spectrum of product experience in tactical gaming and transform our advantages into a competitive edge for the company.
- (2) GIGABYTE continues to engage in diversified development, using our years of R&D experience to introduce different innovative products, including smart living, and cloud application services, extend market opportunities from different areas, expand our business operation, and continue to create profit and growth opportunities for the company.
- (3) In a fast-changing market, GIGABYTE continues to engage in smart transformation, integrate corporate operations with machine learning, big data, and other innovative technologies, and optimize business efficiency. GIGABYTE upholds the principle of making use of innovative technologies as its basis for upgrading life, continues to make improvements, and became the winner of all time.
- (4) In response to the development of new technologies such as high-performance computing, AI, 5G, metaverse, eSports, and virtual currencies, organizational restructuring was implemented to enforce proper separation between B2C and B2B. The division of labor will help boost business performance.
- (5) Strengthen brand value and channel management.
- (6) Investment R&D resources into the development of new businesses.
- (7) Practice proper supply chain management and allocation of resources in response to inflation due to rising interest rates and the worsening COVID-19 situation.

## II. Market and Sales

### (I) Market Analysis

#### 1. Main product (service) market regions:

To further expand company's performance, improve channel management and strengthen customers' satisfactions, we have service sites all around the globe including Western Europe, Eastern Europe, China, Northeast Asia, Southeast Asia, Australia, India, Middle East, North America, South America and Australia in order to provide after-sales, product and consulting services.



Sales volume and value over the last three years:

Unit: NT\$1,000

Region \ Year	2021		2022		2023	
	Amount	%	Amount	%	Amount	%
Asia	37,948,818	31.12	35,808,619	33.38	39,994,794	29.24
Europe	43,334,112	35.55	31,755,952	29.61	36,996,526	27.05
North America	28,143,175	23.09	30,358,169	28.30	54,460,541	39.82
Other regions	9,411,060	7.72	6,223,471	5.80	2,564,923	1.88
Domestic sales	3,068,192	2.52	3,117,433	2.91	2,756,625	2.01
Total	121,905,357	100.00	107,263,644	100.00	136,773,409	100.00

2. Market share, future supply & demand in the market, and growth potential:

(1) Market Share

GIGABYTE is inherently committed to cultivating the sales market. Thanks to our positive brand image and word of mouth, we have always maintained the first or second place in the motherboard market. Our AORUS high-end gaming products and tactical series products have received multiple international awards, thereby further solidifying our leading position in the industry. GIGABYTE actively develops 5G technologies along with AIoT, edge computing, hyperconverged computing architecture, and various smart cloud services to maintain continued growth in the cloud server market. We are now expanding beyond the ODM business into the channel-end market and seeking to become the most competitive brand in the market through satisfactory service, class-leading performance and innovative products.

(2) Market Supply

With the rapid development of semiconductor technology and the production capacity of various countries, a new wave of business opportunities can be expected. The announcement of new-generation Intel®, NVIDIA®, AMD® products, the introduction of new eSports games, the rise of new consumption patterns, the growing interest in issues on next-generation virtual technologies, and the maturation of product lineups for gaming and content creators.

The server market has been running red hot in recent years. The pace and scale of growth have been accelerated by the development of 5G and cloud applications, and these hold great promises for the future.

(3) Market Demand

In 2023, the momentum of the overall PC market for end-consumer electronics products was weak, and the inventory levels continued to be adjusted. However, shipments in the fourth quarter slightly exceeded expectations; therefore, the demand and economic performance have recovered slightly. According to the MIC data of the Institute for Information Industry, PC shipments (including traditional desktop computers, laptops, and workstations) are forecasted to continue to grow in 2024.

3. Competition Niche; Advantageous and Disadvantageous Factors for the Prospects of Development; and Responding Strategies  
a. Industry development and vision

Favorable Factors	Unfavorable Factors	Countermeasures
<ul style="list-style-type: none"> <li>● By dint of new operating mode, new platforms, new architecture, new technologies and new services, niche products of high quality, high performance and high value can be continuously introduced to meet market demand.</li> <li>● With the advent of eSports development, GIGABYTE's top-notch eSports brand AORUS continue to extend its reach and depth in the market, leading double digit growth.</li> <li>● Market growth is facilitated by the rapid development of various smart cloud computing applications (e.g., 5G, IoT, block chain, big data, AI computing, hyperconverged computing architecture).</li> <li>● We have production capacity that can provide high quality, great flexibility and low cost.</li> <li>● Continue to strive towards "Reduce, Share, Love the Earth, Collaborate" and produce friendly products, services and care for the society. Actively create sustainable value to achieve our goal of mutual benefit for the greater good for GIGABYTE, the environment and society.</li> </ul>	<ul style="list-style-type: none"> <li>● Mobile computing has slowly transformed consumer habits, driving the merging of and and cloud computing or the switch from land-based to cloud based computing; making the market ecosystem more diverse and complex.</li> <li>● The market and business operations have been challenged by the uncertainties from international politics and economics which have resulted in fluctuations especially in tax rates, exchange rates, prices of raw materials and logistics costs.</li> <li>● Once the COVID-19 pandemic begins to wind down the Work from Home (WFH) demand for PCs will evaporate.</li> </ul>	<ul style="list-style-type: none"> <li>● Develop diverse and innovative products based on cloud technology, cloud application services, cloud servers and smart digital living. Respond to diverse market and application needs by providing specific solutions accordingly and enhance brand competitiveness.</li> <li>● Prepare for responsive action to be taken in the face of uncertain international politics and economics by appropriate adjustment of regional proportion, the flexibility and cost of locations selected for production.</li> <li>● The channel markets in various areas were scattered and were not vulnerable to fluctuations in a single area, resulting in operational dilemma. In order to reduce operational risks, in addition to improving the response speed of supply chains, it is necessary to pay close attention to market changes and strengthen the transfer of operational risks.</li> </ul>

b. Product development and operational management

Favorable Factors	Unfavorable Factors	Countermeasures
<ul style="list-style-type: none"> <li>● We have the top-notch and most innovative R&amp;D team in the industry, our products have won numerous international awards, and we can provide the most amazing product experience.</li> <li>● GIGABYTE's core competence is to provide a comprehensive suite of smart living applications focused on the customer's needs. Conduct R&amp;D targeted at the software and hardware needs in diverse domains. Leverage digital interaction to create a fantasy space for an immersive user experience.</li> <li>● Turn R&amp;D and product advantages into brand and channel competitiveness to promote brand image.</li> <li>● Excellent corporate image, comprehensive management systems, financially healthy with sufficient capital.</li> <li>● Let green technology and product be the measures of our customers trust and reliance on GIGABYTE. Increase the competitiveness of the Company's green technology and create more value for sustainable business operation.</li> </ul>	<ul style="list-style-type: none"> <li>● The stagnant growth of the PC market has reduced the profitability of the relevant industries.</li> <li>● Shorter product lifespans, rapid price fluctuations, consumer market demand, component supply, exchange rate fluctuations, changing cost of raw materials have added to the challenges faced by the business.</li> <li>● Export-oriented practice prone to Forex volatility.</li> </ul>	<ul style="list-style-type: none"> <li>● Continue diversified operations and the R&amp;D of diverse equipment and services while focusing on the stars of tomorrow – eSports and cloud computing. Implement the product and market diversification strategy to improve profit.</li> <li>● Leveraging our competence in R&amp;D, excellence in channels management and rapid and flexible response to market changes, the business management team has segmented the various markets and products, collaborating with first-rate international suppliers and using technology, standards, scheduling and service to stay ahead of the competition and seize market opportunities.</li> <li>● Pay close attention to Forex volatility and promptly adjust Forex position when appropriate to minimize exchange risk.</li> </ul>

c. Marketing

Favorable Factors	Unfavorable Factors	Countermeasures
<ul style="list-style-type: none"> <li>● eSports cards and peripheral products have the top position in many countries across the world. Where we are placed in 1st position, continue to maintain the lead with intensive relationship management and building.</li> <li>● Cloud applications and server market are developing vigorously. In future, integrating 5G and popular AIoT applications will facilitate market development.</li> <li>● With the market trending towards diversification, GIGABYTE will conduct R&amp;R on the software and hardware needs of a diverse range of markets and professional domains to provide new and innovative products and solutions, for market satisfaction.</li> <li>● Generate 100% customer satisfaction through segmented marketing and after-sales service.</li> </ul>	<ul style="list-style-type: none"> <li>● With rapidly evolving market dynamics, in addition to industry competitors, we are now faced with opponents that could come from any domain, intensifying the competition and causing adverse effect on profit.</li> </ul>	<ul style="list-style-type: none"> <li>● Further cultivate the channel markets, pays close attention to market trends and product development, respond to segregation of different markets and products with by providing intelligent, personalized and customized products. By providing products catering to consumers' needs for personalization, we can keep away from price competition and quickly respond to and capture market changes to improve profitability.</li> </ul>

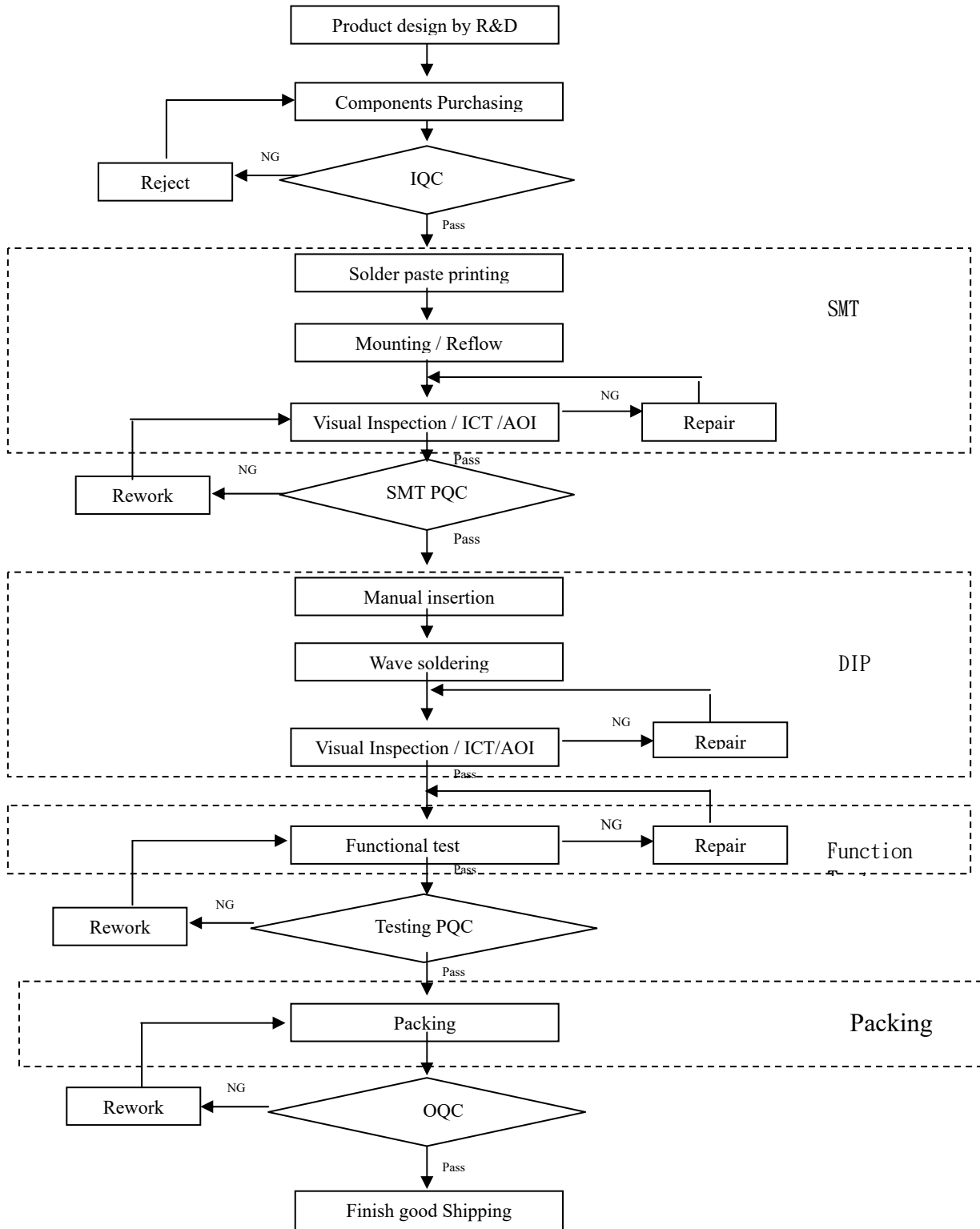
(II) Primary use and production process of premium products:

1. Primary functions of major products: computer motherboards and 3D drawing accelerator cards are the key core assembled in PCs. Computer motherboards and 3D graphics accelerator cards are elements in the assembly of personal computers, while laptops are an essential tool for meeting the diverse needs of different customers, including gaming entertainment, work, and study.

The minicomputer system is GIGABYTE's unique ultra-thin and lightweight computer with stylish appearance, maintaining the same upgradeability as high-performance desktops.

Servers feature high computing power, capable of rendering various services in computers used by many Internet users. Therefore, servers are indispensable in a cloud-based data center environment.

2. Production Process:



(III) The supply of key materials:

Name of product	Name of key materials	Primary source of supply	
		Primary source of supply	Status
Mother board & Graphic card	Chipset & IC	INTEL	Stable
		NVIDIA	Stable
		AMD	Stable
	Other key components	GLOBAL BRANDS MANUFACTURE LTD.	Stable
		Foxconn Interconnect Technology Ltd.	Stable
		LOTES CO., LTD	Stable
		Golden Elite Technology (Shenzhen) Ltd.	Stable

(IV) List of customers or suppliers representing more than 10% of the total purchase or sales in any of the last two years:

1. List of customers that have imported an annual total of at least 10% of GIGABYTE's sales volume in either year of the last two years:

Unit: NTD 1,000

No.	Name	2022			Relationship with the Company	2023			Relationship with the Company	2024 Q1		
		Amount	Percentage to annual purchase (%)			Amount	Percentage to annual purchase (%)			Amount	Percentage to annual purchase (%)	
1	Supplier A	33,834,020	41.03	None	Supplier A	42,114,533	37.61	None	Supplier A	9,666,498	22.17	None
2	Supplier C	0	-		Supplier C	10,608,752	9.47	None	Supplier C	16,638,139	38.16	None
	Other	41,697,363	50.57		Other	52,761,179	47.12		Other	15,751,265	36.12	
	Total purchase	82,460,609	100.00		Total purchase	111,973,553	100.00		Total purchase	43,604,341	100.00	

Given the Change in the product portfolios and market environment, there are Changes in the suppliers, buyers, amount and proportions to total purchase and sales.

2. List of buyers representing more than 10% of the total sales in any of the last two years:

No.	Name	2022			Relationship with the Company	2023			Relationship with the Company	2024 Q1		
		Amount	Percentage to annual sales (%)			Amount	Percentage to annual sales (%)			Amount	Percentage to annual sales (%)	
1	Company A	0	-		Company A	23,533,102	17.21	None	Company A	828,909	1.50	None
2	Company B	0	-		Company B	6,454,697	4.72	None	Company B	7,150,004	12.96	None
3	Other	107,263,644	100.00		Other	106,785,610	78.07		Other	47,185,473	85.54	
	Total sales	107,263,644	100.00		Total sales	136,773,409	100.00		Total sales	55,164,386	100.00	

(V) Production volume and value over the last two years:

Unit: 1,000 pieces; NTD million

Product	Production volume and value	2022			2023		
		Production capacity	Production volume	Production value	Production capacity	Production volume	Production value
	Mother boards& graphic cards	18,151	15,167	67,375	15,815	14,782	71,179
	Others	3,621	3,880	25,649	4,101	4,692	54,936
	Total	21,772	19,047	93,024	19,916	19,473	126,115

(VI) Sales volume and value over the last two years

Unit: 1,000 pieces; NTD million

Product	Sales value and volume	2022				2023			
		Domestic sales		Export		Domestic sales		Export	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value
	Mother boards& graphic cards	428	2,281	13,513	72,510	196	1,237	13,957	74,016
	Others	-	836	-	31,637	-	1,520	-	60,001
	Total	428	3,117	13,513	104,147	196	2,757	13,957	134,017

Note: This table lists net sales

### III.Profiles on employees over the last two years as of the date of publication

March 31, 2024

Year		2022	2023	2024 March 31
Number of employees	Line personnel	630	617	679
	Supporting personnel	1,926	1,375	1,361
	Total	2,556	1,992	2,040
Average age		39.6	39.9	41.23
Average year of service		11.10	11.10	11.78
Education (%)	Doctorate	0.39%	0.25%	0.25%
	Master	16.47%	13.05%	12.55%
	University	67.84%	68.03%	68.94%
	High school	12.72%	15.41%	15.02%
	High school below	2.58%	3.26%	3.02%

Source: Statistical data compiled by GIGABYTE

### IV.Information on environmental protection expenditure in the most recent year and up to the publication date of the annual report

- (I) Losses and fines due to pollution in the most recent year: None.  
 (II) Future responding strategies and possible expenditure:

The “Global Risks Report 2023” released by the World Economic Forum (hereafter referred to as WE) focuses on the challenges posed by geopolitical tensions to existing social, economic and environmental risks. The ten major risks in the next 10 years are: 1. Failure of climate change mitigation; 2. Failure to adapt to climate change; 3. Natural disasters and extreme weather events; 4. Biodiversity loss and ecosystem erosion; 5. Large-scale forced displacement, 6. Natural resource crisis, 7. Erosion and polarization of social cohesion, 8. Expansion of cybercrime and information insecurity, 9. Goeconomic conflicts, 10. Large-scale environmental damage incidents. Disasters and losses caused by the Russo-Ukrainian War starting in 2022 and the Israeli-Palestinian War starting in 2023, and extreme weather, such as heat waves, wildfires, floods, storms, droughts, will lead to water and raw material shortages.... The global risk profile will become more complex, and simultaneous occurrence of multiple crises will become a new norm. Countries around the world are imposing increasingly more stringent environmental laws, as evidenced by the European Union increasing the list of substances of concern in its REACH regulation and adding four plasticizers on the list of restricted substances as of July 22, 2019. UKCA mark was made mandatory from 1st January 2021 for products sold in the UK market. In June 2022, the tenth meeting of the COP to the Stockholm Convention agreed to listing perfluorohexane sulfonic acid (PFHxS; a substitute for PFOS and PFOA) and its salts in Annex A to the Stockholm Convention.

Environmental and social issues have always been a major concern of GIGABYTE. To effectively mitigate and address environmental and regulatory impacts, we began conducting assessments on supply chain sustainability in 2012, which include evaluations and guidances on supplier quality, delivery, services, costs, and hazardous substance management. In 2022, we introduced a new supplier classification management system that not only rates the contracts (CMRT, RBA) and materials (quality, delivery, cost, and services) supplied by our existing suppliers but also integrates the supply chain sustainability assessment system that has been in place since 2012. This new system can

more comprehensively reflect a supplier’s sustainability performance and conducts quarterly assessment of the supplier’s ESG risks. Based on the results, high-risk suppliers with D ratings will be preliminarily eliminated to ensure the stable quality of our supply chains. In addition, we require suppliers to observe the Code of Conduct for

Responsible Business Alliances and to avoid using conflict minerals. We also conduct investigations and enforce regulations for environmental management systems, occupational safety and health systems, corporate social responsibility, and hazardous substances to ensure the selection of suppliers who are in compliance with sustainable procurement standards. Meanwhile, in 2016, we began working with suppliers and business partners to promote energy conservation, carbon reduction, water conservation, and waste reduction in an effort to protect the earth, pursue sustainability, and enhance our corporate competitiveness.

Projected environmental protection spending three years ahead:

Currency: in NTD 1,000

	2021	2022	2023	2024
A. The content of anti-pollution equipment planned to procure or spending	<p>1. Adopted Forestry Bureau’s forest land in Pinglin, New Taipei and planted 1,500 Taiwanese indigenous species trees on the basis of the idea “Plant for the Planet”.</p> <p>2. Keep promoting the Reduction Award System to encourage employees to get creative for reducing the Company’s carbon, water and waste.</p> <p>3. Launch GIGABYTE’s Reduce 333 program. Organize the “Reduce, Share, Love the Earth Alliance” supplier conference and share with the suppliers our “reduce” cases and our strategy and actions for sustainable development.</p>	<p>1. Adopted Forestry Bureau’s forest land in Pinglin, New Taipei and planted 1,500 Taiwanese indigenous species trees on the basis of the idea “Plant for the Planet”.</p> <p>2. Launch GIGABYTE’s Reduce 333 program. Organize the “Reduce, Share, Love the Earth Alliance” supplier conference and share with the suppliers our “reduce” cases and our strategy and actions for sustainable development.</p> <p>3. Launched the “Remembering the Sea is Our Home” project to adopt Dayuan Beach in Taoyuan; a portable container for polystyrene waste reduction was donated to Lienjiang County as part of our long-term commitment to protecting the ocean.</p> <p>4. Investments in solar power plants, support for RE100 advocacy, as well as</p>	<p>1. Collaborate with Germany-based Plant for the Planet and fulfill our commitment to plant 62,500 trees in the next 5 years.</p> <p>2. Continue to launch the “Remembering the Sea is Our Home” project and adopt Dayuan Beach in Taoyuan. Make plans to participate in the Taoyuan Tree Planting campaign.</p> <p>3. Support Business Today’s Project Blue 1095 initiative for marine biodiversity.</p> <p>4. Continue to launch GIGABYTE’s Reduce 333 program, organize the “Reduce, Share, Love the Earth Alliance” supplier conference, and host supply chain sustainability activities.</p>	<p>1. We cooperated with the Plant For The Planet Foundation, Germany and promised to plant 62,500 trees for the earth within 5 years</p> <p>2. We continue to promote the “Never Forget the Sea for Our Family” project, and adopt the Dayuan Beach in Taoyuan.</p> <p>3. GIGABYTE continue to promote the 333 carbon reduction project, and hold the supplier conference of “Reduce, Share, Loving earth Alliance” and supply chain sustainability activities.</p> <p>4. GIGABYTE expects to invest in solar power equipment</p>



	2021	2022	2023	2024
		the commitment to the use of green electricity under the government's Renewable Energy Development Act.		
B. Expected improvement	Encourage partners in the value chain to work with us to create diversified values for the company and society.	Environmental governance was strengthened to reduce environmental risks and reduce the environmental impact of business operations. We also encouraged partners in the value chain to work with us to create diversified values for the company and society.	Adopt different resilience strategies to address global risks and ensure business continuity. Encourage partners in the value chain to work with us to create diversified values for the company and society.	We will develop corporate green energy in response to the global net zero trend to maintain competitiveness.
C. Amount				
- environmental protection spending	43,156	44,524	34,955	47,093
- procurement of equipment for environmental protection process	-	-	-	

(III) The Impact of Environmental-Protection-Related Expenditure on the Company:

.1. Impact on Net Profit

Promoting friendly design and sustainable development is our Company's established policy. Our Company considers the complete lifecycle of products covering raw material acquisition; product design, manufacture, and use; and recycling, to reduce environmental impact and environmental load, provide customers with high-quality and high-efficiency products, extend product lifespan, and reduce electronic waste. While pursuing environmental protection, we also improve product competitiveness. All GIGABYTE products comply with our Harmful Chemical Substances Requirements (HCSR) to reduce the potential risks of products and pursue sustainable development for the enterprise and environment. Although implementing eco-design and sustainable development did not increase our Company's production capacity but reduced our Company's net profit, they enable our Company to secure market share and promote brand image.

We promoted the MFCA Material Flow Cost Analysis in 2017 as we knew that by using the "loss cost" approach, the "waste reduction analysis" could improve the efficiency of use of materials and save costs. At the same time, we took account of material flow cost analysis for the purpose of environmental protection, thereby providing the industry with the best practices on sustainable resource management process. Continue to promote the "GIGABYTE Technology Reduce 333 Program", encouraging reduction in carbon, water and waste to improve resource efficiency and decrease operating costs. GIGABYTE has been adopting forest land since 2020 to plant native Taiwanese tree species. The "Reducing, Sharing, Love for Earth" alliance was also formed to share sustainability initiatives with suppliers. Although it will increase our cost, they have positive influence on our brand image. In 2023, we cooperated with the Plant For The Planet Foundation, Germany again, and promised to plant 62,500 trees for the earth within 5 years. Although the costs of the Company will increase, it has a positive impact on the brand image.

We plan to invest in a solar power generation facility in Pai Pien Cinema, Miaoli in 2024. The annual electricity generation will be about 4,094 kWh. We are developing corporate green energy in response to the global net zero trend in order to maintain our competitiveness.

## 2. Impact on our Status in the Competition

In recent years, we have been promoting friendly design, elimination of hazardous substances, and ISO 14064. In response to the tightening international environmental regulations, we work together with suppliers through supplier management and supplier guidance. We also observe local laws and 《Responsible Business Alliance (RBA) Code of Conduct》 at a high moral standard. We also request suppliers on the supply chain to comply with environmental protection, safety and health, labor rights, and labor condition standards, including “Conflict-Mineral-Free” policy; respect for employees; fair treatment of female and male employees; accountability toward production process and the environment. Besides improving organizational competitiveness, such awareness will be beneficial to enhance the global market share of Taiwan’s 3C industries, so as to prevent measures to promote environmental protection and sustainable development from reducing our global competitiveness. Establish “Reduce, Share, Love the earth, Alliance” and convene the supplier conference to share with the supplies GIGABYTE’s actions to reduce carbon, waste, water, plastic and the sustainability trend. Growing together with the supplier, generating win-win together. In 2022, GIGABYTE mentor suppliers on GHG inventories and help them use the inventory process to identify hot spots for GHG reduction so that actual carbon reduction action can be taken.

In 2023, we participated in the “Transition Project on Low Carbon and Intelligent Upgrading for Manufacturing Industries-the Big Leads the Small” of the Industrial Development Bureau, Ministry of Economic Affairs to provide practical counseling to suppliers on carbon reduction, in order to promote the low-carbon transition of the supply chain and expand our sustainability influence.

3. Since 2010, our company has proactively issued the "GIGABYTE Technology Corporate Social Responsibility Report" in both English and Chinese, in accordance with the Global Reporting Initiative (GRI) guidelines. Through this report, we aim to inform all stakeholders who care about our company of GIGABYTE Technology's efforts, determination, and achievements in sustainable development. In addition to receiving the Special Excellence Award in the National Environmental Education Awards from New Taipei City in 2014 and the Outstanding Award in the Private Enterprise category in 2015, we have also been honored with various recognitions such as the Far Eastern CSR Corporate Social Responsibility "CSR Survey" Electronics Industry Model Award in 2017, TCSA Climate Leadership Award (among 10 winning companies), TOP50 Taiwan Sustainable Enterprises (9 in the technology industry, ranking 6th), TOP50 Corporate Sustainability Report Gold Award, and ISO 14001+ Award for Environmental Performance Exemplary Award. In 2020, we received the Far Eastern CSR Corporate Social Responsibility "CSR Survey" Electronics Industry Model Award, and in 2022, we were honored with the Far Eastern ESG Corporate Sustainability Award for Comprehensive Performance, ranking among the top 4 in the electronics industry. We firmly believe that providing consumers with safe and high-quality products is the foundation of any company, and ensuring that products have minimal environmental impact is our responsibility. All brands under GIGABYTE adhere to the concept of environmental friendliness and actively pursue goals of low carbon emissions, pollution-free production, and zero waste. In 2018, we issued the first-ever Product Environmental Report in Taiwan to provide consumers with a comprehensive understanding of the environmental impact of our products' raw materials and production processes. We have continued to update versions of the Product Environmental Report in 2019, disclosing 12 environmental impacts of our products. In the

future, we will continue our efforts to expand the influence of our company on society and make GIGABYTE a sustainable leader in the industry.

In 2023, the Company was selected for the index stock of “Customized Taiwan ESG Low Carbon High dividend 40 index” of Taiwan Index Plus, “Taiwan Sustainability Index” co-edited by Taiwan Index Plus and FTSE Russell; and “Best IR Planning and Execution,” “Best IR Team,” “Best ESG,” “Best Board of Directors,” and was awarded the first place of “Best IR Professional” in the 2023 Best Management Teams in Asia ranking by Institutional Investor-international authoritative financial magazine.

4. Our Company’s Committed Environmental Protection Expenditures and Our Response to EU Environmental Guidelines Are Listed as Follows:

(1) Committed Significant Environmental Protection Expenditures:

- (i) Our Company has passed ISO 14001 environmental management system certification, requiring first level suppliers to install environmental management systems. Currently, all first level suppliers of GIGABYTE have earned the ISO 14001 certification and are striving for pollution prevention and clean production.
- (ii) In 2005, our company became the first system brand company in the world that received the IECQ QC 080000 standard certification. Our products went through a lead-free manufacturing process. We also introduced green material management system and established a green supply chain. Through Green Supply Chain Management (GSCM), we coordinated systematically with suppliers and connect ourselves to relevant standard evaluation and recognition processes. We effectively communicate with suppliers. We trace, manage, and even eliminate components that contain restricted or banned chemical substances.
- (iii) The Company has passed the ISO45001 occupational health and safety management system verification. We will continuously improve the Company's safety and health systems to prevent accidents and keep them under control, and strive for sustainable operations with zero occupational hazards.
- (iv) The lifecycle carbon emission audit based on PAS 2050 carbon footprint standard has been completed for MD-300 Set-Top Box, one of our Company’s Chennel sales products. The British Standard Institute (BSI) has issued a certificate of product carbon footprint verification for this audit engagement.
- (v) Our Company promotes green design and recycling processes that are in compliance with all international environmental regulations.
- (vi) Apart from developing the clean production mechanism, developing energy-saving products, improving production process, and enhancing efficiency, we specifically implemented the ISO14064 GHG inventory system to disclose the GHG inventory and management information of this Company with the GHG report, so as to exactly capture the sources of GHG emissions, promote total participation and consensus, and continuously promote GHG emissions, mitigate global warming, and fulfill CSR.
- (vii) We activated the “Green Action Program” in 2009 to organize celebrity talks, sustainability and environment education, eco working holiday, and “One Thousand Miles” environmental service events. With these activities, we have enabled employees to understand the importance of environmental protection, improved their awareness of sustainability and environmental protection, and equipped them with the basic knowledge, attitude, and skill for environmental protection. By activating the “Green Action Program 2.0” in 2016, we have established the GIGABYTE Green Action Culture and promoted the eco-design concept to all employees to create new value for green products and pursue sustainable development for the enterprise and environment.

- (viii) We organized the “Green Product Innovation Activity: Innovation · Value · Sustainability”. Based on the main theme “going green is free”, we encourage employees to design green product with “Innovation · Value · Sustainability”. As long as we are on the right track, “going green is free!” In 2016, we organized the “Save the Ocean; Reduce Plastics Movement” poster design competition. This was followed in 2017 by the “Reduce, Share, Love the Earth” friendly product design competition to develop tertiary students, letting them present innovative and creative ideas on sustainability, incorporating the economic principles of recycling. Starting at the origin, introducing the economics of recycling from the design phase of the product right through to the end phase of recycling, targeting the environment, society and the consumer to create friendly products.
- (ix) We put the mitigation and adaptation of climate change as part of enterprise sustainable operations and implement countermeasures in terms of GHG management and routine operations. We also build the eco-design-focus “G-Home Sustainable Eco-Roof” and promote it through industry-government-academia cooperation in order to provide a reference for an integrated, multifunctional solution for the mitigation and adaptation of climate change, aggressively reduce environmental load, and fulfill corporate social responsibility.
- In June 2017, G-HOME, GIGABYTE's sustainable living roof project, was certified by the Environmental Protection Administration, Executive Yuan. This did not only let G-HOME serve the purpose of promoting green roofs, but also turned GIGABYTE into a great corporate citizen in the education field and called on everyone to cherish the seeds of caring love of the environment and achieve harmony between man and the environment.
- (x) For continuous reduction of product carbon emissions, we activated the carbon footprint calculation system for all products in 2016. By implementing this system, we hope to simplify the calculation of process of product carbon emissions and review the carbon emissions of products at each stage of the product life cycle. Apart from comparing the environmental impacts of each raw material and production process and finding opportunities and methods to reduce carbon emissions, we hope to provide a reference for developing friendly products. In 2018, we published Taiwan's first ever environmental product report, expanding the impact assessment data to include the effect on air quality and acidification of land/water domains. R&D personnel use this data to examine the environmental impact of the various products as they move through the different phases in their lifespan. The results of the study will form the basis identifying opportunities for reducing the environmental impact and develop plans for operationalization. We hope that you will join us in protecting the environment. To that end, GIGABYTE Technology has compiled the environmental impact of our products and the recycle data in this environmental product report. We hope that this open sharing of information will help all of us to understand the environmental characteristics of each category of product and motivate each of us, be it the manufacturer or the consumer, to do our bit for a sustainable environment.
- (xi) Promote the project “Make Earth Green Again” on the basis of the idea Plant for the Planet, and has already planted 75,000 trees in Mexico and 2,860 Taiwanese indigenous species trees in Pinglin, New Taipei. GIGABYTE plants hope and love for our planet with action. At the end of 2022, we again collaborated with Germany-based Plant for the Planet to fulfill our commitment to plant 62,500 trees in the next 5 years.

- (xii) We plan to invest in a solar power generation facility in Pai Pien Cinema, Miaoli in 2024. The annual electricity generation will be about 4,094 kWh. We are developing corporate green energy in response to the global net zero trend in order to maintain our competitiveness.
- (2). The Company sell its products directly and indirectly to EU, or areas governed by RoHS.
- (3). The compliance of the Company with RoHS is 100%. In 2017, in response to the RoHS 2 restriction on phthalates and the amended REACH regulations, we officially updated the HCSR to version 4.3, adjusting the control levels (Level B → Level A) of the 4 restricted phthalates (DEHP, BBP, DBP, DIBP) and added 2 restricted materials (DBB, PFOSE). All suppliers will be required to comply with GIGABYTE's guidelines on the control of hazardous materials and be subjected to audit by GIGABYTE.
- (4). The Company has been granted by the following companies or agencies the green product accreditation on environmental protection and ODM customer accreditation rate: 100%.
  - (i) The first company in Taiwan being accredited the SGS IECQ QC080000 RoHS green product.
  - (ii) Approved by MOEA for a grant for supervision in Green Project in 2006, and complete the establishment and adaptation of GP system in 2007.
  - (iii) Recognition by international giant firms: Lenovo (IBM), Fujitsu, Hitachi, NEC, Toshiba, Samsung, LG, Acer, HP.
  - (iv) Equipment, production process, inspection standards and points of control are in place. There are also the ODM Mass Production and inspection for delivery locations with yield rate meeting the requirements of the customers.
  - (v) By the end of Q1 2006, the Company has attuned to full compliance with RoHS directive and has met the requirement of EU as early as July 2006.
  - (vi) Complete the process and product evaluation of Halogen Free in 2008 to respond to the requirement of future environment protection law.
  - (vii) As the first company in the world, we passed the third-party certification (BSI) of carbon footprint inventory with our STB (MD-300) according to PAS2050 on September 29, 2010. We also cooperated with 15 suppliers to arrange carbon footprint and inventory training for (raw) materials with the purpose of understanding the impact of the product on the environment at each phase of its life cycle. We also hope to build a basic database and use it as a basis for the development of green products to reduce impact on the environment and fulfill our responsibility to society.

## **V. Labor-Management Relation in the most recent year until the date this report is printed**

- (I) The status of employee welfare, continuing education, training, retirement system and others, and the agreement between the labor and the management and protection of employee benefits and rights:
  - 1. Employee insurance:  
In addition to labor insurance and health insurance for employees and their dependents, we take out group insurance for each employee including life insurance, accident insurance, hospitalization insurance and medical payment for accidents and cancer as well as overseas travel insurance to protect the lives of employees and their families.
  - 2. Annual wage adjustment and bonus:  
The wage adjustment will be implemented in accordance with annual price index, the wage adjustment ratio of the civil servant, the wage adjustment standard in the

- industry and the performance appraisal result. In addition, there is a bonus when sales targets are achieved.
3. Holiday bonuses  
GIGABYTE provides employees with holiday bonuses ever Duanwu Festival and Mid-autumn Festival as well as end-of-year bonuses before the Chinese Lunar New Year.
  4. Fringe benefits provided by the employee welfare committee  
The employee welfare committee of the Company is organized under law and by elected representatives of the employees. They will be responsible for the planning and execution of employee welfare. Examples are the organization for local and overseas traveling trips, gifts for the three major festivals, birthday gift vouchers, subsidized for matrimonial, celebration and funeral occasions, scholarships for the children of employees, special offers by participating shops, recreation and entertainments, social functions, language training programs, and the Company will subsidize employees in taking local or overseas trips for pleasure. The amount of subsidy will vary with the years of service
  5. Training and development of employees: according to the training system of the career development  
Develop training development system using core career as mainstream and emphasis on the cultivation of professional management, at the same time, host arts and humanity seminars irregularly to widen employees' views and balance out career and life. Establish e-learning platform to provide an irregular learning environment. Our scheduled training includes educational training for newcomers, professional management training, pre career training, specialized skill training, product enhancement training, general training, English language lessons and e-learning program.
  6. Employee stock ownership program  
Since 2010, GIGABYTE has provided stock ownership for employees above a certain rank. These employees may convert a percentage of their monthly salaries or bonuses to a trust to acquire company shares. GIGABYTE will also provide additional funds for encouragement so that employees can also benefit from the Company's profits and strengthen the loyalty and bond with the employees.
  7. Reward for innovation  
Any new idea for positive contribution to the Company proposed by employees will be rewarded, including management, marketing planning, research and development and production.
  8. Feedback:  
Feedback from employees is important to us. To maintain a positive labor-management relation, the Company has set up employee suggestion boxes and employee message boards to collect employees' opinions of our management system, management leadership, welfare system, and their work environment.
  9. After July 2005, the employer contributes labor pension that is six percent of monthly wages of the employee into the individual account of the employee at Labor Insurance Bureau due the change in policy that requires individual retirement account. The retirement system of the Company has been instituted in accordance with the Labor Standards Law. The Company hires an actuarial expert to work on the job, and appropriate 2% to 15% of the total salaries disbursed for each month as a contribution to the pension fund liability at the approval of the Taipei County Government. Such contribution, which is 2% for current period, will be deposited at the trustee account at the Bank of Taiwan under the title of the Pension Fund Supervisory Committee.

- (II) Any losses suffered by the company in the most recent 2 fiscal years and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: There have been no losses due to labor disputes occurring in the recent annual period or up to the printing date of the annual report.

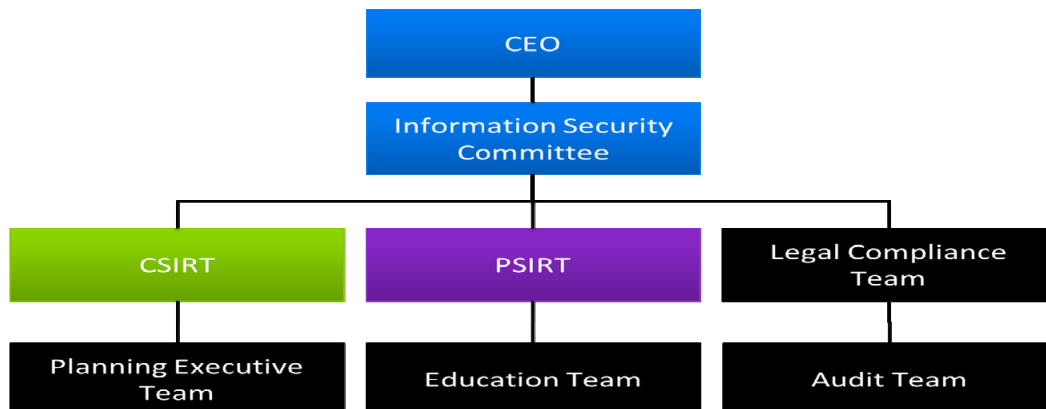
## VI. Information security management:

### (1) Management organization and strategy

#### 1. Vision

In keeping with the GIGABYTE philosophy of “Upgrade Your Life”, corporate information security governance has been introduced to our continued pursuit of corporate sustainability. The Information Security Committee was set up to devise an information security policy and management framework that takes international standards, regulatory requirements, privacy protection, risk management and crisis management into account. A total approach to information security management, planning, oversight and execution has been put into place. The Committee also reports regularly to the President on information security management activities and overall effectiveness of information security management organization.

#### 2. Governance Organizational Framework:



#### 3. Security Policy

- (1) Information security management rules are reviewed and updated every year in accordance with international information security standards (NIST Cybersecurity Framework) and domestic/overseas information security regulations.
- (2) Ensure the Confidentiality, Integrity and Availability of information so that they can be applied to the planning, management and execution of Group business targets in a secure, proper, appropriate and reliable manner.
- (3) To continue providing customers with a safe and quality product experience, GIGABYTE must ensure that our information security management for R&D processes, product development, cloud services, and manufacturing supply chain all comply with our information security policy. The goal is the effective reduction of management risk and continued improvement to the overall maturity of information security.
- (4) Conduct regular offensive and defensive information security drills, strengthen internal information security awareness through employee training, and implement information security throughout all processes.

(5) We will proactively join domestic and international joint defense organizations to share the latest information security trends and experiences, comply with laws and regulations and enhance our alertness and resilience.

#### 4. 2023 Management objectives and results

(1) Acquired ISO 27001:2022 certification (2023–2026)

(2) We performed vulnerability scanning and penetration tests to inspect our system's total security defense capabilities.

(3) We organized cybersecurity incident reporting and response drill to ensure proper division of labor and improve responsiveness.

(4) In order to implement the promotion of information security policies, we held two meetings of the information security promotion committee and two meetings for the ISO management review, and reported them to the president.

(5) In addition to the manufacturing sites, the headquarters has established a total of three information security officers and information security specialists in 2021.

(6) We participate in joint defense organizations, such as Taiwan Information Security Alliance, Taiwan Chief Information Security Officer Alliance to improve information security experience and reduce information security risks.

(7) In response to the growing number of BEC e-mail fraud, the following measure was adopted at the system level: We continued to reinforce anti-fraud e-mail protective measures. Measures on cybersecurity training for employees: We not only organized cybersecurity lectures for employees, but also conducted monthly social engineering exercises.

(8) We established regulations on supplier cybersecurity risk assessment to help suppliers protect their information security, thereby strengthening our collaboration with suppliers on cybersecurity to bolster the competitiveness of the entire supply chain.

#### (2) Management framework

Information security management standards based on the National Institute of Standards and Technology Framework for Improvement Critical Infrastructure Cybersecurity (NIST CSF) were introduced across the board in accordance with our security policy. An information security management framework and Information Security Incident Response Team were set up to support identification, protection, detection, response and recovery. These five core functions cover the entire information risk management cycle.

##### 1. Identification

The identification of the Company's protected information assets and value processes. Information asset identification is carried out every year along with a risk assessment of operating environment governance. A risk management plan is then developed and risk prevention measures employed to continue reducing operating risk.

##### 2. Protection

Successful external attacks usually target weaknesses in a corporate information systems. A total approach to information security protection and defense that encompassed products, services, equipment, employees and supply chains was adopted and enforced throughout each process with a zero-trust architecture. Information security awareness was also raised with information security training held at various times each year. Due to the flood of corporate e-mail fraud, two social engineering rehearsals were also held during 2022. Reinforcement seminars were conducted for high-risk employees as well. These not only



improved employee compliance with the Company’s information security policy but also reduced information security management risks for the Company.

3. Detection

Advanced AI technology is used by the Company to monitor incoming attacks in real-time. External sources of intelligence on information security incidents and attack signatures enable rapid and effective response to external malicious attacks. Real-time detection by the network and nodes can warn of suspicious software and malicious behavior, effectively reducing the risk of malicious attacks.

4. Response

Set up an information security response team that taps into the international information security community as well as threat intelligence from international information security vendors. An emergency response reporting mechanism was put into place and integrated with the supply chain to facilitate collaboration on products, intelligence and reporting. Information security incidents are routinely rehearsed by the team to ensure that incidents are handled in the optimal manner to minimize their impact.

5. Recovery

In 2023, we regularly review and update our contingency recovery plan on a half-yearly basis in light of the Group’s strong performance and the ongoing introduction of new products and services. In addition to ensuring the integrity and availability of the plan, training rehearsals and validation testing were carried out to minimize the risk to business continuity due to anomalies in the Company’s information system.

(3)Corresponding improvement measures

- 1.Implementation of zero-trust security framework as well strengthening the scope of defenses.
- 2.Continue to strengthen data security protection
- 3.Improved information security awareness among employees through further reinforcement training and social engineering rehearsals.

**VII.Major agreements**

(I)Agreements expiring within one year: None.

(II) Agreements still in force:

Type of contract	Contracting parties	Term of agreements	Content	Restriction
License Agreement	HDMI Licensing, LLC	2006/8/9, automatically renews for 5 years periods, upcoming renewal will be Aug 9 2021	Patent authorization	Prohibition on assignment of rights
License Agreement	DTS , Inc.	2019/9/1- automatic renewals every year unless terminated	Patent authorization	Prohibition on assignment of rights
License Agreement	AMI, Taiwan Branch	till 2026/12/31	Patent authorization	Prohibition on assignment of rights

## Six. Financial Position

I. Condensed balance sheet, Comprehensive income statement and auditors' opinions covering the period of last five years

(1) Condensed Balance Sheet and Statement of Comprehensive Income -IFRS Condensed Balance Sheet (Entity) - IFRS

Unit: NT\$1000

Item	year	Financial information covering the last five years (Note1)				
		2019	2020	2021	2022	2023
Current assets		24,581,192	36,876,121	56,066,852	49,072,214	54,816,567
Property, plant and equipment(Note2)		2,519,945	2,431,447	2,685,920	2,802,994	2,665,997
Intangible assets		22,861	24,679	27,438	127,405	143,981
Other assets(Note2)		11,279,156	12,393,089	13,158,277	13,289,577	17,288,953
Total assets		38,403,154	51,725,336	71,938,487	65,292,190	74,915,498
Current liabilities	Cum-dividend	13,511,756	23,334,617	33,352,547	28,767,332	27,982,179
	Ex-dividend	14,910,272	26,513,061	40,972,354	32,708,603	Not distributed yet
Non-current liabilities		593,587	995,528	1,097,956	591,384	9,460,509
Total liabilities	Cum-dividend	14,105,343	24,330,145	34,450,503	29,358,716	37,442,688
	Ex-dividend	15,503,859	27,508,589	42,070,310	33,299,987	Not distributed yet
Equity attributable to owners of the parent		24,297,811	27,395,191	37,487,984	35,933,474	37,472,810
Equity		6,356,889	6,356,889	6,356,889	6,356,889	6,356,889
Capital surplus	Cum-dividend	3,896,889	3,884,904	3,279,731	3,281,465	3,898,998
	Ex-dividend	3,896,889	3,249,216	3,279,731	3,281,465	Not distributed yet
Retained earnings	Cum-dividend	13,426,344	16,382,101	27,188,132	26,172,718	26,967,976
	Ex-dividend	12,027,828	13,839,345	19,568,325	22,231,447	Not distributed yet
Other Equity		617,689	771,297	729,248	122,402	248,947
Treasury stock		0	0	-66,016	0	0
Non control Equity		0	0	0	0	0
Total equity	Cum-dividend	24,297,811	27,395,191	37,487,984	35,933,474	37,472,810
	Ex-dividend	22,899,295	24,216,747	29,868,177	31,992,203	Not distributed yet

\* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

\* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: Years during which the financial statements have not been audited by CPAs should be noted.

Note 2: If the Company has performed asset revaluation in the current year, the Company should state the date when the revaluation was performed and the revaluation gain amount.

Note 3: The figures after the aforementioned distribution are based on the board of directors or shareholders' meeting resolution in the following year.

Note 4: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

## Condensed Statement of Comprehensive Income (Entity) - IFRS

Unit: 1000 NTD

Item \ Year	Financial Information covering the last five years (Note 1)				
	2019	2020	2021	2022	2023
Revenue	62,383,990	84,087,874	121,741,896	100,712,224	90,149,617
Gross profit	7,209,865	11,944,309	27,274,078	11,701,223	7,079,278
Operating income	1,390,845	4,110,707	14,703,364	4,229,899	1,362,921
Non-operating income & expenses	771,621	1,091,440	1,149,409	3,777,628	3,889,288
Pre-tax profit	2,162,466	5,202,147	15,852,773	8,007,527	5,252,209
Net Income from continuing operations	1,939,241	4,374,329	13,337,960	6,538,521	4,742,979
Earning of discontinued operation	—	—	—	—	—
Net income (loss)	1,939,241	4,374,329	13,337,960	6,538,521	4,742,979
Other comprehensive income (net after tax)	209,630	133,552	-31,222	-540,974	120,095
Total comprehensive income for the period	2,148,871	4,507,881	13,306,738	5,997,547	4,863,074
Net profit attributable to owner of parent	1,939,241	4,374,329	13,337,960	6,538,521	4,742,979
Net profit attributable to non-controlling interests	—	—	—	—	—
Total comprehensive income attributable to owner of parent	2,148,871	4,507,881	13,306,738	5,997,547	4,863,074
Total comprehensive income attributable to non-controlling interests	—	—	—	—	—
EPS (\$)	3.05	6.88	21.01	10.29	7.46

\* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

\* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited the consolidated financial information in previous years referred to above.

Note 2: Losses from discontinued units are shown as net earnings after deduction of income tax.

Note 3: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

## Condensed Balance Sheet (Consolidated) - IFRS

Unit: 1000 NTD

Item	Year	Financial information covering the last five years (Note 1)					Financial information as of March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		30,109,160	41,565,460	60,298,149	54,802,894	73,074,904	100,775,387
Property, plant and equipment(Note2)		4,085,922	4,048,823	4,206,997	4,946,900	4,820,456	4,822,961
Intangible assets		30,789	31,990	29,329	129,151	169,857	216,650
Other assets(Note2)		3,485,670	3,782,884	4,643,715	3,692,904	4,085,203	5,048,121
<b>Total assets</b>		<b>37,711,541</b>	<b>49,429,157</b>	<b>69,178,190</b>	<b>63,571,849</b>	<b>82,150,420</b>	<b>110,863,119</b>
Current liabilities	Cum-dividend	12,665,285	20,984,364	30,749,578	26,966,570	34,599,267	61,066,316
	Ex-dividend	14,063,801	24,162,808	38,369,385	30,907,841	Not distributed yet	Not distributed yet
Non-current liabilities		693,145	1,031,671	925,512	660,359	9,616,992	9,606,461
Total liabilities	Cum-dividend	13,358,430	22,016,035	31,675,090	27,626,929	44,216,259	70,672,777
	Ex-dividend	14,756,946	25,194,479	39,294,897	31,568,200	Not distributed yet	Not distributed yet
Equity attributable to owners of the parent		24,297,811	27,395,191	37,487,984	35,933,474	37,472,810	39,680,092
Equity		6,356,889	6,356,889	6,356,889	6,356,889	6,356,889	6,356,889
Capital surplus	Cum-dividend	3,896,889	3,884,904	3,279,731	3,281,465	3,898,998	3,898,869
	Ex-dividend	3,896,889	3,249,216	3,279,731	3,281,465	Not distributed yet	Not distributed yet
Retained earnings	Cum-dividend	13,426,344	16,382,101	27,188,132	26,172,718	26,967,976	28,991,752
	Ex-dividend	12,027,828	13,839,345	19,568,325	22,231,447	Not distributed yet	Not distributed yet
Other Equity		617,689	771,297	729,248	122,402	248,947	432,582
Treasury stock		0	0	-66,016	0	0	0
Non control Equity		55,300	17,931	15,116	11,446	461,351	510,250
Total shareholder's equity	Cum-dividend	24,353,111	27,413,122	37,503,100	35,944,920	37,934,161	40,190,342
	Ex-dividend	22,954,595	24,234,678	29,883,293	32,003,649	Not distributed yet	Not distributed yet

\* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

\* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: Years during which the financial statements have not been audited by CPAs should be noted.

Note 2: If the Company has performed asset revaluation in the current year, the Company should state the date when the revaluation was performed and the revaluation gain amount.

Note 3: CPAs have reviewed the consolidated financial information in the current quarter referred to above.

Note 4: The figures after the aforementioned distribution are based on the board of directors or shareholders' meeting resolution in the following year.

Note 5: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

## Condensed Statement of Comprehensive Income (Consolidated) - IFRS

Unit: 1000 NTD

Item	Year	Financial information covering the last five years (Note 1)					Financial information as of March 31, 2024 (Note 2)
		2019	2020	2021	2022	2023	
Revenue		61,781,254	84,602,841	121,905,357	107,263,644	136,773,409	55,164,386
Gross profit		9,590,869	14,464,437	29,590,032	16,616,078	16,575,441	6,233,366
Operating income		1,447,233	4,217,835	14,486,513	5,845,214	4,895,175	3,077,380
Non-operating income & expenses		816,015	1,232,970	1,626,859	2,600,527	1,209,446	(338,377)
Pre-tax profit		2,263,248	5,450,805	16,113,372	8,445,741	6,104,621	2,739,003
Net Income from counting operations		1,907,543	4,331,235	13,335,146	6,534,849	4,781,085	2,072,918
Earning of discontinued operation		—	—	—	—	—	—
Net income(loss)		1,907,543	4,331,235	13,335,146	6,534,849	4,781,085	2,072,918
Other comprehensive income(net of tax)		209,630	133,555	-31,223	-540,972	120,095	183,392
Total comprehensive income for the period		2,117,173	4,464,790	13,303,923	5,993,877	4,901,180	2,256,310
Net profit attributable to owner of parent		1,939,241	4,374,329	13,337,960	6,538,521	4,742,979	2,023,776
Net profit attributable to non-controlling interests		-31,698	-43,094	-2,814	-3,672	38,106	49,142
Total comprehensive income attributable to owner of parent		2,148,871	4,507,881	13,306,738	5,997,547	4,863,074	2,207,411
Total comprehensive income attributable to non-controlling interests		-31,698	-43,091	-2,815	-3,670	38,106	48,899
EPS (\$)		3.05	6.88	21.01	10.29	7.46	3.18

\* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

\* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited the consolidated financial information in previous years referred to above.

Note 2: CPAs have reviewed the consolidated financial information in the current quarter referred to above

Note 3: Losses from discontinued units are shown as net earnings after deduction of income tax.

Note 4: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

### (II) Name of Certified Public Accountants in the last five years and opinions:

Year	Public auditors	Opinion
2019	Lin, Se-Kai; Wang, Fang-yu(Note1)	Unqualified opinion with explanatory paragraph
2020	Lin, Se-Kai; Wang, Fang-yu	Unqualified opinion with explanatory paragraph
2021	Lin, Se-Kai; Wang, Fang-yu	Unqualified opinion with explanatory paragraph
2022	Xiao, Chun-Yuan; Lin, Se-Kai	Unqualified opinion
2023	Xiao, Chun-Yuan; Lin, Se-Kai	Unqualified opinion

Note 1: There has been reorganization of the PWC Certified Public Accountants. Therefore, Xiao, Chun-Yuan, CPA and Wang, Fang-yu, CPA were changed to Lin, Se-Kai, CPA and Wang, Fang-yu, CPA as the public auditors to the Company in 2019.

Note 2: Due to PwC Taiwan's internal organizational changes, the Company's CPAs in 2022 were CPA Chun-Yuan Hsiao, who succeeded Fang-Yu Wang, and CPA Se-Kai Lin.

## II. Financial analysis for the past five years

### (1) Financial Analysis (Entity) - IFRS

Subject (Note 3)		Financial analysis for the past five years				
		2019	2020	2021	2022	2023
Financial structure	Liabilities to assets ratio (%)	36.73	47.04	47.89	44.97	49.98
	Long-term capital to Property, plant and equipment ratio (%)	987.78	1,167.65	1,436.60	1,303.07	1,760.44
Ability to repay debt	Current ratio (%)	181.92	158.03	168.1	170.58	195.9
	Quick ratio (%)	114.39	108.08	106.05	113.3	148.12
	Debt service coverage ratio	988.88	2,539.87	7,313.16	3,497.74	66.54
Utility	A/R turnover (time)	8.23	7.37	7.53	5.01	4.39
	Average days of payment	44	50	48	73	83
	Inventory turnover (time)	5.38	7.08	5.99	4.78	5.52
	A/P turnover (time)	7.11	6.59	5.8	4.59	4.57
	Average daily sales	68	52	61	76	66
	Property, plant and equipment turnover (time)	25.04	33.97	47.58	36.7	32.97
	Total assets turnover (time)	1.68	1.87	1.97	1.47	1.29
Profitability	Return on Assets (%)	5.23	9.71	21.57	9.53	6.86
	Return on equity (%)	8.02	16.92	41.11	17.81	12.92
	Net income before tax as a percentage of paid-in capital (%) (Note 7)	34.02	81.83	249.38	125.97	82.62
	Net profit rate (%)	3.11	5.2	10.96	6.49	5.26
	EPS (\$)	3.05	6.88	21.01	10.29	7.46
Cash flow	Cash flow ratio (%)	24.68	35.38	23.29	15.56	2.84
	Cash flow adequacy ratio (%)	70.48	79.15	86.18	82.08	74.89
	Cash reinvestment ratio (%)	5.4	23.09	11.56	-8.35	-6.56
Leverage	Operation leverage	1.27	1.1	1.03	1.11	1.36
	Financial leverage	1	1	1	1	1.06

Reasons for Changes in financial ratios in the last 2 years: (for changes of 20% or more)

1. Financial structure: The issuance of convertible bonds during the year resulted in an increase in the ratio of long-term capital to property, plant and equipment.
2. Solvency: The issuance of convertible bonds during the year resulted in an increase in working capital. Therefore, the relevant turnover rates increased. In addition, the interest expense increased due to the issuance of convertible corporate bonds, resulting in a decrease in the times interest earned.
3. Profitability: The impact of the U.S. export control bans on high-end products during the year resulted in lower sales and gross profit. Thus, the related return and profit decreased as compared to the previous year.
4. Cash flow: In response to the AI market demand, the Company was proactively preparing materials, resulting in a decrease in cash flow from operating activities. so that the cash flow related ratios were higher than those in the previous year. Therefore, all of the cash flow related ratios decreased compared to the previous year.

\* If the Company compiles financial statements on an entity basis, the Company should compile a separate financial analysis for each entity.

\* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited financial information for the years listed above.

Note 2: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the current year financial information as of the quarter before the publication date of the annual report in the analysis.

- Note3: The equation for calculation shall be stated at the end of this table in the annual report.
1. Financial structure
    - (1) Liabilities to assets ratio = total liabilities/ total assets.
    - (2) Long-term capital to Property, plant and equipment ratio = (Gross shareholder's equity + Non-current liabilities)/ Net Property, plant and equipment.
  2. Ability to repay debt
    - (1) Current ratio = current assets/current liabilities
    - (2) Quick ratio = (current assets- inventory – prepayments)/current liabilities
    - (3) Debt service coverage ratio=EBIT/interest expense for current period.
  3. Utility
    - (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/average balance of account receivable (including account receivable and note receivable from operation).
    - (2) Average daily payment=365/account receivable turnover
    - (3) Inventory turnover= cost of goods sold/average inventory
    - (4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/average balance of account payable (including account payable and note payable from operation).
    - (5) Average daily sales = 365/inventory turnover
    - (6) Property, plant and equipment turnover = net sales /Average Net Property, plant and equipment.
    - (7) Total assets turnover = net sales/ Average total assets.
  4. Profitability
    - (1) Return on Assets = [Earning + interest expenses x (1-tax rate)]/average total assets.
    - (2) Return on Equity = Earning /average net equity
    - (3) Net profit rate = Earning/net sales
    - (4) Earning per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighed average number of outstanding shares (Note 4).
  5. Cash Flow
    - (1) Cash flow ratio = (net sales – variable cost and expenses from operation)/operating income.
    - (2) Cash flow adequacy ratio = net cash flow from operation over the last five years/(capital spending +addition to inventory + cash dividend) over the last five years.
    - (3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other Non-current assets + working capital) (Note 5).
  6. Leverage:
    - (1) Operation leverage= (net sales – variable cost and expenses from operation)/operating income (Note 6).
    - (2) Financial leverage= operating income/(operating income-operating expenses).
- Note 4. While evaluating the formulas for EPS mentioned above, the following factors must be taken into consideration:
1. The number of common shares shall be based on the weighed average method and not the outstanding shares as of the end of the year.
  2. Where there may be additional capital raised from the issuance of new shares or may be treasury shares trade, the outstanding period of the shares shall be considered in calculating the weighed average number of outstanding shares.
  3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earning per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.
  4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not being paid out) should be deducted from earning or added to earning. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after taxation, no adjustment is required.
- Note 5: When conducting analysis on cash flow, pay attention to the followings:
1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
  2. Capital spending shall be referred to cash outflow for capital investment each year.
  3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decrease in inventory, put a zero.
  4. Cash dividend includes cash dividend for common and preferred stocks.
  5. The gross amount of property, plant, and equipment is the total balance of property, plant, and equipment before subtracting accumulated depreciation.
- Note 6: The securities issuer should classify operating costs and operating expenses as fixed or variable. If estimates or subjective judgment is involved in such classification, the accounting staff must pay attention to the reasonableness and maintain the consistency of such classification.
- Note 7: If the stocks of the Company do not have par value or have par values other than NT\$10, the calculation of percentage of paid-in capital is calculated with the ratio of equity attributable to the parent company in the balance sheet.

## Financial Analysis ( Consolidated ) - IFRS

Subject Note 3)		Year ( Note 1 )	Financial analysis for the past five years					Financial analysis as of March 31, 2024 (Note 2)
			2019	2020	2021	2022	2023	
Financial structure	Liabilities to assets ratio (%)	35.42	44.54	45.79	43.46	53.82	63.75	
	Long-term capital to Property, plant and equipment ratio (%)	611.64	702.1	913.09	739.73	986.45	1,032.49	
Ability to repay debt	Current ratio (%)	237.73	198.08	196.09	203.23	211.20	165.03	
	Quick ratio (%)	143.22	120.83	105.88	117.93	118.88	77.09	
	Debt service coverage ratio	209.69	513.82	2,985.51	1,477.01	73.59	41.38	
Utility	A/R turnover (time)	9.93	11.66	13.03	8.6	9.07	10.17	
	Average days of payment	37	31	28	42	40	36	
	Inventory turnover (time)	4.57	5.1	4.29	3.55	4.40	4.71	
	A/P turnover (time)	8.3	8.6	7.4	6.06	6.93	7.42	
	Average daily sales	80	72	85	103	83	77	
	Property, plant and equipment turnover (time)	15.04	20.8	29.53	23.44	28.01	45.76	
	Total assets turnover (time)	1.68	1.94	2.06	1.62	1.88	2.29	
Profitability	Return on Assets (%)	5.3	10.06	22.5	9.86	6.65	8.82	
	Return on equity (%)	8.02	16.92	41.11	17.81	12.95	21.23	
	Net income before tax as a percentage of paid-in capital (%) (Note 7)	35.6	85.75	253.48	132.86	96.03	172.35	
	Net profit rate (%)	3.14	5.17	10.94	6.1	3.50	3.76	
	EPS (\$)	3.05	6.88	21.01	10.29	7.46	3.18	
Cash flow	Cash flow ratio (%)	30.68	37.65	27.17	21.56	6.55	Note 1	
	Cash flow adequacy ratio (%)	84.83	112.94	77.32	67.89	68.97	41	
	Cash reinvestment ratio (%)	7.44	22.01	13.17	-4.7	-3.41	Note 1	
Leverage	Operation leverage	1.55	1.19	1.06	1.15	1.22	1.09	
	Financial leverage	1.01	1	1	1	1.02	1.02	

Reasons for Changes in financial ratios in the last 2 years: (for changes of 20% or more)

1. Financial structure: The issuance of convertible bonds during the year resulted in an increase in the ratio of long-term capital to property, plant and equipment.
2. Solvency: Interest expense for the year increased due to the issuance of convertible bonds, resulting in a decrease in the times interest earned.
3. Operational ability: The change was mainly due to the increase in AI server assembly capacity, smooth production and shipment, which resulted in an increase in inventory turnover rate and a decrease in days sales of inventory.
4. Profitability: Due to the U.S. export control, sales of high-end products decreased during the year, resulting in a decrease in the operating income and gross profit, and it in turn reduced the related return ratios and profit as compared to the previous year.
5. This year, in response to the AI market demand, we actively stocked up, leading to a decrease in cash flow from operating activities and an increase in related purchase payments, resulting in a lower cash flow ratio compared to last year. Additionally, this year's cash dividend payout was not as high as last year's, resulting in an increase in the cash reinvestment ratio compared to last year.

Note 1 : This period experienced a net cash outflow from operating activities; therefore, it is not applicable.

\* If the Company compiles financial statements on an entity basis, the Company should compile a separate financial analysis for each entity.

\* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited financial information for the years listed above.

Note 2: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the current year financial information as of the quarter before the publication date of the annual report in the analysis.

Note3: The equation for calculation shall be stated at the end of this table in the annual report.



1. Financial structure
    - (1) Liabilities to assets ratio = total liabilities/ total assets.
    - (2) Long-term capital to Property, plant and equipment ratio = (Gross shareholder's equity + Non-current liabilities)/ Net Property, plant and equipment.
  2. Ability to repay debt
    - (1) Current ratio = current assets/current liabilities
    - (2) Quick ratio = (current assets- inventory – prepayments)/current liabilities
    - (3) Debt service coverage ratio=EBIT/interest expense for current period.
  3. Utility
    - (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/average balance of account receivable (including account receivable and note receivable from operation).
    - (2) Average daily payment=365/account receivable turnover
    - (3) Inventory turnover= cost of goods sold/average inventory
    - (4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/average balance of account payable (including account payable and note payable from operation).
    - (5) Average daily sales = 365/inventory turnover
    - (6) Property, plant and equipment turnover = net sales /Average Net Property, plant and equipment.
    - (7) Total assets turnover = net sales/ Average total assets.
  4. Profitability
    - (1) Return on Assets = [Earning + interest expenses x (1-tax rate)]/average total assets.
    - (2) Return on Equity = Earning /average net equity
    - (3) Net profit rate = Earning/net sales
    - (4) Earning per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighed average number of outstanding shares (Note 4).
  5. Cash Flow
    - (1) Cash flow ratio = (net sales – variable cost and expenses from operation)/operating income.
    - (2) Cash flow adequacy ratio = net cash flow from operation over the last five years/(capital spending +addition to inventory + cash dividend) over the last five years.
    - (3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other Non-current assets + working capital) (Note 5).
  6. Leverage:
    - (1) Operation leverage= (net sales – variable cost and expenses from operation)/operating income (Note 6).
    - (2) Financial leverage= operating income/(operating income-operating expenses).
- Note 4. While evaluating the formulas for EPS mentioned above, the following factors must be taken into consideration:
1. The number of common shares shall be based on the weighed average method and not the outstanding shares as of the end of the year.
  2. Where there may be additional capital raised from the issuance of new shares or may be treasury shares trade, the outstanding period of the shares shall be considered in calculating the weighed average number of outstanding shares.
  3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earning per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.
  4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not being paid out) should be deducted from earning or added to earning. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after taxation, no adjustment is required.
- Note 5: When conducting analysis on cash flow, pay attention to the followings:
1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
  2. Capital spending shall be referred to cash outflow for capital investment each year.
  3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decrease in inventory, put a zero.
  4. Cash dividend includes cash dividend for common and preferred stocks.
  5. The gross amount of property, plant, and equipment is the total balance of property, plant, and equipment before subtracting accumulated depreciation.
- Note 6: The securities issuer should classify operating costs and operating expenses as fixed or variable. If estimates or subjective judgment is involved in such classification, the accounting staff must pay attention to the reasonableness and maintain the consistency of such classification.
- Note 7: If the stocks of the Company do not have par value or have par values other than NT\$10, the calculation of percentage of paid-in capital is calculated with the ratio of equity attributable to the parent company in the balance sheet.

### III. Audit Committee's Review Report on 2023 Financial Statement

#### Audit Committee Approval/Audit Report

This Audit Committee has approved the individual financial statements of the Company and the consolidated financial statements of the Group for fiscal year 2023 that have been passed by the Board of Directors. The CPA firm PwC Taiwan was then retained to audit such statements by CPAs Xiao, Chun-Yuan and Se-Kai Lin and issued the “unqualified opinion” audit report. These statements have been reviewed and determined to be compliant with all relevant laws and regulations. In addition, this Audit Committee has audited the business report and earnings allocation proposal of fiscal year 2023 passed by the Board of Directors and determined they have complied with relevant laws and regulations. This report is thus issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

Annual Meeting of Shareholders of GIGA-BYTE TECHNOLOGY CO., LTD.

Hwei-Min Wang  
Convener  
Audit Committee

17 April 2024

IV. Audited Consolidated Financial Statements in the most recent year

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2023, pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under IFRS 10. Additionally, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

GIGA-BYTE TECHNOLOGY CO., LTD.

Dandy Yeh

March 14, 2024

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Giga-Byte Technology Co., Ltd.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Giga-Byte Technology Co., Ltd. and subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

### ***Basis for opinion***

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

## ***Key audit matters***

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

Key audit matters for the Group's consolidated financial statements of the current period are as follows:

### **Occurrence of revenue from significant new counterparties**

#### Description

Please refer to Note 4(32) for accounting policies on operating revenue and Note 6(21) for details of operating revenue.

The Group has numerous customers and sales regions across the world, it is infrequent to have revenue generated from a single customer that exceeded 10% of the consolidated operating revenue. Given that the verification of the existence of the transaction counterparty is critical to the revenue recognition, the occurrence of revenue from significant new counterparties was identified as a key audit matter.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Interviewed with management and obtained an understanding of the revenue recognition policy, and the consistency of the policy application during the financial reporting periods.
2. Obtained an understanding and tested credit check procedures for significant new counterparties. Verified that the transactions with significant new counterparties have been properly approved and agreed with supporting documentation, which include searching transaction counterparty's related information.
3. Obtained an understanding and tested the selling price and credit term of significant new counterparties.

4. Interviewed with management and obtained an understanding for the reason of accounts receivable overdue from significant new counterparties in order to evaluate the reasonableness.
5. Sampled and tested detailed revenue schedules of significant new counterparties and verified the original supporting documentation.
6. Sent accounts receivable confirmation letters to significant new counterparties. Investigated the reason and tested reconciling items made by the Group if the result in confirmation reply did not correspond to records, or tested collections after the balance sheet date if no confirmation reply was received.

#### **Assessment of allowance for valuation of inventory loss**

##### Description

Please refer to Note 4(14) for accounting policies on inventories, Note 5(2) for accounting estimates and assumption uncertainty and Note 6(5) for details of inventories.

The Group is primarily engaged in manufacturing and selling of computer hardware equipment and related components. Due to the short life cycle of electronic products and the price is highly subject to market fluctuation, the risk of incurring inventory valuation losses or having obsolete inventory are relatively high. Inventories held for sale in the ordinary course of business are stated at the lower of cost and net realisable value; Valuation loss are recognized for those inventories which exceed certain aging period or individually identified as obsolete inventories based on its net realisable value.

Given that the amount inventories is significant and that the individually identified net realizable value of obsolete inventories has uncertainty based on prior industry experience, the evaluation of the allowance for valuation loss was identified as a key audit matter.

##### How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Interviewed with management and obtained an understanding of the policy and process on evaluation of the allowance for valuation loss, and the consistency of the policy and process application during the financial reporting periods.

2. Obtained an understanding of the warehouse management procedures, reviewed annual physical inventory count plan and participated in the annual inventory count. Evaluated the effectiveness of management controls on identifying and managing obsolete inventories.
3. Tested the appropriateness of system logic in inventory aging report which management adopted for inventories valuation purpose, and verified that obsolete inventories which exceeded a certain aging period were included in the report.
4. Evaluated the reasonableness of obsolete or damaged inventory items which were identified by management, reviewed related supporting documentation, and compared to the results obtained from the observation of physical inventory count.
5. For inventories which exceeded a certain aging period of aging and individually identified as obsolete and damaged, discussed with management and obtained supporting documentation of the evaluation on net realisable value, and performed recalculation.

***Other matter – Parent company only financial reports***

We have audited and expressed an unmodified opinion with *Other matter* paragraph on the parent company only financial statements of Giga-Byte Technology Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

***Responsibilities of management and those charged with governance for the consolidated financial statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

### ***Auditors' responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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Hsiao, Chun-Yuan

Lin, Se-Kai

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2024

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 23,166,075	28	\$ 16,265,510	26
1110	Financial assets at fair value through profit or loss-current	6(2)	451,810	1	527,995	1
1136	Financial assets at amortised cost-current	6(3)	753,336	1	641,814	1
1150	Notes receivable, net	6(4)	3,941	-	3,975	-
1170	Accounts receivable, net	6(4)	16,016,209	20	14,126,596	22
1200	Other receivables		738,720	1	234,663	-
130X	Inventories, net	6(5)	29,664,354	36	21,777,245	34
1410	Prepayments		2,011,553	2	960,445	2
1470	Other current assets		268,906	-	264,651	-
11XX	<b>Total current assets</b>		<u>73,074,904</u>	<u>89</u>	<u>54,802,894</u>	<u>86</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss-non-current	6(2)	75,000	-	-	-
1517	Financial assets at fair value through other comprehensive income-non-current	6(6)	1,906,413	3	1,637,776	3
1535	Financial assets at amortized cost-non-current	6(3) and 8	142,931	-	236,361	-
1550	Investments accounted for using equity method	6(7)	515,538	1	528,720	1
1600	Property, plant and equipment, net	6(8)	4,820,456	6	4,946,900	8
1755	Right-of-use assets	6(9)	189,132	-	158,352	-
1760	Investment property, net	6(11)	33,389	-	37,429	-
1780	Intangible assets		169,857	-	129,151	-
1840	Deferred income tax assets	6(28)	1,032,612	1	956,439	2
1900	Other non-current assets	6(12)	190,188	-	137,827	-
15XX	<b>Total non-current assets</b>		<u>9,075,516</u>	<u>11</u>	<u>8,768,955</u>	<u>14</u>
1XXX	<b>Total assets</b>		<u>\$ 82,150,420</u>	<u>100</u>	<u>\$ 63,571,849</u>	<u>100</u>

(Continued)

**GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>						
2130	Contract liabilities-current	6(21)	\$ 4,355,872	5	\$ 2,788,051	4
2150	Notes payable		12,741	-	11,564	-
2170	Accounts payable		20,698,047	25	13,984,884	22
2200	Other payables	6(13)	7,145,576	9	7,457,810	12
2230	Current income tax liabilities		1,080,707	1	1,645,699	3
2250	Provisions for liabilities - current	6(14)	826,369	1	818,265	1
2280	Lease liabilities-current		79,509	-	67,054	-
2300	Other current liabilities		400,446	1	193,243	-
21XX	<b>Total current liabilities</b>		<u>34,599,267</u>	<u>42</u>	<u>26,966,570</u>	<u>42</u>
<b>Non-current liabilities</b>						
2530	Bonds payable	6(15)	8,920,465	11	-	-
2570	Deferred income tax liabilities	6(28)	55,803	-	5,930	-
2580	Lease liabilities-non-current		79,963	-	59,160	-
2600	Other non-current liabilities	6(16)	560,761	1	595,269	1
25XX	<b>Total non-current liabilities</b>		<u>9,616,992</u>	<u>12</u>	<u>660,359</u>	<u>1</u>
2XXX	<b>Total liabilities</b>		<u>44,216,259</u>	<u>54</u>	<u>27,626,929</u>	<u>43</u>
<b>Equity attributable to owners of parent</b>						
Capital Stock						
3110	Common stock	6(18)	6,356,889	8	6,356,889	10
Capital surplus						
3200	Capital surplus	6(19)	3,898,998	5	3,281,465	5
Retained earnings						
3310	Legal reserve	6(20)	7,006,565	9	6,346,126	10
3320	Special reserve		426,354	-	426,354	1
3350	Unappropriated retained earnings		19,535,057	24	19,400,238	31
Other equity						
3400	Other equity interest		248,947	-	122,402	-
31XX	<b>Total equity attributable to owners of the parent</b>		<u>37,472,810</u>	<u>46</u>	<u>35,933,474</u>	<u>57</u>
36XX	<b>Non-controlling interests</b>		<u>461,351</u>	<u>-</u>	<u>11,446</u>	<u>-</u>
3XXX	<b>Total equity</b>		<u>37,934,161</u>	<u>46</u>	<u>35,944,920</u>	<u>57</u>
3X2X	<b>Total liabilities and equity</b>		<u>\$ 82,150,420</u>	<u>100</u>	<u>\$ 63,571,849</u>	<u>100</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	Year ended December 31				
		2023		2022		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(21)	\$ 136,773,409	100	\$ 107,263,644	100
5000	Operating costs	6(5)(26)(27)	( 120,197,968)	( 88)	( 90,647,566)	( 84)
5900	Gross profit		<u>16,575,441</u>	<u>12</u>	<u>16,616,078</u>	<u>16</u>
	Operating expenses	6(26)(27)				
6100	Selling expenses		( 5,874,500)	( 4)	( 6,476,937)	( 6)
6200	General and administrative expenses		( 2,970,764)	( 2)	( 1,857,835)	( 2)
6300	Research and development expenses		( 2,747,327)	( 2)	( 2,226,275)	( 2)
6450	Expected credit loss	6(26) and 12(2)	( 87,675)	-	( 209,817)	-
6000	Total operating expenses		( <u>11,680,266</u> )	( <u>8</u> )	( <u>10,770,864</u> )	( <u>10</u> )
6900	Operating profit		<u>4,895,175</u>	<u>4</u>	<u>5,845,214</u>	<u>6</u>
	Non-operating revenue and expenses					
7100	Interest income	6(22)	422,575	-	120,456	-
7010	Other income	6(23)	814,781	1	1,145,659	1
7020	Other gains and losses	6(24)	62,781	-	1,338,807	1
7050	Finance costs	6(25)	( 84,097)	-	( 5,722)	-
7060	Share of (loss) profit of associates and joint ventures accounted for using the equity method	6(7)	( <u>6,594</u> )	-	<u>1,327</u>	-
7000	Total non-operating revenue and expenses		<u>1,209,446</u>	<u>1</u>	<u>2,600,527</u>	<u>2</u>
7900	<b>Profit before income tax</b>		6,104,621	5	8,445,741	8
7950	Income tax expense	6(28)	( <u>1,323,536</u> )	( <u>1</u> )	( <u>1,910,892</u> )	( <u>2</u> )
8200	<b>Profit for the year</b>		<u>\$ 4,781,085</u>	<u>4</u>	<u>\$ 6,534,849</u>	<u>6</u>

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	Year ended December 31					
		2023		2022			
		AMOUNT	%	AMOUNT	%		
<b>Other comprehensive income, net</b>							
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>							
8311	Remeasurements of defined benefit plans	6(16)		(\$ 8,063)	-	\$ 82,340	-
8316	Unrealised gain (loss) on valuation of investment in equity instruments measured at fair value through other comprehensive income	6(6)		268,615	-	( 881,281)	( 1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(28)		1,613	-	( 16,468)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss			262,165	-	( 815,409)	( 1)
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>							
8361	Exchange differences arising from translation of foreign operations			( 142,070)	-	274,437	1
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss			( 142,070)	-	274,437	1
8300	<b>Other comprehensive income (loss), net</b>			\$ 120,095	-	(\$ 540,972)	-
8500	<b>Total comprehensive income for the year</b>			\$ 4,901,180	4	\$ 5,993,877	6
Profit (loss), attributable to:							
8610	Owners of the parent			\$ 4,742,979	4	\$ 6,538,521	6
8620	Non-controlling interest			38,106	-	( 3,672)	-
	Total			\$ 4,781,085	4	\$ 6,534,849	6
Comprehensive income (loss) attributable to:							
8710	Owners of the parent			\$ 4,863,074	4	\$ 5,997,547	6
8720	Non-controlling interest			38,106	-	( 3,670)	-
	Total			\$ 4,901,180	4	\$ 5,993,877	6
9750	Basic earnings per share	6(29)		\$ 7.46		\$ 10.29	
9850	Diluted earnings per share	6(29)		\$ 7.40		\$ 10.12	

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to equity holders of the company										Total	Non-controlling interests	Total equity	
	Retained earnings				Other equity interest									
	Capital stock- Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealised gain or loss on valuation of financial assets at fair value through other comprehensive income	Treasury shares						
<u>Year 2022</u>														
Balance at January 1, 2022	\$ 6,356,889	\$ 3,279,731	\$ 5,011,247	\$ 426,354	\$ 21,750,531	(\$ 743,466)	\$ 1,472,714	(\$ 66,016)	\$ 37,487,984	\$ 15,116	\$ 37,503,100		\$ 37,503,100	
Profit (loss) for the year	-	-	-	-	6,538,521	-	-	-	6,538,521	(3,672)	6,534,849		6,534,849	
Other comprehensive income (loss) for the year	-	-	-	-	65,872	274,435	(881,281)	-	(540,974)	2	(540,972)		(540,972)	
Total comprehensive income (loss)	-	-	-	-	6,604,393	274,435	(881,281)	-	5,997,547	(3,670)	5,993,877		5,993,877	
Appropriations of 2021 earnings:	6(20)													
Legal reserve	-	-	1,334,879	-	(1,334,879)	-	-	-	-	-	-		-	
Cash dividends	-	-	-	-	(7,619,807)	-	-	-	(7,619,807)	-	(7,619,807)		(7,619,807)	
Changes in equity of associates accounted for using equity method	6(7)		-	-	-	-	-	-	1,199	-	1,199		1,199	
Share-based payment transactions	6(17)		1,199	-	-	-	-	66,016	66,016	-	66,016		66,016	
Past due expired dividends	-	535	-	-	-	-	-	-	535	-	535		535	
Balance at December 31, 2022	\$ 6,356,889	\$ 3,281,465	\$ 6,346,126	\$ 426,354	\$ 19,400,238	(\$ 469,031)	\$ 591,433	\$ -	\$ 35,933,474	\$ 11,446	\$ 35,944,920		\$ 35,944,920	
<u>Year 2023</u>														
Balance at January 1, 2023	\$ 6,356,889	\$ 3,281,465	\$ 6,346,126	\$ 426,354	\$ 19,400,238	(\$ 469,031)	\$ 591,433	\$ -	\$ 35,933,474	\$ 11,446	\$ 35,944,920		\$ 35,944,920	
Profit for the year	-	-	-	-	4,742,979	-	-	-	4,742,979	38,106	4,781,085		4,781,085	
Other comprehensive (loss) income for the year	-	-	-	-	(6,450)	(142,070)	268,615	-	120,095	-	120,095		120,095	
Total comprehensive income (loss)	-	-	-	-	4,736,529	(142,070)	268,615	-	4,863,074	38,106	4,901,180		4,901,180	
Appropriations of 2022 earnings:	6(20)													
Legal reserve	-	-	660,439	-	(660,439)	-	-	-	-	-	-		-	
Cash dividends	-	-	-	-	(3,941,271)	-	-	-	(3,941,271)	-	(3,941,271)		(3,941,271)	
Change in equity of associates accounted for using equity method	6(7)		-	-	-	-	-	-	392	-	392		392	
Changes in ownership interests in subsidiaries	6(30)		(392)	-	-	-	-	-	(392)	-	(392)		(392)	
Due to recognition of equity component of convertible bonds (preference share) issued	6(15)		167,801	-	-	-	-	-	167,801	411,799	579,600		579,600	
Past due expired dividends	-	449,693	-	-	-	-	-	-	449,693	-	449,693		449,693	
Balance at December 31, 2023	\$ 6,356,889	\$ 3,898,998	\$ 7,006,565	\$ 426,354	\$ 19,535,057	(\$ 611,101)	\$ 860,048	\$ -	\$ 37,472,810	\$ 461,351	\$ 37,934,161		\$ 37,934,161	

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2023	2022
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 6,104,621	\$ 8,445,741
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(26)	660,033	640,380
Depreciation charge on investment property	6(11)	4,635	4,867
Amortization	6(26)	124,419	87,775
Gain from lease modification	6(9)(24)	( 80 )	( 99 )
Expected credit loss	6(26) and 12(2)	87,675	209,817
Gain on reversal of legal claims provision	6(14)	-	( 44,407 )
Gain on valuation of financial assets at fair value through profit or loss	6(24)	( 16,800 )	( 7,107 )
Share of loss (profit) of associates and joint ventures accounted for using equity method	6(7)	6,594	( 1,327 )
Loss on disposal of property, plant and equipment	6(24)	6,350	6,651
Loss on disposal of intangible assets	6(24)	-	42
Interest income	6(22)	( 422,575 )	( 120,456 )
Interest expense	6(25)	84,097	5,722
Dividends income	6(23)	( 58,479 )	( 68,871 )
Share-based payments	6(17)	387,840	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		17,985	929,608
Notes receivable		34	1,735
Accounts receivable	(	1,975,962 )	( 3,507,332 )
Other receivables	(	498,796 )	( 36,046 )
Inventories	(	7,887,109 )	( 4,812,485 )
Prepayments	(	1,051,108 )	( 97,549 )
Other current assets	(	4,255 )	( 22,576 )
Changes in operating liabilities			
Contract liabilities		1,567,821	1,590,811
Notes payable		1,177	( 11,304 )
Accounts payable		6,713,163	( 1,901,784 )
Other payables	(	312,990 )	( 2,566,553 )
Provisions for liabilities		8,104	93,072
Other current liabilities		207,203	( 37,847 )
Other non-current liabilities	(	50,715 )	( 72,310 )
Cash inflow generated from operations		3,702,882	8,378,290
Interest received		417,314	120,278
Dividend received		63,000	68,871
Interest paid	(	5,125 )	( 5,722 )
Income tax paid	(	1,913,214 )	( 2,746,588 )
Net cash flows from operating activities		<u>2,264,857</u>	<u>5,815,129</u>

(Continued)



GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost		(\$ 1,809,386 )	(\$ 302,291 )
Proceeds from disposal of financial assets at amortized cost		1,791,294	809,560
Acquisition of investments accounted for under equity method	6(7)	-	( 12,500 )
Acquisition of property, plant and equipment	6(31)	( 416,736 )	( 1,121,924 )
Proceeds from disposal of property, plant and equipment		7,499	28,284
Acquisition of intangible assets		( 165,426 )	( 164,881 )
Increase in refundable deposits		( 26,957 )	( 9,981 )
Decrease in refundable deposits		28,532	10,400
Increase in other non-current assets		( 83,804 )	( 151,745 )
Net cash flows used in investing activities		<u>( 674,984 )</u>	<u>( 915,078 )</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from issuing bonds	6(32)	9,291,186	-
Repayments of long-term borrowings	6(32)	-	( 200,000 )
Increase in guarantee deposits received	6(32)	9,610	90,252
Decrease in guarantee deposits received	6(32)	( 1,466 )	( 1,470 )
Payments on lease liabilities	6(32)	( 94,352 )	( 111,474 )
Cash dividends	6(20)	( 3,941,271 )	( 7,619,807 )
Exercise of employee share options	6(30)	191,760	-
Treasury shares sold to employees		-	66,016
Past due expired unpaid dividends for shareholders		431	535
Net cash flows from (used in) financing activities		<u>5,455,898</u>	<u>( 7,775,948 )</u>
Effects of change in exchange rates on foreign currency holdings		( 145,206 )	212,934
Net increase (decrease) in cash and cash equivalents		6,900,565	( 2,662,963 )
Cash and cash equivalents at beginning of year		<u>16,265,510</u>	<u>18,928,473</u>
Cash and cash equivalents at end of year		<u>\$ 23,166,075</u>	<u>\$ 16,265,510</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Giga-Byte Technology Co., Ltd. (the “Company”) was incorporated as company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The address of the Company’s registered office is No.6, Baoqiang Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are engaged in the manufacturing, processing and trading of computer peripheral and component parts. The Company’s shares have been traded on the Taiwan Stock Exchange since September 24, 1998.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 14, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS<sup>®</sup>”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform-pillar two model rules’	May 23, 2023

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

Amendments to IAS 12, ‘International tax reform - pillar two model rules’

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). An entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Information is provided in Note 6(28).

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or noncurrent’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 –comparative information’	January 1, 2023
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, International Financial Reporting Standards, International Accounting Standards, IFRIC<sup>®</sup> Interpretations, and SIC<sup>®</sup> Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”).

## (2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
  - (a) Financial assets and at fair value through profit or loss.
  - (b) Financial assets at fair value through other comprehensive income.
  - (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

## (3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
  - (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
  - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
  - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
  - (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
  - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or

liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	2022	
The Company	Freedom International Group Ltd.	Holding company	100.00	100.00	
"	G.B.T., Inc.	Sales of computer information products	22.64	22.64	
"	G.B.T. Technology Trading GmbH	Promotion of computer information products	100.00	100.00	
"	Nippon Giga-Byte Corp.	Promotion of computer information products	100.00	100.00	
"	GBT Tech. Co., Ltd.	Promotion of computer information products	100.00	100.00	
"	Giga-Byte Technology B.V.	Sales of computer information products	100.00	100.00	
"	Gigabyte Technology Pty. Ltd.	Promotion of computer information products	100.00	100.00	
"	Giga Investment Corp.	Holding company	100.00	100.00	
"	Gigabyte Technology (India) Private Limited	Promotion and repairing of computer information products	100.00	100.00	
"	G-Style Co., Ltd.	Selling of notebooks	100.00	100.00	
"	BYTE International Co., Ltd.	Repairing of computer information products	100.00	100.00	
"	Giga-Byte Communications Inc.	Selling of communications	99.86	99.86	
"	Gigabyte Technology ESPANA S.L.U.	Promotion of computer information products	100.00	100.00	
"	Gigabyte Information Technology Commerce Limited Company	Promotion of computer information products	100.00	100.00	
"	Gigabyte Technology LLC	Promotion of computer information products	100.00	100.00	
"	GIGAIPC CO., LTD.	Selling of computer information products	-	100.00	Note 1
"	Giga Computing Technology Co., Ltd.	Selling of computer information products	83.93	100.00	
Freedom International Group Ltd.	Charleston Investments Limited	Holding company	100.00	100.00	
"	Giga Future Limited	Holding company	100.00	100.00	
"	G.B.T. Inc.	Sales of computer information products	77.36	77.36	

Investor	Subsidiary	Main business activities	Ownership(%)		Description
			2023	2022	
Freedom International Group Ltd.	Aorus Pte. Ltd.	Promotion of computer information products	-	100.00	Note 2
G.B.T., Inc.	Gigabyte Canada, Inc.	Promotion of computer information products	100.00	100.00	
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Promotion and repairing of computer information products	100.00	100.00	
Charleston Investments Limited	Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	100.00	100.00	
"	Ningbo Giga-Byte International Trade Co., Ltd.	Sales of computer information products	100.00	100.00	
Giga Future Limited	Ningbo Giga-Byte Technology Co., Ltd.	Manufacturing of computer information products	100.00	100.00	
Ningbo Giga-Byte International Trade Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	100.00	100.00	
Giga Investment Corp.	Giga-Trend International Investment Group Ltd.	Holding company	100.00	100.00	
"	Selita Precision Co., Ltd.	Manufacturing of bicycle and parts	100.00	100.00	
"	Senyun Precise Optical Co., Ltd	Manufacturing and selling of mold and industrial plastic products	96.41	96.41	
"	Cloudmatrix Co., Ltd.	E-commerce platform	100.00	100.00	
Senyun Precise Optical Co., Ltd	Dongguan Senyun Precise Optical Co., Ltd	Selling of mold and industrial plastic products	100.00	100.00	
BYTE International Co., Ltd.	Ningbo Giga-Byte International Trade Co., Ltd.	Repairing of computer information products	100.00	100.00	
BYTE International Co., Ltd.	Aorus Pte. Ltd.	Promotion of computer information products	100.00	-	Note 2
Ningbo BestYield Tech. Services Co., Ltd.	Shenzhen BestYield Tech. Services Co., Ltd.	Repairing of computer information products	-	100.00	Note 3
"	OGS Europe B.V.	Selling of communication products	100.00	100.00	
"	Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	100.00	100.00	
Giga Computing Technology Co., Ltd.	GIGAIPC CO., LTD.	Sales of computer information products	100.00	-	Note 1

Note 1: GIGAIPC CO., LTD. was spun-off to Giga Computing Technology Co., Ltd in January 1, 2023.

Note 2: BYTE International Co., Ltd acquired 100% shares interest of Aorus Pte. Ltd from subsidiary Freedom International Group Ltd. for a cash consideration of SGP \$544,954 in September 28, 2023.

Note 3: The company was dissolved and liquidated in 2023.

- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional currency and the Group's presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognized in other comprehensive income.



- (b) When the foreign operation partially disposed of or sold is a joint arrangements, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group still retains partial interest in the former foreign joint arrangements after losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
  - (a) Liabilities that are expected to be settled within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents, or shall be classified as financial assets at amortized cost – current or financial assets at amortized cost – non-current based on its maturity date if the maturity is longer than three months.



(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using settlement date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
- D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
  - (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using settlement date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:
  - (a) The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
  - (b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

(9) Financial assets at amortized cost

- A. Financial assets at amortized cost are those that meet all of the following criteria:
  - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.

- B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using settlement date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortized cost, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(13) Leasing arrangements (lessor) – operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(15) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Investment accounted for using equity method – joint ventures

The Group accounts for its interest in a joint venture using equity method. Unrealized profits and losses arising from the transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, all such losses shall be recognized immediately. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(17) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3~55 years
Machinery and equipment	2~10 years
Research and development equipment	3~ 6 years
Office equipment	3~ 6 years
Other tangible operating assets	2~10 years

(18) Leasing arrangements (lessee) – right-of-use assets/ lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability;
- (b) Any lease payments made at or before the commencement date; and
- (c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize the difference between remeasured lease liability in profit or loss.

(19) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 years.

(20) Intangible assets

A. Computer software

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 1 to 10 years.

B. Trademark right (indefinite useful life)

Trademark right is stated at cost and regarded as having an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. Trademark right is not amortized, but is tested annually for impairment.

(21) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.
- B. The recoverable amounts of intangible assets with an indefinite useful life are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(22) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(23) Notes and account payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(24) Convertible bonds payable

- A. Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:
  - (a) Whether the embedded call options and put options shall be separated as embedded derivative depends on if its' economic characteristics and risks are closely related to the economic characteristics and risks of the host contract, when recognised initially. When the economic characteristics and risks of the embedded call options and put options are closely related to the economic characteristics and risks of the host contract, the multiple embedded derivatives shall be accounted for in accordance with the appropriate standards according to its nature. When the economic characteristics and risks of the embedded call options and put options are not closely related to the economic characteristics and risks of the host contract. Embedded derivatives are separated from the host contract, the host contract shall be accounted for in accordance with the appropriate standards according to its nature.

- (b) The host contracts of bonds are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortized in profit or loss as an adjustment to ‘finance costs’ over the period of circulation using the effective interest method.
- (c) The embedded conversion options which meet the definition of an equity instrument are initially recognized in ‘capital surplus—share options’ at the residual amount of total issue price less the amount of bonds payable as stated above. Conversion options are not subsequently remeasured.
- (d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- (e) When bondholders exercise conversion options, the liability component of the bonds (bonds payable) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and ‘capital surplus—share options’.

(25) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(26) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(27) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.



(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.
- ii. Remeasurement arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognized immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(28) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest. The aforementioned grant date represents the grant date resolved by the Board of Directors.



(29) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(30) Share capital

- A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(31) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(32) Revenue recognition

Sales of goods

- A. The Group manufactures and sells computer peripheral and component parts products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. Revenue from sales is recognized based on the price specified in the contract, net of the estimated business tax, volume discounts, sales returns and allowances. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.
- C. The Group's obligation to provide a repair for faulty products under the standard warranty terms is recognized as a provision.
- D. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(33) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent

liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquire and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognized and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognized directly in profit or loss on the acquisition date.

(34) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable value are determined based on past experience on industry. Management's judgement on determining net realizable value involves material judgement.

## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and petty cash	\$ 13,425	\$ 4,334
Checking accounts and demand deposits	13,131,314	11,614,452
Time deposits	10,021,336	4,646,724
	<u>\$ 23,166,075</u>	<u>\$ 16,265,510</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group reclassified the pledged bank deposits and time deposits with more than three months maturity to “Financial assets at amortized cost”, please refer to Notes 6(3) and 8 for the details.

### (2) Financial assets at fair value through profit or loss

<u>Financial assets mandatorily measured at fair value through profit or loss</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current items:		
Listed stocks	\$ 67,130	\$ 55,308
Emerging stocks	43,913	20,000
Unlisted stocks	179,537	149,537
Beneficiary certificates	154,941	278,664
Government bonds	-	16,298
	<u>445,521</u>	<u>519,807</u>
Valuation adjustment	6,289	8,188
	<u>451,810</u>	<u>527,995</u>
Non-current items:		
Beneficiary certificates	75,000	-
Valuation adjustment	-	-
	<u>75,000</u>	<u>-</u>
	<u>\$ 526,810</u>	<u>\$ 527,995</u>

A. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 3,112)	\$ 480
Beneficiary certificates	23,040	11,181
Debt instruments	1,069	913
	<u>\$ 20,997</u>	<u>\$ 12,574</u>

B. The Group has no financial assets at fair value through profit or loss pledged to others.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at amortized cost

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current items:		
Time deposits with more than three months maturity	\$ <u>753,336</u>	\$ <u>641,814</u>
Non-current items:		
Time deposits with more than three months maturity	\$ -	\$ 24,124
Pledged bank deposits	<u>142,931</u>	<u>212,237</u>
	<u>\$ 142,931</u>	<u>\$ 236,361</u>

A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Interest income	\$ <u>23,201</u>	\$ <u>16,691</u>

B. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was \$896,267 and \$878,175, respectively.

C. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.

D. The Group deposits financial assets at amortized cost in a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

(4) Notes and accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ <u>3,941</u>	\$ <u>3,975</u>
Accounts receivable	\$ 16,401,679	\$ 14,425,717
Less: Allowance for uncollectible accounts	<u>( 385,470)</u>	<u>( 299,121)</u>
	<u>\$ 16,016,209</u>	<u>\$ 14,126,596</u>

A. Details of notes receivable of the Group that were not yet past due and ageing analysis of accounts receivable are provided in Note 12(2).

B. As of December 31, 2023 and 2022, and January 1, 2022, the balances of receivables (including notes receivable) from contracts with customers amounted to \$16,405,620, \$14,429,692 and \$10,911,292, respectively.

C. The Group has no notes and accounts receivable pledged to others.

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were \$3,941, \$3,975, \$16,016,209 and \$14,126,596, respectively.

E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(5) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 12,655,513	(\$ 592,826)	\$ 12,062,687
Work in progress	1,739,882	( 6,028)	1,733,854
Finished goods and merchandise inventories	16,645,168	( 777,355)	15,867,813
	<u>\$ 31,040,563</u>	<u>(\$ 1,376,209)</u>	<u>\$ 29,664,354</u>

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 9,398,465	(\$ 536,378)	\$ 8,862,087
Work in progress	969,179	( 6,457)	962,722
Finished goods and merchandise inventories	13,269,360	( 1,316,924)	11,952,436
	<u>\$ 23,637,004</u>	<u>(\$ 1,859,759)</u>	<u>\$ 21,777,245</u>

The cost of inventories recognized as expense for the year:

	Year ended December 31,	
	2023	2022
Cost of inventories sold	\$ 118,965,719	\$ 88,484,926
Cost of warranty	1,715,799	1,090,803
(Gain on reversal of) loss on valuation	( 483,550)	1,071,837
	<u>\$ 120,197,968</u>	<u>\$ 90,647,566</u>

Reversal of inventory valuation loss for the year ended December 31, 2023 was mainly due to the selling of inventory which was previously recognized in the allowance of obsolescence loss as inventory level increased due to market slow down since second quarter of 2022.

(6) Financial assets at fair value through other comprehensive income – non-current

	December 31, 2023	December 31, 2022
<u>Debt instruments</u>		
Listed stocks	\$ 936,387	\$ 936,387
Unlisted stocks	110,570	110,548
	1,046,957	1,046,935
Valuation adjustment	859,456	590,841
	<u>\$ 1,906,413</u>	<u>\$ 1,637,776</u>

A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$1,906,413 and \$1,637,776 as at December 31, 2023 and 2022, respectively.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	\$ 268,615	(\$ 881,281)
Dividend income recognized in profit or loss held at end of year	\$ 55,022	\$ 65,142

C. As of December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$1,906,413 and \$1,637,776, respectively.

D. The Group has no financial assets at fair value through other comprehensive income pledged to others.

E. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(7) Investments accounted for using the equity method

	<u>2023</u>	<u>2022</u>
At January 1	\$ 528,720	\$ 518,711
Increase in investments accounted for using equity method	-	12,500
Disposal of investments accounted for using equity method	-	( 1,109)
Share of loss of investments accounted for using equity method	( 6,594)	1,327
Earnings distribution of investments accounted for using equity method	( 4,521)	( 3,875)
Changes in capital surplus	( 392)	1,199
Changes in other equity items	( 1,675)	( 33)
At December 31	<u>\$ 515,538</u>	<u>\$ 528,720</u>

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Associates</u>		
WELLYSUN INC.	\$ 451,584	\$ 458,334
<u>Joint ventures</u>		
MyelinTek Inc.	53,357	57,948
Da Shiang Technology Co., Ltd.	<u>10,597</u>	<u>12,438</u>
	<u>\$ 515,538</u>	<u>\$ 528,720</u>

- A. Abovementioned investments accounted for using equity method are based on investee companies' financial statements audited by other independent auditors.
- B. On December, 2023, WELLYSUN INC. issued employee stock options, resulting in the Group's shareholding ratio in the investee decreasing to 28.08%. The Group is the single largest shareholder of the investee. Given that 8 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.
- C. P.R.C.E. Ltd. increased its capital by issuing new shares on September 29, 2022. As the Group did not acquire shares proportionally to its interest, the shareholding ratio has decreased to 16.38%, and the investments accounted for using the equity method amounting to \$1,109 were deemed as disposed and transferred to financial assets at fair value through other comprehensive income.
- D. The Group has no material associates and joint venture investment. The Group's share of the operating results of the aforementioned investments are summarized below:

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Total comprehensive (loss) income	<u>(\$ 8,269)</u>	<u>\$ 1,294</u>



(8) Property, plant and equipment

2023

	Land		Buildings and structures			Machinery		Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
<u>At January 1</u>									
Cost	\$ 1,499,434	\$ 72,564	\$ 1,571,998	\$ 3,691,516	\$ 40,587	\$ 3,732,103	\$ 3,082,447	\$ 1,496,957	\$ 9,883,505
Accumulated depreciation	-	-	-	( 1,844,661)	( 9,086)	( 1,853,747)	( 2,000,405)	( 1,082,453)	( 4,936,605)
	<u>\$ 1,499,434</u>	<u>\$ 72,564</u>	<u>\$ 1,571,998</u>	<u>\$ 1,846,855</u>	<u>\$ 31,501</u>	<u>\$ 1,878,356</u>	<u>\$ 1,082,042</u>	<u>\$ 414,504</u>	<u>\$ 4,946,900</u>
<u>At January 1</u>									
Additions	-	-	-	62,067	-	62,067	29,270	326,235	417,572
Disposals	-	-	-	( 4,742)	-	( 4,742)	( 6,293)	( 2,814)	( 13,849)
Reclassifications	-	-	-	145	-	145	18,193	10,622	28,960
Depreciation charge	-	-	-	( 114,113)	( 796)	( 114,909)	( 209,860)	( 240,398)	( 565,167)
Net exchange differences	2,442	-	2,442	6,492	-	6,492	( 5,519)	2,625	6,040
<u>At December 31</u>	<u>\$ 1,501,876</u>	<u>\$ 72,564</u>	<u>\$ 1,574,440</u>	<u>\$ 1,796,704</u>	<u>\$ 30,705</u>	<u>\$ 1,827,409</u>	<u>\$ 907,833</u>	<u>\$ 510,774</u>	<u>\$ 4,820,456</u>
<u>At December 31</u>									
Cost	\$ 1,501,876	\$ 72,564	\$ 1,574,440	\$ 3,732,950	\$ 40,587	\$ 3,773,537	\$ 3,029,054	\$ 1,667,997	\$ 10,045,028
Accumulated depreciation	-	-	-	( 1,936,246)	( 9,882)	( 1,946,128)	( 2,121,221)	( 1,157,223)	( 5,224,572)
	<u>\$ 1,501,876</u>	<u>\$ 72,564</u>	<u>\$ 1,574,440</u>	<u>\$ 1,796,704</u>	<u>\$ 30,705</u>	<u>\$ 1,827,409</u>	<u>\$ 907,833</u>	<u>\$ 510,774</u>	<u>\$ 4,820,456</u>

2022

	Land		Buildings and structures		Machinery		Others	
	Owner-occupied		Owner-occupied		Owner-occupied		Owner-occupied	
	Lease	Subtotal	Lease	Subtotal	Owner-occupied	Subtotal	Owner-occupied	Total
<u>At January 1</u>								
Cost	\$1,208,113	\$1,347,641	\$3,289,933	\$3,347,961	\$2,861,248	\$1,557,630	\$9,114,480	
Accumulated depreciation	-	-	(1,738,244)	(1,747,748)	(1,975,332)	(1,184,403)	(4,907,483)	
	<u>\$1,208,113</u>	<u>\$1,347,641</u>	<u>\$1,551,689</u>	<u>\$1,600,213</u>	<u>\$885,916</u>	<u>\$373,227</u>	<u>\$4,206,997</u>	
At January 1	\$1,208,113	\$1,347,641	\$1,551,689	\$1,600,213	\$885,916	\$373,227	\$4,206,997	
Additions	210,437	210,437	358,658	358,658	321,547	235,395	1,126,037	
Disposals	-	-	(1,159)	(1,159)	(16,889)	(16,887)	(34,935)	
Reclassifications	66,964	(66,964)	16,297	(16,213)	92,378	31,321	123,783	
Depreciation charge	-	-	(106,723)	(810)	(208,020)	(211,697)	(527,250)	
Net exchange differences	13,920	13,920	28,093	28,093	7,110	3,145	52,268	
<u>At December 31</u>	<u>\$1,499,434</u>	<u>\$1,571,998</u>	<u>\$1,846,855</u>	<u>\$1,878,356</u>	<u>\$1,082,042</u>	<u>\$414,504</u>	<u>\$4,946,900</u>	
<u>At December 31</u>								
Cost	\$1,499,434	\$1,571,998	\$3,691,516	\$3,732,103	\$3,082,447	\$1,496,957	\$9,883,505	
Accumulated depreciation	-	-	(1,844,661)	(1,853,747)	(2,000,405)	(1,082,453)	(4,936,605)	
	<u>\$1,499,434</u>	<u>\$1,571,998</u>	<u>\$1,846,855</u>	<u>\$1,878,356</u>	<u>\$1,082,042</u>	<u>\$414,504</u>	<u>\$4,946,900</u>	

A. The significant components of buildings include main plants and renovation construction, which are depreciated over 10~55 and 3~55 years, respectively.

B. The Group had no interest capitalisation for the years ended December 31, 2023 and 2022.

C. The Group has no property, plant and equipment pledged to others as collateral.

(9) Leasing arrangements – lessee

- A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise buildings and business vehicles. Low-value assets comprise multifunction printers.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Land-use right	\$ 33,261	\$ 35,287
Buildings	87,068	91,850
Transportation equipment	68,803	31,215
	<u>\$ 189,132</u>	<u>\$ 158,352</u>

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land-use right	\$ 1,427	\$ 1,438
Buildings	62,135	81,816
Transportation equipment	31,304	29,876
	<u>\$ 94,866</u>	<u>\$ 113,130</u>

- D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$134,631 and \$80,759, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 4,584	\$ 4,285
Expense on short-term lease contracts	268,312	155,653
Expense on leases of low-value assets	6,424	4,673
Gain on lease modification	80	99

- F. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases was \$373,943 and \$276,085, respectively.

(10) Leasing arrangements – lessor

- A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 1 and 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2023 and 2022, the Group recognized rent income in the amounts of \$21,972 and \$23,949, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
2023	\$ -	\$ 11,507
2024	6,204	966
2025	2,966	572
2026	-	86
	<u>\$ 9,170</u>	<u>\$ 13,131</u>

(11) Investment property

	<u>2023</u>	<u>2023</u>
	<u>Buildings</u>	<u>Buildings</u>
<u>At January 1</u>		
Cost	\$ 107,625	\$ 106,135
Accumulated depreciation	( 70,196)	( 64,437)
	<u>\$ 37,429</u>	<u>\$ 41,698</u>
At January 1	\$ 37,429	\$ 41,698
Depreciation charge	( 4,635)	( 4,867)
Net exchange differences	595	598
At December 31	<u>\$ 33,389</u>	<u>\$ 37,429</u>
<u>At December 31</u>		
Cost	\$ 102,993	\$ 107,625
Accumulated depreciation	( 69,604)	( 70,196)
	<u>\$ 33,389</u>	<u>\$ 37,429</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Rental income from investment property	<u>\$ 7,671</u>	<u>\$ 7,734</u>
Direct operating expenses arising from the investment property that generated rental income in the year	<u>\$ 4,635</u>	<u>\$ 4,867</u>

B. The fair value of the investment property held by the Group as at December 31, 2023 and 2022 was \$58,436 and \$62,181 and, respectively, which was valued with reference to the future rental income and the related discounted cash flows, which was categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Discount rate	2.606%	2.737%

C. The Group has no investment property pledged to others.

(12) Other non-current assets

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Prepayments for purchase of building, land and business facilities	\$ 107,541	\$ 46,833
Guarantee deposits paid	67,542	69,117
Others	15,105	21,877
	<u>\$ 190,188</u>	<u>\$ 137,827</u>

(13) Other payables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Salary and bonus payable	\$ 4,115,936	\$ 4,362,837
Marketing fee payable	1,090,225	1,173,001
Employees' compensation and directors' remuneration payable	925,986	967,978
Shipping and freight-in payable	244,553	370,230
Royalties payable	83,268	79,752
Others	685,608	504,012
	<u>\$ 7,145,576</u>	<u>\$ 7,457,810</u>

(14) Provisions – current

	2023		
	<u>Warranty</u>	<u>Legal claims</u>	<u>Book value</u>
At January 1	\$ 818,265	\$ -	\$ 818,265
Additional provisions	1,715,799	-	1,715,799
Used during the year	( 1,707,695)	-	( 1,707,695)
At December 31	<u>\$ 826,369</u>	<u>\$ -</u>	<u>\$ 826,369</u>
	2022		
	<u>Warranty</u>	<u>Legal claims</u>	<u>Book value</u>
At January 1	\$ 725,193	\$ 43,470	\$ 768,663
Additional provisions	1,090,803	-	1,090,803
Used during the year	( 729,628)	-	( 729,628)
Reversal of unused provisions	( 268,103)	( 44,407)	( 312,510)
Exchange differences	-	937	937
At December 31	<u>\$ 818,265</u>	<u>\$ -</u>	<u>\$ 818,265</u>

Analysis of total provisions:

A. Warranty

The Group gives warranties on the peripherals and accessories of computer hardware sold. Provision for warranty is estimated based on the historical repair records of the product.

## B. Legal claims

On October 27, 2019, certain customers filed a lawsuit against the Group with the Court of First Instance for contract damages. On May 27, 2020, the court ruled to dismiss the customers' lawsuit against the Group and transferred the case to the Public Security Bureau as it involves a criminal offense. However, the Public Security Bureau returned the case to the court in September 2020 on the ground of having no jurisdiction. In the directors' opinion, after taking appropriate legal advice, since the customers' similar case had been ruled by the court as third-party fraud and not the responsibility of the litigation opposing party, the Group assessed that the customer had no legal reasons to claim compensation for damage against the Group. Therefore, the Group reversed the provision for these legal claims amounting to \$44,407 in June 2022.

### (15) Bonds payable

	<u>December 31, 2023</u>
Bonds payable	\$ 9,804,347
Less: Discount on bonds payable	( 883,882)
	<u>\$ 8,920,465</u>

A. On July 27, 2023, the Company issued its third unsecured convertible bonds overseas under the following conditions:

- (a) The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 27, 2023 to July 27, 2028. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 1% (semi-annually calculated).
- (b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- (c) The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT\$375 per share/conversion exchange rate used is USD:TWD=1:31.095), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently.
- (d) Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption based on semi-annual calculations.

- (e) When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.
- (f) Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.
- B. Regarding the issuance of convertible bonds, the equity conversion options amounting to \$449,693 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32. In accordance with IFRS 9, the call options and put options embedded in bonds payable were not separated because the economic characteristics and risks of the embedded derivatives were closely related to those of the host contracts.

(16) Pensions

- A. The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

- (a) The amounts recognized in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	(\$ 579,025)	(\$ 588,601)
Fair value of plan assets	<u>168,314</u>	<u>126,508</u>
Net defined benefit liability	<u>(\$ 410,711)</u>	<u>(\$ 462,093)</u>

(b) Movements in net defined benefit liabilities are as follows:

	<u>Year ended December 31, 2023</u>		
	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
Balance at January 1	(\$ 588,601)	\$ 126,508	(\$ 462,093)
Current service cost	( 3,864)	-	( 3,864)
Interest (expense) income	( 7,787)	1,619	( 6,168)
Past service cost	1,850	-	1,850
Settlement profit or loss	12,198	( 9,532)	2,666
	<u>( 586,204)</u>	<u>118,595</u>	<u>( 467,609)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,533	2,533
Change in demographic assumptions	( 12)	-	( 12)
Change in financial assumptions	( 8,363)	-	( 8,363)
Experience adjustments	( 2,221)	-	( 2,221)
	<u>( 10,596)</u>	<u>2,533</u>	<u>( 8,063)</u>
Pension fund contribution	-	64,961	64,961
Paid pension	17,775	( 17,775)	-
At December 31	<u>(\$ 579,025)</u>	<u>\$ 168,314</u>	<u>(\$ 410,711)</u>
	<u>Year ended December 31, 2022</u>		
	<u>Present value of defined benefit obligations</u>	<u>Fair value of plan assets</u>	<u>Net defined benefit liability</u>
Balance at January 1	(\$ 812,095)	\$ 217,051	(\$ 595,044)
Current service cost	( 3,884)	-	( 3,884)
Interest (expense) income	( 5,628)	1,513	( 4,115)
Past service cost	8,137	( 68)	8,069
Settlement profit or loss	142,495	( 117,002)	25,493
	<u>( 670,975)</u>	<u>101,494</u>	<u>( 569,481)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	17,395	17,395
Change in demographic assumptions	( 3,464)	-	( 3,464)
Change in financial assumptions	51,418	-	51,418
Experience adjustments	16,991	-	16,991
	<u>64,945</u>	<u>17,395</u>	<u>82,340</u>
Pension fund contribution	-	25,048	25,048
Paid pension	17,429	( 17,429)	-
Balance at December 31	<u>(\$ 588,601)</u>	<u>\$ 126,508</u>	<u>(\$ 462,093)</u>



- (c) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report published by the government.
- (d) The principal actuarial assumptions used were as follows:

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Discount rate	1.20%	1.35%
Future salary increases	3.00%	3.00%

Future mortality rate was estimated based on the 5th Experience Mortality Table from Taiwan Life Insurance.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	<u>Discount rate</u>		<u>Future salary increases</u>	
	Increase	Decrease	Increase	Decrease
	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>	<u>0.25%</u>
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 13,536)	\$ 14,037	\$ 13,753	(\$ 13,336)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 14,400)	\$ 14,953	\$ 14,673	(\$ 14,207)

The sensitivity analysis above is based on one assumption is changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(e) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to \$10,449.

(f) As of December 31, 2023, the weighted average duration of the retirement plan is 9 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	\$	24,730
1-2 year(s)		34,028
2-5 years		99,824
Over 5 years		487,856
	\$	<u>646,438</u>

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2023 and 2022 were \$111,502 and \$134,298, respectively.

The Company’s mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. The contribution percentage for the years ended December 31, 2023 and 2022 was both 12%~16%. Other than the monthly contributions, the Group has no further obligations. For the years ended December 31, 2023 and 2022, the Company’s mainland China subsidiaries have recognized pension cost of \$100,281 and \$96,270, respectively.

(17) Share-based payment

A. For the years ended December 31, 2023 and 2022, the Group’s share-based payment arrangements were as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Employee stock options- Giga Computing Technology Co., Ltd.	2023.10.17	16,000,000 shares	2023.10.30-2023.11.22	Immediately vested
Treasury stock transferred to employees	2022.9.26	705,000 shares	2022.10.3-2022.10.7	Immediately vested
Employee stock options- Senyun Precise Optical Co., Ltd.	2018.1.10	1,670,000 shares	5 years	0~1 year’s service

Among the share-based payment arrangements above are settled by equity.

B. Details of the share-based payment arrangements are as follows:

	2023		2022	
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Employee stock options – Giga Computing Technology Co., Ltd.				
Options granted	16,000	\$ 12.00		
Options exercised	( 15,980)	"		
Options expired	( 20)	"		
Options outstanding at December 31	-			

	2023		2022	
	No. of options (in thousands)	Weighted-average exercise price (in dollars)	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Employee stock options – <u>Senyun Precise Optical Co., Ltd</u>				
Options outstanding at January 1	170	\$ 10.00	170	\$ 10.00
Options expired	( 170)	-	-	-
Options outstanding at December 31	-	-	170	10.00
Options exercisable at December 31	-	-	170	-

C. As of January 10, 2023, all of stock options outstanding of Senyun Precise Optical Co., Ltd have expired. As of December 31, 2022, the range of exercise price of stock options outstanding of Senyun Precise Optical Co., Ltd was \$10.00, and the weighted-average remaining vesting period was 0.03 years.

D. The Company's stock price on September 26, 2022 (grant date) was \$89.2 dollars, and the exercise price was \$93.64 dollars and thus the fair value of stock options was \$0. The fair value of other stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Price volatility	Option life	Dividends	Interest rate	Fair value per unit
Employee stock options- Giga Computing Technology Co., Ltd.	2023.10.17	\$ 36.24	\$ 12	-	-	-	-	\$ 24.24
Treasury stock transferred to employees	2021.11.18	\$105.59	\$ 93.64	43.83% (Note)	0.04 years	-	0.34%	\$ 12.3026
Employee stock options- Senyun Precise Optical Co., Ltd.	2018.1.10	\$ 5.2	\$ 10	55.00%	3 years	-	0.50%	\$ 1

Note: Expected price volatility rate was estimated based on the daily historical volatility record of the Company during the latest three months prior to grant date.

E. The fees incurred for share-based payment transactions are as follows:

	Year ended December 31,	
	2023	2022
Equity delivery	\$ 387,840	\$ -

(18) Share capital

As of December 31, 2023, the Company's authorized capital was \$9,500,000, consisting of 950,000 thousand shares of ordinary stocks (including 250,000 thousand shares reserved for employee stock options and for convertible bonds issued by the Company), and the paid-in capital was \$6,356,889 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected. The number of the Company's ordinary shares outstanding at the beginning and end of the period is both 635,689 thousand shares.

(19) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 80%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors, and resolved by the stockholders when distributed by issuance new shares. The Company's dividend policy is as follows: not less than 5% of total distribution amount shall be distributed in the form of cash. If the cash dividend is less than ten cents (NT\$0.1) per share, such dividend shall be distributed in the form of shares.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

The amounts previously set aside by the Company as special reserve of \$426,354 on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

D. The appropriation of earnings for 2022 and 2021 had been resolved by stockholders on June 9, 2023 and June 4, 2022. Details are summarized below:

	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 660,439		\$ 1,334,879	
Cash dividends	3,941,271	\$ 6.20	7,619,807	\$ 12.00

E. As of the date of the auditors' report, the appropriation of retained earnings for 2023 has not been resolved by the Board of Directors. Information about the appropriations of earnings proposed by the Board of Directors and resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	<u>\$ 136,773,409</u>	<u>\$ 107,263,644</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue at a point in time in the following major product lines and segment information:

	Years ended December 31, 2023		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 72,243,127	\$ -	\$ 72,243,127
Networking communication products	52,704,117	-	52,704,117
Others	11,187,940	638,225	11,826,165
	<u>\$ 136,135,184</u>	<u>\$ 638,225</u>	<u>\$ 136,773,409</u>
	Years ended December 31, 2022		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 71,436,531	\$ -	\$ 71,436,531
Networking communication products	20,104,038	-	20,104,038
Others	15,070,864	652,211	15,723,075
	<u>\$ 106,611,433</u>	<u>\$ 652,211</u>	<u>\$ 107,263,644</u>

B. Contract assets and liabilities

(a) The Group has recognized the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022	January 1, 2022
Advance sales receipts	<u>\$ 4,355,872</u>	<u>\$ 2,788,051</u>	<u>\$ 1,197,240</u>

(b) Revenue recognized that was included in the contract liability balance at the beginning of the year:

	Year ended December 31,	
	2023	2022
Advance sales receipts	\$ 2,788,051	\$ 1,197,240

(22) Interest income

	Year ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 396,472	\$ 97,951
Interest income from financial assets measured at amortized cost	23,129	16,691
Interest income from financial assets measured at fair value through profit or loss	740	1,738
Others	2,234	4,076
Total interest income	\$ 422,575	\$ 120,456

(23) Other income

	Year ended December 31,	
	2023	2022
Dividend income	\$ 58,479	\$ 68,871
Rental revenue	21,972	23,949
Other income - others	734,330	1,052,839
	\$ 814,781	\$ 1,145,659

(24) Other gains and losses

	Year ended December 31,	
	2023	2022
Foreign exchange gains	\$ 25,877	\$ 1,305,837
Gains on financial assets at fair value through profit or loss	16,800	7,107
Gains from lease modification	80	99
Gains on disposals of investments	-	75
Losses on disposal of property, plant and equipment	( 6,350)	( 6,651)
Loss on disposal of intangible assets	-	( 42)
Others	26,374	32,382
	\$ 62,781	\$ 1,338,807

(25) Finance costs

	Year ended December 31,	
	2023	2022
Interest expense		
Amortization of convertible bonds discount	\$ 78,972	\$ -
Bank borrowing	-	1,207
Interest expense on lease liabilities	4,854	4,285
Other interest expense	271	230
	<u>\$ 84,097</u>	<u>\$ 5,722</u>

(26) Expenses by nature

	Year ended December 31,	
	2023	2022
Cost of goods sold	\$ 116,874,375	\$ 85,769,944
Employee benefit expense	6,612,034	4,874,302
Warranty cost of after-sale service	1,715,799	1,090,803
Marketing service charge	795,633	960,747
Depreciation and amortization	784,452	728,155
Transportation expenses	697,031	773,022
Export expense	691,725	1,494,294
Expected credit losses	87,675	209,817
(Gain on reversal of) loss on inventory valuation	( 483,550)	1,071,837
Other costs and expenses	4,103,060	4,445,509
	<u>\$ 131,878,234</u>	<u>\$ 101,418,430</u>

(27) Employee benefit expense

	Year ended December 31,	
	2023	2022
Wages and salaries	\$ 5,673,889	\$ 3,990,437
Labor and health insurance fees	381,043	387,098
Pension costs	217,299	205,005
Other personnel expenses	339,803	291,762
	<u>\$ 6,612,034</u>	<u>\$ 4,874,302</u>

- A. In accordance with Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3% ~ 10% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$588,690 and \$894,836, respectively; while directors' remuneration was both accrued at \$46,000. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 10% and 0.78% of distributable profit of current year for the year ended December 31, 2023. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$588,690 and \$46,000, respectively, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' remuneration of 2022 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2022 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31,	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 1,295,580	\$ 1,734,804
Tax on undistributed surplus earnings	87,069	195,193
Prior year income tax overestimation	( 34,293)	( 71,717)
Total current tax	<u>1,348,356</u>	<u>1,858,280</u>
Deferred tax:		
Origination and reversal of temporary differences	( 24,687)	42,802
Effect of the exchange rate	( 133)	9,810
Total deferred tax	<u>( 24,820)</u>	<u>52,612</u>
Income tax expense	<u>\$ 1,323,536</u>	<u>\$ 1,910,892</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31,	
	2023	2022
Remeasurement of defined benefit obligations	(\$ 1,613)	\$ 16,468



B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate (Note)	\$ 1,220,924	\$ 1,689,148
Items disallowed by tax regulation	( 453,574)	( 77,890)
Tax exempt income by tax regulation	( 38,308)	( 34,247)
Taxable loss not recognized as deferred tax assets	10,340	46,724
Effect from investment tax credit	( 137,983)	( 149,720)
Prior year income tax overestimation	( 34,293)	( 71,717)
Tax on undistributed surplus earnings	87,069	195,193
Effect of tax from different applicable taxes within the Group	669,361	313,401
Income tax expense	<u>\$ 1,323,536</u>	<u>\$ 1,910,892</u>

Note: The basis for computing the applicable tax rate is the rate applicable in the parent company's country.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	Year ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 163,653	\$ 1,621	\$ -	\$ 165,274
Loss on inventory valuation	329,182	( 48,323)	-	280,859
Amount of allowance for bad debts that exceed the limit for tax purpose	7,403	203	-	7,606
Pension expense	67,693	( 11,889)	-	55,804
Unrealised profit on intercompany sales	289,600	( 66,374)	-	223,226
Unrealised exchange loss	-	139,675	-	139,675
Remeasurement of defined benefit obligations	13,016	-	1,613	14,629
Others	85,892	59,647	-	145,539
	<u>\$ 956,439</u>	<u>\$ 74,560</u>	<u>\$ 1,613</u>	<u>\$ 1,032,612</u>
<u>Deferred tax liabilities</u>				
Unrealised exchange gain	<u>(\$ 5,930)</u>	<u>(\$ 49,873)</u>	<u>\$ -</u>	<u>(\$ 55,803)</u>

	Year ended December 31, 2022			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 145,039	\$ 18,614	\$ -	\$ 163,653
Loss on inventory valuation	176,121	153,061	-	329,182
Amount of allowance for bad debts that exceed the limit for tax purpose	10,570	( 3,167)	-	7,403
Pension expense	51,230	16,463	-	67,693
Unrealised profit on intercompany sales	483,548	( 193,948)	-	289,600
Unrealised exchange loss	22,340	( 22,340)	-	-
Remeasurement of defined benefit obligations	29,484	-	( 16,468)	13,016
Others	91,447	( 5,555)	-	85,892
	<u>\$ 1,009,779</u>	<u>(\$ 36,872)</u>	<u>(\$ 16,468)</u>	<u>\$ 956,439</u>
<u>Deferred tax liabilities</u>				
Unrealised exchange gain	\$ -	(\$ 5,930)	\$ -	(\$ 5,930)

D. Expiration dates of unused taxable loss and amounts of unrecognized deferred tax assets are as follows:

December 31, 2023				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Usable until year
2014	\$ 164,552	\$ 119,089	\$ 119,089	2024
2015	298,581	268,300	268,300	2025
2016	344,635	287,860	287,860	2026
2017	334,931	330,441	330,441	2027
2018	285,840	284,277	284,277	2028
2019	464,762	444,374	444,374	2029
2020	357,385	355,791	355,791	2030
2021	137,022	131,783	131,783	2031
2022 (Note)	194,665	194,665	194,665	2032
2023 (Note)	51,699	51,699	51,699	2033
	<u>\$ 2,634,072</u>	<u>\$ 2,468,279</u>	<u>\$ 2,468,279</u>	

December 31, 2022

Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Usable until year
2013	\$ 120,379	\$ 101,551	\$ 101,551	2023
2014	164,552	131,148	131,148	2024
2015	298,581	298,581	298,581	2025
2016	344,635	344,434	344,434	2026
2017	334,931	334,931	334,931	2027
2018	285,840	285,840	285,840	2028
2019	464,762	444,374	444,374	2029
2020	357,385	355,791	355,791	2030
2021 (Note)	132,254	132,254	132,254	2031
2022 (Note)	222,747	222,747	222,747	2032
	<u>\$ 2,726,066</u>	<u>\$ 2,651,651</u>	<u>\$ 2,651,651</u>	

Note: These amounts were based on estimates.

- E. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary difference unrecognized as deferred tax liabilities were \$916,162 and \$745,523 respectively.
- F. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.
- G. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.
- H. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:
- (a) The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in the Netherlands, Germany, and other countries, the jurisdiction in which the entity controlled by the Group is incorporated, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2023. While Pillar Two legislation was enacted in other operational regions of the Group and has not yet come into effect, it has no significant impact to the Group based on the Group's assessment.
  - (b) Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.
  - (c) Due to the complexities in applying the legislation and calculating GloBE income, the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(29) Earnings per share

	<u>Year ended December 31, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 4,742,979	635,689	\$ <u>7.46</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	4,180	
-Convertible bonds	<u>72,753</u>	<u>10,768</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 4,815,732</u>	<u>650,637</u>	<u>\$ 7.40</u>

	<u>Year ended December 31, 2022</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 6,538,521	635,125	\$ <u>10.29</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares	-	10,848	
-Employees' compensation			
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 6,538,521</u>	<u>645,973</u>	<u>\$ 10.12</u>

(30) Transactions with non-controlling interest (Year 2022: None.)

Giga Computing Technology Co., Ltd. issued the employee share options resolved by the Board of Directors on October 17, 2023. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 16.07%. The transaction increased non-controlling interest by \$411,799 and decreased the equity attributable to owners of parent by \$220,039. The effect of changes in interests in Giga Computing Technology Co on the equity attributable to owners of the parent for the year ended December 31, 2023 is shown below:

	<u>December 31, 2023</u>
Cash	\$ 191,760
Capital surplus-employee share options	387,840
Increase in the carrying amount of non-controlling interest	( 411,799)
Capital surplus-changes in ownship interests in subsidiaries	<u>\$ 167,801</u>

(31) Supplemental cash flow information:

Investing activities with partial cash payments:

	<u>Year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Purchase of property, plant and equipment	\$ 417,572	\$ 1,126,037
Add: Opening balance of payable on equipment	6,321	2,208
Less: Ending balance of payable on equipment	( 7,157)	( 6,321)
Cash paid during the year	<u>\$ 416,736</u>	<u>\$ 1,121,924</u>

(32) Changes in liabilities from financing activities

	<u>Year ended December 31, 2023</u>			
	<u>Bonds payable</u>	<u>Guarantee deposits received</u>	<u>Lease liability</u>	<u>Liabilities from financing activities-gross</u>
At January 1	\$ -	\$ 96,729	\$ 126,214	\$ 222,943
Changes in cash flow from financing activities	9,291,186	8,144	( 94,352)	9,204,978
Payment of interest expense on lease liabilities (Note)	-	-	( 4,854)	( 4,854)
Conversion options of convertible bonds	( 449,693)	-	-	( 449,693)
Amortization of convertible bonds discount (Note)	78,972	-	-	78,972
Impact of changes in foreign exchange rate	-	-	930	930
Changes in other non-cash items	-	-	131,534	131,534
At December 31	<u>\$8,920,465</u>	<u>\$ 104,873</u>	<u>\$ 159,472</u>	<u>\$ 9,184,810</u>

	Year ended December 31, 2022			
	Long-term borrowings	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	\$ 200,000	\$ 7,947	\$ 162,977	\$ 370,924
Changes in cash flow from financing activities	( 200,000)	88,782	( 111,474)	( 222,692)
Payment of interest expense on lease liabilities (Note)	-	-	( 4,285)	( 4,285)
Impact of changes in foreign exchange rate	-	-	3,357	3,357
Changes in other non-cash items	-	-	75,639	75,639
At December 31	<u>\$ -</u>	<u>\$ 96,729</u>	<u>\$ 126,214</u>	<u>\$ 222,943</u>

Note: Listed under cash flows from operating activities.

## 7. RELATED PARTY TRANSACTIONS

### (1) Significant related party transactions and balances

The related parties are included in the consolidated financial statements, and the related transactions are all eliminated.

### (2) Key management compensation

	Year ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	\$ 452,609	\$ 639,772
Share-based payments	124,715	-
Post-retirement benefits	1,365	1,444
Total	<u>\$ 578,689</u>	<u>\$ 641,216</u>

## 8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value		Purpose
	December 31, 2023	December 31, 2022	
Pledged assets - non-current (accounted for as "Financia assets at amortized cost - non-current")			
- Demand deposits	\$ 5,561	\$ 104,398	Security deposit for office leasing
- Time deposits	<u>137,370</u>	<u>107,839</u>	Guarantee for the customs duties
	<u>\$ 142,931</u>	<u>\$ 212,237</u>	

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

## 10. SIGNIFICANT DISASTER LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

## 12. OTHERS

### (1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue employee stock option or buyback and retire treasury stock.

### (2) Financial instruments

#### A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets mandatorily measured at fair value through profit or loss	\$ 526,810	\$ 527,995
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	1,906,413	1,637,776
Financial assets at amortized cost		
Cash and cash equivalents	23,166,075	16,265,510
Financial assets at amortised cost	896,267	878,175
Notes receivable	3,941	3,975
Accounts receivable	16,016,209	14,126,596
Other receivables	738,720	234,663
Other financial assets	257,500	257,500
Guarantee deposits paid	67,542	69,117
	<u>\$ 43,579,477</u>	<u>\$ 34,001,307</u>
<u>Financial liabilities</u>		
Financial liabilities at amortized cost		
Notes payable	\$ 12,741	\$ 11,564
Accounts payable	20,698,047	13,984,884
Other payables	7,145,576	7,457,810
Bonds payable	8,920,465	-
Guarantee deposits received	104,873	96,729
Lease liabilities	159,472	126,214
	<u>\$ 37,041,174</u>	<u>\$ 21,677,201</u>

## B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2023		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,398,620	30.735	\$42,986,586
RMB:NTD	207,002	4.331	896,526
USD:RMB	254,624	7.096	7,825,302
<u>Non-monetary items</u>			
USD:NTD	\$ 3,002	30.735	92,266



	December 31, 2023		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Investments accounted for using equity method</u>			
USD:NTD	\$ 294,662	30.735	\$ 9,056,432
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,044,032	30.735	\$32,088,324
RMB:NTD	556,964	4.331	2,412,211
USD:RMB	22,640	7.096	7,518,466
	December 31, 2022		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 858,983	30.708	\$26,377,650
RMB:NTD	147,342	4.408	649,484
USD:RMB	180,717	6.967	5,549,916
<u>Non-monetary items</u>			
USD:NTD	\$ 7,248	30.708	222,572
<u>Investments accounted for using equity method</u>			
USD:NTD	\$ 240,780	30.708	\$ 7,393,883
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 464,030	30.708	\$14,249,433
RMB:NTD	581,754	4.408	2,564,372
USD:RMB	358,327	6.967	11,004,414

- iv. The total exchange gain (loss), including realised and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022, amounted to gains of \$25,877 and \$1,305,837, respectively.

- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2023			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 429,866	\$ -
RMB:NTD	1%	8,965	-
USD:RMB	1%	78,253	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 320,883	\$ -
RMB:NTD	1%	24,122	-
USD:RMB	1%	75,185	-
Year ended December 31, 2022			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 263,777	\$ -
RMB:NTD	1%	6,495	-
USD:RMB	1%	55,499	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 142,494	\$ -
RMB:NTD	1%	25,644	-
USD:RMB	1%	110,044	-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

- ii. The Group's investments in equity securities comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$5,268 and \$5,128, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss and beneficiary certificates. Other components of equity would have increased/decreased by \$19,064 and \$16,378, respectively, as a result of gains/losses on equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The domestic/overseas bond funds investment and bond products with fixed interest rate by the Group was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.
- ii. For fixed interest rate bond investments held by the Group classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At December 31, 2023 and 2022, if market interest rates had been 1% higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2023 and 2022 would have been \$0 and \$152 lower/higher, respectively.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at fair value through profit or loss.
- ii. The bond fund held by the Group was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Group trades with several securities investment trust companies, credit risk is low.
- iii. The Group has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Group is the total amount of all book value.
- iv. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external

ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

- v. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.
- vi. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:  
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vii. The Group classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collateral. The Group applies the simplified approach to estimate expected credit loss under the provision matrix basis.
- viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
  - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
  - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
  - (iii) Default or delinquency in interest or principal repayments;
  - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- ix. The Group used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2023 and 2022, the provision matrix is as follows:

	<u>Not past due</u>	<u>Up to 30 days past due</u>	<u>31 to 60 days past due</u>
<u>December 31, 2023</u>			
Expected loss rate	0.09%~15.41%	0.09%~18.46%	0.09%~40.51%
Total book value	\$ 12,899,437	\$ 2,851,559	\$ 423,004
Loss allowance	<u>\$ 101,666</u>	<u>\$ 68,069</u>	<u>\$ 82,923</u>
	<u>61 to 90 days past due</u>	<u>Over 90 days</u>	<u>Total</u>
Expected loss rate	0.09%~95.22%	0.13%~100%	
Total book value	\$ 41,805	\$ 185,874	\$ 16,401,679
Loss allowance	<u>\$ 21,625</u>	<u>\$ 111,187</u>	<u>\$ 385,470</u>

	<u>Not past due</u>	<u>Up to 30 days past due</u>	<u>31 to 60 days past due</u>
<u>December 31, 2022</u>			
Expected loss rate	0.10%~3.70%	0.10%~15.97%	0.10%~24.91%
Total book value	\$ 10,134,210	\$ 3,113,248	\$ 913,296
Loss allowance	<u>\$ 78,068</u>	<u>\$ 47,679</u>	<u>\$ 52,049</u>
	<u>61 to 90 days past due</u>	<u>Over 90 days</u>	<u>Total</u>
Expected loss rate	0.10%~64.45%	10%~100%	
Total book value	\$ 157,133	\$ 107,830	\$ 14,425,717
Loss allowance	<u>\$ 34,577</u>	<u>\$ 86,748</u>	<u>\$ 299,121</u>

- x. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes receivable and accounts receivable are as follows:

	<u>2023</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Total</u>
At January 1	\$ -	\$ 299,121	\$ 299,121
Provision for impairment	-	87,675	87,675
Write-offs	-	( 52)	( 52)
Effect of exchange rate changes	-	( 1,274)	( 1,274)
At December 31	<u>\$ -</u>	<u>\$ 385,470</u>	<u>\$ 385,470</u>
	<u>2022</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Total</u>
At January 1	\$ -	\$ 83,146	\$ 83,146
Provision for impairment	-	209,817	209,817
Write-offs	-	( 487)	( 487)
Effect of exchange rate changes	-	6,645	6,645
At December 31	<u>\$ -</u>	<u>\$ 299,121</u>	<u>\$ 299,121</u>

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts of \$348,681 and \$386,497 on December 31, 2023 and 2022, respectively. For provisioned loss in 2023 and 2022, the reversal of impairment losses and the impairment losses arising from customers' contracts amounted to \$87,675 and \$209,817, respectively.

(c) Liquidity risk

- i. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Group had no undrawn borrowing facilities for fixed rate long-term borrowings.
- iv. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Except for the contractual undiscounted cash flows of notes payable, accounts payable, other payables and guarantee deposits received were equivalent to their carrying amounts and were expiring within one year, the amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

Non-derivative financial liabilities:

December 31, 2023	<u>Within 1 year</u>	<u>Between 1 and 2 year(s)</u>	<u>Over 2 years</u>	<u>Total</u>
Lease liability	\$ 82,752	\$ 52,990	\$ 27,979	\$ 163,721
Bonds payable	-	-	9,804,347	9,804,347

Non-derivative financial liabilities:

December 31, 2022	<u>Within 1 year</u>	<u>Between 1 and 2 year(s)</u>	<u>Over 2 years</u>	<u>Total</u>
Lease liability	\$ 70,375	\$ 34,117	\$ 27,850	\$ 132,342

- v. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed and emerging stocks, beneficiary certificates and government bonds is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's convertible bonds is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

- B. Fair value information of investment property at cost is provided in Note 6(11).
- C. Except for those listed in the table below, the carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortized cost (bank deposits), notes receivable, accounts receivable, other receivables, other financial assets, guarantee deposits paid, notes payable, accounts payable, other payables, guarantee deposits received and lease liability) are approximate to their fair values.

	December 31, 2023			
	Book	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 8,920,465	\$ -	\$ 8,869,590	\$ -

The above convertible bonds payable are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

- D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 is as follows:

(a) The related information of natures of the assets is as follows:

	Level 1	Level 2	Level 3	Total
<u>December 31, 2023</u>				
<u>Recurring fair value measurements-assets</u>				
Financial assets at fair value through profit or loss				
Equity instrument	\$ 135,504	\$ -	\$ 165,571	\$ 301,075
Beneficiary certificates	150,735	-	75,000	225,735
Financial assets at fair value through other comprehensive income				
Equity instrument	1,820,927	-	85,486	1,906,413
	<u>\$2,107,166</u>	<u>\$ -</u>	<u>\$ 326,057</u>	<u>\$2,433,223</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>December 31, 2022</u>				
<u>Recurring fair value measurements-assets</u>				
Financial assets at fair value through profit or loss				
Equity instrument	\$ 106,544	\$ -	\$ 148,668	\$ 255,212
Beneficiary certificates	257,559		-	257,559
Debt instrument	15,224		-	15,224
Financial assets at fair value through other comprehensive income				
Equity instrument	<u>1,549,422</u>	<u>-</u>	<u>88,354</u>	<u>1,637,776</u>
	<u>\$1,928,749</u>	<u>\$ -</u>	<u>\$ 237,022</u>	<u>\$2,165,771</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>	<u>Government bond and corporate bond</u>
Market quoted price	Closing price	Net asset value	Market price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.
- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions.
- v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted



accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
At January 1	\$ 237,022	\$ 207,404
Losses recognized in profit or loss	( 13,097)	( 4,223)
Losses recognized in other comprehensive income	( 2,886)	( 3,252)
Acquired in the period	105,000	54,496
Issued in the period (Note)	-	1,184
Transfer out from Level 3	-	( 21,000)
Effect of exchange rate changes	18	2,413
At December 31	<u>\$ 326,057</u>	<u>\$ 237,022</u>

Note: Please refer to Note6(7).

G. For the year ended December 31, 2023, there was no transfer in or out from Level 3. As Lianyou Metals Co., Ltd. were listed on the Emerging Stock Market in September 2022, the transaction volume for the investees have increased since, which provided sufficient observable market information. Therefore, the Group has transferred the fair value from Level 3 to Level 1 at the end of the month when each listing occurred.

H. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	\$ 167,664	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value
Venture capital shares Private equity fund investment	\$ 158,393	Net asset value	Not applicable	Not applicable

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	\$ 150,761	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value
Venture capital shares Private equity fund investment	\$ 86,261	Net asset value	Not applicable	Not applicable

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

		December 31, 2023				
		Recognized in profit or loss		Recognized in other comprehensive income		
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Price-to-book ratio	±1%	\$ 1,656	(\$ 1,656)	\$ 21	(\$ 21)
		December 31, 2022				
		Recognized in profit or loss		Recognized in other comprehensive income		
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Price-to-book ratio	±1%	\$ 1,487	(\$ 1,487)	\$ 21	(\$ 21)

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Please refer to table 1.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 3.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 4.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

#### (3) Information on investments in Mainland China

- A. Basic information: Please refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 10.

#### (4) Major shareholders information

Major shareholders information: Please refer to table 11.

### 14. SEGMENT INFORMATION

#### (1) General information

The Group management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's operating segments are segregated into the global brand business group and other business group based on the revenues from all sources.

Global brand business group: in-charge of the development and sale of main boards, interface cards, network & communication products, notebooks and computer peripherals.

Other business group: in-charge of the development and sale of cell phones and other products.

The Group's company organisation, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(2) Measurement of segment information

The Board of Directors assesses the performance of the operating segments based on the operating income.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Year ended December 31, 2023		
	Global brand business group	Other business group	Total
Total segment revenue	\$ 136,135,184	\$ 638,225	\$ 136,773,409
Operating income	\$ 4,543,511	\$ 351,664	\$ 4,895,175
Depreciation and amortization	\$ 265,818	\$ 518,634	\$ 784,452
Total assets (Note)	\$ -	\$ -	\$ -
Total liabilities (Note)	\$ -	\$ -	\$ -

	Year ended December 31, 2022		
	Global brand business group	Other business group	Total
Total segment revenue	\$ 106,611,433	\$ 652,211	\$ 107,263,644
Operating income	\$ 5,636,588	\$ 208,626	\$ 5,845,214
Depreciation and amortization	\$ 204,142	\$ 524,013	\$ 728,155
Total assets (Note)	\$ -	\$ -	\$ -
Total liabilities (Note)	\$ -	\$ -	\$ -

Note: As the Group's assets and liabilities are not the measurement items used by the Chief Operating Decision-Maker in evaluating segments, the measurement amount of the assets and liabilities that shall be disclosed is zero.

(4) Reconciliation for segment income (loss)

The revenue from external parties and segment profit (loss) reported to the Chief Operating Decision-Maker are measured in a manner consistent with those in the statement of pre-tax income. Therefore, such reconciliation is not required.

(5) Information on products and services

The revenue from external parties was derived primarily from the development and sale of interface cards, main boards, notebooks, computer peripherals, network & communication products and cell phones.

Details of revenue is as follows:

Items	Years ended December 31,	
	2023	2022
Computer components	\$ 72,243,127	\$ 71,436,531
Networking communication products	52,704,117	20,104,038
Others	11,826,165	15,723,075
	<u>\$ 136,773,409</u>	<u>\$ 107,263,644</u>

(6) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

A. Revenue by geographic area:

	Years ended December 31,	
	2023	2022
Europe	\$ 36,996,526	\$ 31,755,952
USA and Canada	54,460,541	30,358,169
China	19,479,683	17,720,459
Taiwan	2,756,623	3,117,433
Others	23,080,036	24,311,631
	<u>\$ 136,773,409</u>	<u>\$ 107,263,644</u>

B. Non-current assets:

	Years ended December 31,	
	2023	2022
Taiwan	\$ 3,014,581	\$ 3,191,471
China	980,602	1,168,701
Others	1,407,839	1,049,487
	<u>\$ 5,403,022</u>	<u>\$ 5,409,659</u>

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2023 and 2022 are as follows:

	Years ended December 31,	
	2023	2022
	Revenue	Revenue
Customer A	<u>\$ 23,533,102</u>	<u>\$ 149,113</u>

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Company name	Relationship with the endorser/ guarantor (Note 4)	Limit on endorsements/ guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of		Footnote
											endorsements/ guarantees by parent company to subsidiary	endorsements/ guarantees by subsidiary to parent company	
0	Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	2	\$ 2,983,200 (Note 2)	\$ 267,395 (USD 8,700)	\$ 267,395 (USD 8,700)	\$ 267,395 (USD 8,700)	-	0.71%	\$ 11,241,843	Y	N	N

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: The Company's limit on amount of endorsements/ guarantees provided to single party is 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 50% of the paid-in capital of that single party.

The total limit on amount of endorsements/ guarantees of the Company and subsidiaries provided to single party is 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 30% of the net assets of that single party. However, when endorser/guarantee to subsidiaries which were 100% directly or indirectly held by the Company, the endorsement / guarantee amount should not exceed 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 300% of the paid-in capital of that subsidiary.

Note 3: The ceiling on total endorsements and guarantees shall not exceed 30% of net assets in latest audited (reviewed) financial statements of the Company.

The total limit on amount of endorsements/ guarantees of the Company and subsidiaries is 40% of net assets in latest audited (reviewed) financial statements of the Company.

Note 4: The Company could provide endorsements/ guarantees to the following counterparties:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

Note 5: The ending balance of this statement is presented in New Taiwan dollars. Where foreign currencies are involved, they are translated into New Taiwan dollars using the U.S. dollar exchange rate of \$30.735 as of the balance sheet date.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
December 31, 2023

Table 2

Securities held by	Relationship with the securities issuer	General ledger account	Number of shares	As of December 31, 2023		Footnote
				Book value	Ownership (%)	
Giga-Byte Technology Co., Ltd.	None	Financial assets at fair value through profit or loss-current	3,000,000	\$ 97,257	-	Expressed in thousands of NTD (Except as otherwise indicated)
		Valuation adjustment of financial assets at fair value through profit or loss		(4,997)		
				\$ 92,260		
Giga-Trend International Investment Group Ltd.	None	Financial assets at fair value through profit or loss-current	Omitted	\$ 67,130	0.01%-0.32%	\$ 84,340
		Valuation adjustment of financial assets at fair value through profit or loss		17,210		
				\$ 84,340		
	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 43,913	0.11%-1.30%	\$ 51,165
		Valuation adjustment of financial assets at fair value through profit or loss		7,252		
				\$ 51,165		
	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 143,213	-	\$ 97,619
		Valuation adjustment of financial assets at fair value through profit or loss		(45,594)		
				\$ 97,619		
	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 27,684	-	\$ 28,263
		Valuation adjustment of financial assets at fair value through profit or loss		579		
				\$ 28,263		
Giga Investments Corp.	None	Financial assets at fair value through profit or loss-current	1,045,079	\$ 36,324	1.95%	\$ 67,952
		Valuation adjustment of financial assets at fair value through profit or loss		31,628		
				\$ 67,952		
	"	Financial assets at fair value through profit or loss-current	3,021,148	\$ 30,000	-	\$ 30,211
		Valuation adjustment of financial assets at fair value through profit or loss		211		
				\$ 30,211		
	"	Financial assets at fair value through profit or loss-current	-	\$ 75,000	15.48%	\$ 75,000

Securities held by	Relationship with the securities issuer	General ledger account	As of December 31, 2023			Footnote
			Number of shares	Book value	Ownership (%)	
Giga Investments Corp.	Listed stocks - Walsin Technology Corporation etc.	Financial assets at fair value through other comprehensive income-non current	Omitted	936,387	1.37%~9.43%	1,820,928
		Valuation adjustment of financial assets at fair value through other comprehensive income		884,541		
				<u>1,820,928</u>		
	Unlisted stocks - Northstar Motors Co., Ltd. etc.	Financial assets at fair value through other comprehensive income-non current	Omitted	64,798	3.25%~13.93%	57,626
		Valuation adjustment of financial assets at fair value through other comprehensive income		7,172		
				<u>57,626</u>		
G-Style Co., Ltd.	Unlisted stocks - JM Material Technology Inc.	Financial assets at fair value through other comprehensive income – non current	160,000	20,000	10.00%	2,093
		Valuation adjustment of financial assets at fair value through other comprehensive income		17,907		
				<u>2,093</u>		
Freedom International Group Ltd.	Unlisted stocks - Graid Technology Inc.	Financial assets at fair value through other comprehensive income-non current	1,600,000	24,588	6.25%	24,588
		Valuation adjustment of financial assets at fair value through other comprehensive income		-		
				<u>24,588</u>		
Selita Precision Co., Ltd.	Unlisted stocks - P.R.C.E. Ltd.	Financial assets at fair value through other comprehensive income-non current	122,990	1,184	10.24%	1,178
		Valuation adjustment of financial assets at fair value through other comprehensive income		6		
				<u>1,178</u>		



GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Table 3

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2023		Addition		Disposal			Balance as at December 31, 2023		Footnote
					Number of shares	Amount	Number of shares	Amount	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	Investments accounted for using equity method	Freedom International Group Ltd.	Parent-subidiary	146,071,692	\$ 4,720,532	17,000,000	\$ 531,420	-	-	-	176,571,692	\$ 5,251,932	
							(Note)							

Note: For the year ended December 31, 2023, the Company acquired 30,500,000 shares, including cash capital increasing 17,000,000 shares and capital surplus transferred to common stock 13,500,000 shares.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD  
 (Except as otherwise indicated)

Real estate acquired by	Real estate	Date of the event	Transaction amount (Note)	Status of payment (Note)	Counterparty	Relationship	Owner	Information on prior transaction if the counterparty is a related party				Price Reference	Purpose of Acquisition	Other commitments
								Relationship with the issuer	Date of transfer	Amount	Relationship with the issuer			
Freedom International Group Ltd.	Land and Buildings	December 20, 2023	\$ 1,180,439 (USD 38,407)	\$ 33,809 (USD 1,100)	Scind Arenth Point LLC.	None	Not applicable	Not applicable	Not applicable	Not applicable	Refer to the valuation of the professional valuer and market prices	The Company business planning	Need to pay relating taxes and fees	

Note : Based on U.S. dollar exchange rate of \$30.735 as of the balance sheet date. Up to December 31, 2023, the prepaid amount of USD 1,100 (in thousands) was listed under "other non-current assets".

Other receivables were collected in January, 2024; however, the ownership transfer process has not yet been completed.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Differences in transaction terms compared to third party transactions				Notes/accounts receivable (payable)	Percentage of total notes/accounts receivable (payable)	Footnote
						Credit term	Unit price	Credit term	Balance			
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsiidiary	(Sales)	\$ 14,953,891	(15%)	45 days upon receipt of goods	The price was based on the contract price	Normal	\$ 2,338,305	12%		
	G-Style Co., Ltd.	"	"	1,300,136	(1%)	60 days upon receipt of goods	"	"	139,371	1%		
	Giga-Byte Technology B.V.	"	"	180,068	-	30 days upon receipt of goods	"	"	37,450	-		
	Giga Computing Technology Co., Ltd.	"	"	2,808,343	(14%)	60 days upon receipt of goods	"	"	4,714,432	24%		
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidiary	"	18,139,880	(18%)	90 days upon receipt of goods	"	"	4,448,568	22%		
	Giga Computing Technology Co., Ltd.	Parent-subsiidiary	Purchases	689,370	1%	60 days upon receipt of goods	"	"	( 341,497)	(2%)		
	Dongguan Gigabyte Electronics Co., Ltd.	Parent-indirect subsidiary	"	652,232	1%	60 days upon receipt of goods	"	"	( 1,774,846)	(10%)		
	Ningbo Gigabyte Technology Co., Ltd.	"	"	641,746	1%	30 days upon receipt of goods	"	"	( 809,586)	(5%)		
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	(Sales)	1,319,570	(93%)	60 days upon receipt of goods	"	"	149,154	94%		
Giga Computing Technology Co., Ltd.	"	"	"	28,239,481	(60%)	60 days upon receipt of goods	"	"	4,199,672	49%		
	"	"	Purchases	359,440	1%	7 days upon receipt of goods	"	"	-	-		
	Gigaipc Co., Ltd.	subsidiary-indirect subsidiary	(Sales)	753,681	(2%)	60 days after billing	"	"	186,692	2%		
	Ningbo Gigabyte Technology Co.,	"	Purchases	1,510,981	2%	45 days after billing	"	"	( 1,932,170)	(7%)		

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more  
December 31, 2023

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)		Overdue receivables		Amount collected subsequent to the balance sheet date (Note 2)	Allowance for doubtful accounts
			Amount	Turnover rate	Amount	Action taken		
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidiary	\$ 2,338,305	3.28	\$ -	-	\$ 924,267	-
	Giga Computing Technology Co., Ltd.	"	11,734,675	2.90	-	-	3,923,791	-
	G-Style Co., Ltd.	"	139,406	4.43	-	-	58,343	-
	Dongguan Gigabyte Electronics Co., Ltd.	Parent-indirect subsidiary	669,292	5.78	-	-	669,292	-
	Ningbo Zhongjia Technology Co., Ltd.	"	4,448,568	3.93	-	-	1,135,804	-
	Ningbo Gigabyte Technology Co., Ltd.	"	476,202	1.69	-	-	256,505	-
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	149,154	6.91	-	-	13,603	-
Giga Computing Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-subsidiary	347,338	5.88	-	-	45,761	-
	G.B.T. Inc.	Sister companies	4,199,672	6.72	-	-	1,671,729	-
	Gigaipc Co., Ltd.	Parent-subsidiary	186,692	4.04	-	-	81,360	-
Ningbo Gigabyte Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB 186,015 thousand	2.87	-	-	RMB 82,618 thousand	-
	Giga Computing Technology Co., Ltd.	Sister companies	RMB 240,108 thousand	4.26	-	-	RMB 118,242 thousand	-
Dongguan Gigabyte Electronics Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB 408,958 thousand	5.46	-	-	RMB 207,155 thousand	-

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Note 1: Including other receivables.

Note 2: The amount represents collections subsequent to December 31, 2023 up to January 31, 2024.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
Year ended December 31, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Table 7

Company name		Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Parent company to subsidiary	Sales	\$ 180,068	Note 6	-	
"	"	"	Marketing service charge	129,277	Note 3	-	
"	"	"	Service charge	121,711	"	-	
G.B.T., Inc	G.B.T., Inc	Parent company to subsidiary	Sales	14,953,891	Note 7	11%	
"	"	"	Accounts receivable	2,338,305	"	3%	
"	"	"	After-sale service fees	184,247	Note 3	-	
G-Style Co., Ltd.	G-Style Co., Ltd.	Parent company to subsidiary	Sales	1,300,136	Note 5	1%	
"	"	"	Accounts receivable	139,371	"	-	
Giga Computing Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	Parent company to subsidiary	Sales	2,808,343	"	2%	
"	"	"	Processing revenue	206,198	Note 2	-	
"	"	"	Accounts receivable	4,714,432	Note 5	6%	
"	"	"	Other receivables	7,020,243	"	9%	
"	"	"	Purchases	689,370	"	1%	
"	"	"	Accounts payable	341,497	"	-	
BYTE International Co., Ltd	BYTE International Co., Ltd	Parent company to subsidiary	After-sale service fees	744,106	Note 3	1%	
Ningbo Zhongjia Technology Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Parent company to indirect subsidiary	Sales	18,139,880	Note 1	13%	
"	"	"	Accounts receivable	4,448,568	"	5%	
Ningbo Gigabyte Technology Co., Ltd.	Ningbo Gigabyte Technology Co., Ltd.	Parent company to indirect subsidiary	Purchases	641,746	Note 6	-	
"	"	"	Accounts payable	809,586	"	1%	
"	"	"	Accounts receivable	476,202	Note 2	1%	
Dongguan Gigabyte Electronics Co.,Ltd.	Dongguan Gigabyte Electronics Co.,Ltd.	Parent company to indirect subsidiary	Purchases	652,232	Note 5	-	
"	"	"	Accounts payable	1,774,846	"	2%	
"	"	"	Accounts receivable	669,292	Note 2	1%	
Ningbo BestYield Tech. Services Co.,Ltd.	Ningbo BestYield Tech. Services Co.,Ltd.	Parent company to indirect subsidiary	After-sale service fees	199,263	Note 3	-	
G.B.T. Technology Trading GmbH	G.B.T. Technology Trading GmbH	Subsidiary to subsidiary	Marketing service charge	139,708	Note 4	-	
G.B.T., Inc	G.B.T., Inc	Subsidiary to subsidiary	Sales	1,319,570	Note 5	1%	
"	"	"	Accounts receivable	149,154	"	-	

## Transaction

Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga Computing Technology Co., Ltd.	G.B.T., Inc	Subsidiary to subsidiary	Purchases	359,440	Note 8	-
"	"	"	Sales	28,239,481	Note 5	21%
"	"	"	Accounts receivable	4,199,672	"	5%
Ningbo Gigabyte Technology Co., Ltd.	"	Subsidiary to subsidiary	Purchases	1,510,981	Note 9	1%
"	"	"	Accounts payable	1,932,170	"	2%
Gigaipc Co., Ltd.	"	Subsidiary to indirect subsidiary	Sales	753,681	Note 2	1%
"	"	"	Accounts receivable	186,692	"	-

Note 1 : Credit terms were 90 days upon receipt of goods.

Note 2 : Credit terms were 60 days after billing.

Note 3 : Credit terms were 30 days after billing.

Note 4 : Credit terms were 180 days after billing.

Note 5 : Credit terms were 60 days upon receipt of goods.

Note 6 : Credit terms were 30 days upon receipt of goods.

Note 7 : Credit terms were 45 days upon receipt of goods.

Note 8 : Credit terms were 7 days upon receipt of goods.

Note 9 : Credit terms were 45 days after billing.

Note 10 : Transactions listed above are amount reaching NT\$100 million.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2023

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Group for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	\$ 5,251,952	\$ 4,720,532	176,571,692	100.00	\$ 8,529,092	\$ 708,284	\$ 1,061,650	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Investments Corp.	Taiwan	Holding company	2,815,000	2,815,000	297,756,500	100.00	3,850,640	29,611	29,611	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	310,000	310,000	12,000,000	100.00	21,034	102,396	42,610	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Communication Inc.	Taiwan	Manufacturing and selling of communications	1,647,508	1,647,508	2,145,831	99.86	20,989	( 461 )	( 461 )	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	BYTE International Co., Ltd.	Taiwan	Selling of PC peripherals	583,709	583,709	31,000,000	100.00	478,568	93,657	93,657	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	MyelinTek Inc.	Taiwan	Software service	70,000	70,000	299,999,995	40.00	53,357	( 11,478 )	( 4,591 )	Investee accounted for using equity method
Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	Taiwan	Sales of computer information products	834,600	1,000	83,460,000	83.93	2,227,819	1,511,057	1,383,182	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Sales of computer information products	25,984	25,984	8,500	100.00	172,543	18,576	20,110	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd.	U.K.	Marketing of computer information products	47,488	47,488	800,000	100.00	28,234	( 802 )	( 802 )	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Marketing of computer information products	8,075	3,495	3,000	100.00	17,095	1,124	1,124	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Marketing of computer information products	352,752	352,752	-	100.00	405,985	6,782	6,782	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Marketing of computer information products	55,664	55,664	2,400,000	100.00	60,992	1,827	1,827	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Marketing and maintenance of computer information products	182,868	182,868	4,600,000	100.00	14,422	( 2,323 )	( 2,323 )	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Marketing of computer information products	241	241	5,000	100.00	8,215	2,075	2,075	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	90,660	90,660	54,116	22.64	354,797	528,334	198,499	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Marketing of computer information products	3,541	3,541	8,000	100.00	1,568	785	785	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC	South Korea	Marketing of computer information products	22,534	22,534	168,000	100.00	35,384	( 1,743 )	( 1,743 )	The Company's subsidiary
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Poland	Marketing and maintenance of computer information products	500	500	100	100.00	111	( 569 )	-	The Company's indirect subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended	Investment income (loss) recognised by the Group for the year ended	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	December 31, 2023					
				\$	\$		\$					
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	\$ 1,844,922	\$ 1,844,922	57,032,142	\$ 2,477,091	100.00	\$ 277,828	-	-	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	458,239	458,239	184,916	1,496,700	77.36	528,334	-	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	3,183,084	100.00	118,674	-	-	The Company's indirect subsidiary
Freedom International Group Ltd.	LCKT Yuan Chan Technology Co., Ltd.(Cayman)	Cayman Islands	Holding company	92,775	92,775	3,000,000	-	30.00	( 58,494)	-	-	Subsidiary's investee company accounted for under the equity method
G.B.T. Inc.	Gigabyte Canada Inc.	Canada	Marketing of computer information products	22	22	1,000	716	100.00	434	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	515,950	515,950	56,890,000	587,021	100.00	( 8,063)	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Senyun Precision Optical Co., Ltd.	Taiwan	Manufacturing and selling of optical lens	1,547,410	1,547,410	324,586,585	271,954	96.41	( 35,649)	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Selita Precision Co., Ltd.	Taiwan	Manufacturing, wholesale and retail of bicycle and parts	50,000	50,000	5,000,000	49,258	100.00	13,332	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Cloudmatrix Co., Ltd.	Taiwan	E-commerce platform	30,200	30,200	3,000,000	24,945	100.00	4,023	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Welysun Inc.	Taiwan	Electronic parts and components manufacturing	392,000	392,000	11,200,000	391,587	24.35	371	-	-	Subsidiary's investee company accounted for under the equity method
Giga Investments Corp.	Da Shiang Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	12,500	12,500	1,250,000	10,597	25.00	( 9,736)	-	-	Subsidiary's investee company accounted for under the equity method
Giga Computing Technology Co., Ltd.	Gigaip Co., Ltd.	Taiwan	Sales of computer information products	120,000	120,000	12,000,000	251,391	100.00	110,776	-	-	The Company's indirect subsidiary
Giga-Trend International Investment Group Ltd.	Welysun Inc.	Taiwan	Electronic parts and components manufacturing	51,480	51,480	1,716,000	59,997	3.73	371	-	-	Subsidiary's investee company accounted for under the equity method
Ningbo BestYield Tech. Services Co.,Ltd.	OGS Europe B.V.	Netherlands	Selling of communications	12,443	12,443	3,000	42,680	100.00	( 5,666)	-	-	The Company's indirect subsidiary
BYTE International Co., Ltd.	Aorus Pte. Ltd.	Singapore	Marketing of computer information products	60,757	60,757	3,073,000	9,616	100.00	( 3,090)	-	-	The Company's indirect subsidiary



GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES  
Information on investments in Mainland China

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended		Remitted to Mainland China to Taiwan	Accumulated amount from Taiwan to Mainland China as of December 31, 2023	Net income of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (less) recognised by the Company for the year ended December 31, 2023	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					December 31, 2023	December 31, 2023								
Dongguan Gigabyte Electronics Co., Ltd.	Main business activities: Manufacturing of computer information products	\$ 1,180,938	Note 1	\$ 1,180,938	-	\$ -	-	\$ 1,180,938	\$ 128,476	100.00	\$ 128,476	\$ 1,545,359	\$ -	The Company's indirect subsidiary
Ningbo Giga-Byte International Trade Co., Ltd.	Sales of computer information products	259,752	Note 1	259,752	-	-	259,752	181,757	181,757	100.00	181,757	900,553	-	The Company's indirect subsidiary
Ningbo BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	181,923	Note 2	165,515	-	-	165,515	9,578	9,578	100.00	9,578	254,297	-	The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	109,853	Note 3	-	-	-	-	193,980	193,980	100.00	193,980	607,881	-	The Company's indirect subsidiary
Ningbo Gigabyte Technology Co., Ltd.	Manufacturing of computer information products	2,780,313	Note 1	2,780,313	-	-	2,780,313	143,121	143,121	100.00	143,121	3,162,166	-	The Company's indirect subsidiary
Shenzhen BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	15,841	Note 3	-	-	-	-	1,447	1,447	-	1,447	-	-	The Company's indirect subsidiary
Dongguan Senyun Precision Optical Co., Ltd.	Selling of mold and industrial plastic products	4,539	Note 2	4,539	-	-	4,539	648	625	96.41	625	1,615	-	The Company's indirect subsidiary
Zaozhuang BestYield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	5,507	Note 3	-	-	-	-	8	8	100.00	8	8,070	-	The Company's indirect subsidiary

Note 1: Invested by Charleston Investments Limited and Giga Future Limited., which are subsidiaries of Freedom International Group Ltd.

Note 2: Directly invest in a company in Mainland China.

Note 3: Others.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Giga-Byte Technology Co., Ltd.	4,386,518	4,402,053	22,760,496
Senyun Precision Optical Co., Ltd.	4,539	9,974	169,253

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area  
Year ended December 31, 2023

Table 10

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing			Interest during the year ended December 31, 2023	Others	
	Amount	%	Amount	%	Balance at December 31, 2023	%	Balance at December 31, 2023	Balance at December 31, 2023	Purpose	Maximum balance during the year ended December 31, 2023	Balance at December 31, 2023			Interest rate
Ningbo Zhongjia Technology Co., Ltd.	\$ 18,139,880	18	\$ -	-	\$ 4,448,568	22	\$ -	-	-	\$ -	-	-	\$ -	-
Ningbo Gigabyte Technology Co., Ltd.	25,129	-	-	-	476,202	2	-	-	-	-	-	-	-	-
"	( 641,746)	( 1)	-	-	( 809,586)	( 5)	-	-	-	-	-	-	-	-
Dongguan Gigabyte Electronics Co.,	6,230	-	-	-	669,292	3	-	-	-	-	-	-	-	-
"	( 652,232)	( 1)	-	-	( 1,774,846)	( 10)	-	-	-	-	-	-	-	-
Ningbo BestYield Tech. Services Co.,Ltd.	81,178	-	-	-	15,990	-	-	-	-	-	-	-	-	-

- After-sales service costs paid at \$199,263

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Major Shareholders Information

December 31, 2023

Table 11

Name of Major Shareholders	Shares	
	Name of shares hold	Ownership(%)
MING WEIGLOBAL CO., LTD	42,583,497	6.69%

Note 1: The major shareholders' information, which means the ownership above 5%, was calculated by Taiwan Depository & Clearing Corporation on the last operating date of each quarter, using the Company's issuance of common shares. (including treasury shares) and preference shares registered and held by the shareholders. The share capital on the financial statements different from the actual number of shares in dematerialized form due to the difference of calculation basis.

Note 2: If the shares were kept in the trust by the shareholders, it was disclosed as a separate account set by the trustee. As for the shareholder, whose shareholding ratio was greater than 10%, is regarded as an insider in accordance with Securities and Exchange Act, their shareholding ratio included the self-owned shares and trusted shares controlled by themselves. For the information of insiders, please refer to the Market Observation Post System.

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Giga-Byte Technology Co., Ltd.

### ***Opinion***

We have audited the accompanying parent company only balance sheets of Giga-Byte Technology Co., Ltd. as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

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

### ***Basis for opinion***

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

### ***Emphasis of matter paragraph- Reorganization***

As mentioned in Notes 4(29) and 6(27) of the parent company only financial statements, on January 1, 2023, Giga-Byte Technology Co., Ltd. spun off the operations of the Networking Communication business, and transferred shares of GIGAIPC CO., LTD to Giga Computing Technology Co., Ltd. The spin-off is accounted for using the book value method since the transaction pertains to a reorganization. In accordance with the IFRS Q&A 'Questions on Retrospective Restatement of Comparative Financial Statements under Capital Reorganization' issued by Accounting Research and Development Foundation of the R.O.C. (ARDF) on January 30, 2019, Giga-Byte Technology Co., Ltd. did not retrospectively restate the comparative period of the parent company only financial statements ended December 31, 2022.

## ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

### **Occurrence of revenue from significant new counterparty**

#### Description

Please refer to Note 4(28) for the accounting policies on revenue recognition and Note 6(18) for details of the operating revenue.

The Company has numerous customers and sales regions across the world, it is infrequent to have revenue generated from a single customer that exceeded 10% of the consolidated operating revenue. Given that the verification of the existence of the transaction counterparty is critical to the revenue recognition, the occurrence of revenue from significant new counterparty was identified as a key audit matter.

#### How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Interviewed with management and obtained an understanding of the revenue recognition policy, and the consistency of the policy application during the financial reporting periods.
2. Obtained an understanding and tested credit check procedures for significant new counterparty. Verified that the transaction with significant new counterparty has been properly approved and agreed with supporting documentation, which include searching transaction counterparty's related information.
3. Obtained an understanding and tested the selling price and credit term of significant new counterparty.
4. Interviewed with management and obtained an understanding for the reason of accounts receivable overdue from significant new counterparty in order to evaluate the reasonableness.
5. Sampled and tested detailed revenue schedule of significant new counterparty and verified the original supporting documentation.
6. Sent accounts receivable confirmation letter to significant new counterparty. Investigated the reason and tested reconciling items made by the Company if the result in confirmation reply did not correspond to records, or tested collections after the balance sheet date if no confirmation reply was received.

## **Assessment of allowance for valuation of inventory loss**

### Description

Please refer to Note 4(12) for accounting policies on inventories, Note 5(2) for accounting estimates and assumption uncertainty and Note 6(4) for details of inventories.

The Company is primarily engaged in manufacturing and selling of computer hardware equipment and related components. Due to the short life cycle of electronic products and the price is highly subject to market fluctuation, the risk of incurring inventory valuation losses or having obsolete inventory are relatively high. Inventories held for sale in the ordinary course of business are stated at the lower of cost and net realizable value; Valuation loss are recognized for those inventories which exceed certain aging period or individually identified as obsolete inventories based on its net realizable value.

Given that the amount of inventories is significant and that the individually identified net realizable value of obsolete inventories has uncertainty based on prior industry experience, the evaluation of the allowance for valuation loss was identified as a key audit matter.

### How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Interviewed with management and obtained an understanding of the policy and process on evaluation of the allowance for valuation loss, and the consistency of the policy and process application during the financial reporting periods.
2. Obtained an understanding of the warehouse management procedures, reviewed annual physical inventory count plan and participated the annual inventory count. Evaluated the effectiveness of management control on identifying and managing obsolete inventories.
3. Tested the appropriateness of system logic in inventory aging report which management adopted for inventories valuation purpose, and verified that obsolete inventories which exceeded a certain aging period were included in the report.
4. Evaluated the reasonableness of obsolete or damaged inventory items which were identified by management, reviewed related supporting documentation, and compared to the results obtained from the observation of physical inventory count.
5. For inventories which exceeded a certain period of aging and individually identified as obsolete and damaged, discussed with management and obtained supporting documentation of the evaluation on net realisable value, and performed recalculation.

### ***Responsibilities of management and those charged with governance for the parent company only financial statements***

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

### ***Auditors' responsibilities for the audit of the parent company only financial statements***

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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



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

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Hsiao, Chun-Yuan  
For and on behalf of PricewaterhouseCoopers, Taiwan  
March 14, 2024

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Lin, Se-Kai

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

GIGA-BYTE TECHNOLOGY CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 14,343,246	19	\$ 11,021,033	17
1110	Financial assets at fair value through profit or loss - current	6(2)	92,260	-	272,783	1
1150	Notes receivable, net	6(3)	2,029	-	2,785	-
1170	Accounts receivable, net	6(3)	7,028,151	9	5,981,499	9
1180	Accounts receivable-related parties, net	7	12,845,814	17	15,168,316	23
1200	Other receivables	7	7,136,061	10	148,216	-
130X	Inventories, net	6(4)	12,550,452	17	15,939,386	24
1410	Prepayments		558,865	1	279,739	1
1470	Other current assets		259,689	-	258,457	-
11XX	<b>Total current assets</b>		<u>54,816,567</u>	<u>73</u>	<u>49,072,214</u>	<u>75</u>
<b>Non-current assets</b>						
1535	Financial assets at amortized cost-non-current	6(5) and 8	61,668	-	161,900	-
1550	Investments accounted for using equity method	6(6) and 7	16,280,734	22	12,222,431	19
1600	Property, plant and equipment, net	6(7)	2,665,997	4	2,802,994	5
1755	Right-of-use assets	6(8)	68,592	-	35,896	-
1780	Intangible assets		143,981	-	127,405	-
1840	Deferred income tax assets	6(25)	803,617	1	806,074	1
1900	Other non-current assets		74,342	-	63,276	-
15XX	<b>Total non-current assets</b>		<u>20,098,931</u>	<u>27</u>	<u>16,219,976</u>	<u>25</u>
1XXX	<b>Total assets</b>		<u>\$ 74,915,498</u>	<u>100</u>	<u>\$ 65,292,190</u>	<u>100</u>

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>						
2130	Contract liabilities - current	6(18)	\$ 357,023	1	\$ 1,040,938	2
2150	Notes payable		9,340	-	11,441	-
2170	Accounts payable		14,384,920	19	13,656,856	21
2180	Accounts payable-related parties	7	2,926,105	4	5,338,606	8
2200	Other payables	6(10) and 7	8,600,176	11	6,191,706	10
2230	Current income tax liabilities		588,144	1	1,528,610	2
2250	Provisions for liabilities - current	6(11)	741,833	1	818,265	1
2280	Lease liabilities-current		38,505	-	25,445	-
2300	Other current liabilities		336,133	-	155,465	-
21XX	<b>Total current liabilities</b>		<u>27,982,179</u>	<u>37</u>	<u>28,767,332</u>	<u>44</u>
<b>Non-current liabilities</b>						
2530	Bonds payable	6(12)	8,920,465	12	-	-
2570	Deferred income tax liabilities	6(25)	-	-	5,890	-
2580	Lease liabilities-non-current		30,554	-	10,859	-
2600	Other non-current liabilities	6(6)(13)	<u>509,490</u>	<u>1</u>	<u>574,635</u>	<u>1</u>
25XX	<b>Total non-current liabilities</b>		<u>9,460,509</u>	<u>13</u>	<u>591,384</u>	<u>1</u>
2XXX	<b>Total liabilities</b>		<u>37,442,688</u>	<u>50</u>	<u>29,358,716</u>	<u>45</u>
Capital stock						
3110	Common stock	6(15)	6,356,889	9	6,356,889	10
Capital surplus						
3200	Capital surplus	6(16)	3,898,998	5	3,281,465	5
Retained earnings						
3310	Legal reserve	6(17)	7,006,565	9	6,346,126	10
3320	Special reserve		426,354	1	426,354	-
3350	Unappropriated retained earnings		19,535,057	26	19,400,238	30
Other equity						
3400	Other equity		<u>248,947</u>	<u>-</u>	<u>122,402</u>	<u>-</u>
3XXX	<b>Total equity</b>		<u>37,472,810</u>	<u>50</u>	<u>35,933,474</u>	<u>55</u>
3X2X	<b>Total liabilities and equity</b>		<u>\$ 74,915,498</u>	<u>100</u>	<u>\$ 65,292,190</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

GIGA-BYTE TECHNOLOGY CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	2023		2022	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(18) and 7	\$ 90,149,617	100	\$ 100,712,224	100
5000 Operating costs	6(4)(23) (24) and 7	( 83,070,339)	( 92)	( 89,011,001)	( 88)
5900 Gross profit		<u>7,079,278</u>	<u>8</u>	<u>11,701,223</u>	<u>12</u>
Operating expenses	6(23) (24) and 7				
6100 Selling expenses		( 2,966,345)	( 3)	( 4,304,861)	( 5)
6200 General and administrative expenses		( 1,494,070)	( 2)	( 933,725)	( 1)
6300 Research and development expenses		( 1,317,146)	( 1)	( 2,169,723)	( 2)
6450 Expected credit gain (loss)	6(23) and 12(2)	61,204	-	( 63,015)	-
6000 Total operating expenses		<u>( 5,716,357)</u>	<u>( 6)</u>	<u>( 7,471,324)</u>	<u>( 8)</u>
6900 Operating profit		<u>1,362,921</u>	<u>2</u>	<u>4,229,899</u>	<u>4</u>
Non-operating income and expenses					
7100 Interest revenue	6(19)	244,116	-	57,045	-
7010 Other income	6(20)	791,524	1	901,621	1
7020 Other gains and losses	6(21)	101,795	-	1,505,727	2
7050 Finance costs	6(22)	( 80,139)	-	( 2,290)	-
7070 Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(6)	<u>2,831,992</u>	<u>3</u>	<u>1,315,525</u>	<u>1</u>
7000 Total non-operating income and expenses		<u>3,889,288</u>	<u>4</u>	<u>3,777,628</u>	<u>4</u>
7900 Profit before income tax		5,252,209	6	8,007,527	8
7950 Income tax expense	6(25)	( 509,230)	( 1)	( 1,469,006)	( 1)
8200 Profit for the year		<u>\$ 4,742,979</u>	<u>5</u>	<u>\$ 6,538,521</u>	<u>7</u>
<b>Other comprehensive income (loss), net</b>					
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>					
8311 Remeasurements of defined benefit plans	6(13)	(\$ 8,063)	-	\$ 82,340	-
8330 Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		268,615	-	( 881,281)	( 1)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	<u>1,613</u>	<u>-</u>	<u>( 16,468)</u>	<u>-</u>
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss		<u>262,165</u>	<u>-</u>	<u>( 815,409)</u>	<u>( 1)</u>
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>					
8361 Exchange differences arising from translation of foreign operations		( 142,070)	-	274,435	-
8360 Components of other comprehensive (loss) income that will be reclassified to profit or loss		<u>( 142,070)</u>	<u>-</u>	<u>274,435</u>	<u>-</u>
8300 Other comprehensive income (loss), net		<u>\$ 120,095</u>	<u>-</u>	<u>(\$ 540,974)</u>	<u>( 1)</u>
8500 Total comprehensive income for the year		<u>\$ 4,863,074</u>	<u>5</u>	<u>\$ 5,997,547</u>	<u>6</u>
9750 Basic earnings per share	6(26)	<u>\$ 7.46</u>		<u>\$ 10.29</u>	
9850 Diluted earnings per share	6(26)	<u>\$ 7.40</u>		<u>\$ 10.12</u>	

The accompanying notes are an integral part of these parent company only financial statements.

GIGA-BYTE TECHNOLOGY CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars)

	Notes	Retained earnings				Other equity interest			Treasury shares	Total equity
		Capital stock- Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealized gain or loss on valuation of financial assets at fair value through other comprehensive income		
<u>Year 2022</u>										
Balance at January 1, 2022		\$ 6,356,889	\$ 3,279,731	\$ 5,011,247	\$ 426,354	\$ 21,750,531	\$ 743,466	\$ 1,472,714	\$ 66,016	\$ 37,487,984
Profit for the year		-	-	-	-	6,538,521	-	-	-	6,538,521
Other comprehensive income (loss) for the year		-	-	-	-	65,872	274,435	( 881,281 )	-	( 540,974 )
Total comprehensive income (loss)		-	-	-	-	6,604,393	274,435	( 881,281 )	-	5,997,547
Appropriations of 2021 earnings:	6(17)									
Legal reserve		-	-	1,334,879	-	( 1,334,879 )	-	-	-	-
Cash dividends		-	-	-	-	( 7,619,807 )	-	-	-	( 7,619,807 )
Changes in equity of associates accounted for using equity method		-	1,199	-	-	-	-	-	-	1,199
Share-based payment transactions	6(14)	-	-	-	-	-	-	-	66,016	66,016
Past due expired dividends		-	535	-	-	-	-	-	-	535
Balance at December 31, 2022		\$ 6,356,889	\$ 3,281,465	\$ 6,346,126	\$ 426,354	\$ 19,400,238	( \$ 469,031 )	\$ 591,433	\$ -	\$ 35,933,474
<u>Year 2023</u>										
Balance at January 1, 2023		\$ 6,356,889	\$ 3,281,465	\$ 6,346,126	\$ 426,354	\$ 19,400,238	( \$ 469,031 )	\$ 591,433	\$ -	\$ 35,933,474
Profit for the year		-	-	-	-	4,742,979	-	-	-	4,742,979
Other comprehensive (loss) income for the year		-	-	-	-	( 6,450 )	( 142,070 )	268,615	-	( 120,095 )
Total comprehensive income (loss)		-	-	-	-	4,736,529	( 142,070 )	268,615	-	4,863,074
Appropriations of 2022 earnings:	6(17)									
Legal reserve		-	-	660,439	-	( 660,439 )	-	-	-	-
Cash dividends		-	-	-	-	( 3,941,271 )	-	-	-	( 3,941,271 )
Changes in equity of associates accounted for using equity method		-	( 392 )	-	-	-	-	-	-	( 392 )
Changes in ownership interests in subsidiaries	6(6)	-	167,801	-	-	-	-	-	-	167,801
Due to recognition of equity component of convertible bonds (preference share) issued	6(12)	-	449,693	-	-	-	-	-	-	449,693
Past due expired dividends		-	431	-	-	-	-	-	-	431
Balance at December 31, 2023		\$ 6,356,889	\$ 3,898,998	\$ 7,006,565	\$ 426,354	\$ 19,535,057	( \$ 611,101 )	\$ 860,048	\$ -	\$ 37,472,810

The accompanying notes are an integral part of these parent company only financial statements.

GIGA-BYTE TECHNOLOGY CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 5,252,209	\$ 8,007,527
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(23)	304,899	329,187
Amortization	6(23)	110,633	85,438
Gain from lease modification	6(8)(21)	( 80 )	( 61 )
Expected credit (gain) loss	6(23)and12(2)	( 61,204 )	63,015
Gain on financial assets at fair value through profit or loss	6(21)	( 22,578 )	( 10,356 )
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	6(6)	( 2,831,992 )	( 1,315,525 )
Loss (gain) on disposal of property, plant and equipment	6(21)	26	( 8,651 )
Interest income	6(19)	( 244,116 )	( 57,045 )
Interest expense	6(22)	80,139	2,290
Employee compensation		147,743	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		203,101	869,331
Notes receivable		756	( 60 )
Accounts receivable		1,337,054	( 2,130,271 )
Other receivables		( 6,980,107 )	241,326
Inventories		3,171,146	4,005,493
Prepayments		( 279,126 )	200,225
Other current assets		( 1,232 )	12,195
Changes in operating liabilities			
Contract liabilities		13,449	( 10,091 )
Notes payable		( 2,101 )	( 7,525 )
Accounts payable		( 1,171,340 )	( 763,386 )
Other payables		2,791,687	( 2,984,721 )
Provisions for liabilities		( 24,472 )	93,072
Other current liabilities		234,308	( 44,170 )
Other non-current liabilities		( 59,445 )	( 50,611 )
Cash generated from operations		1,969,357	6,526,626
Interest received		238,855	56,867
Dividends received		38,002	183,482
Interest paid		( 1,167 )	( 2,290 )
Income tax paid		( 1,451,516 )	( 2,288,072 )
Net cash generated from operating activities		<u>793,531</u>	<u>4,476,613</u>

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>Year ended December 31,</u>	
		<u>2023</u>	<u>2022</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost		(\$ 1,112,104)	(\$ 14,313)
Proceeds from disposal of financial assets at amortised cost		1,212,336	623,007
Acquisition of investments accounted for using equity method	6(6) and 7	( 536,000)	( 1,000)
Proceeds from disposal of investments accounted for using equity method	6(6)	-	80,000
Acquisition of property, plant and equipment	6(28)	( 183,423)	( 384,671)
Proceeds from disposal of property, plant and equipment		2,159	14,631
Acquisition of intangible assets		( 138,810)	( 185,296)
Increase in guarantee deposit paid		( 16,015)	( 2,063)
Decrease in guarantee deposit paid		6,619	4,492
Reorganizational-Cash reduction due to spin-off	6(27)	( 1,990,657)	-
Increase in other non-current assets		( 34,690)	( 20,417)
Net cash flows (used in) from investing activities		( 2,790,585)	114,370
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from issuing bonds	6(29)	9,291,186	-
Repayments of long-term borrowings	6(29)	-	( 200,000)
Increase in guarantee deposits received	6(29)	8,785	89,598
Decrease in guarantee deposits received	6(29)	( 972)	( 539)
Payments on lease liabilities	6(29)	( 38,892)	( 51,188)
Cash dividends	6(17)	( 3,941,271)	( 7,619,807)
Treasury shares sold to employees		-	66,016
Past due expired unpaid dividends for shareholders		431	535
Net cash provided from (used in) financing activities		5,319,267	( 7,715,385)
Net increase (decrease) in cash and cash equivalents		3,322,213	( 3,124,402)
Cash and cash equivalents at beginning of year		11,021,033	14,145,435
Cash and cash equivalents at end of year		\$ 14,343,246	\$ 11,021,033

The accompanying notes are an integral part of these parent company only financial statements.

GIGA-BYTE TECHNOLOGY CO., LTD.  
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

(1) Giga-Byte Technology Co., Ltd. (the “Company”) was incorporated as company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The address of the Company’s registered office is No.6, Baoqiang Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.). The Company is primarily engaged in the manufacturing, processing and trading of computer peripheral and component parts. The Company’s shares have been traded on the Taiwan Stock Exchange since September 24, 1998.

(2) In order to improve the Group’s competitiveness and operational performance, the Company transferred the operations related to the networking communication business group to Giga Computing Technology Co., Ltd. on January 1, 2023. Please refer to Note 6(27) for details.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 14, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS<sup>®</sup>”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

Except for the following, the above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.



#### Amendments to IAS 12, ‘International tax reform - pillar two model rules’

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development (OECD). An entity shall neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Information is provided in Note 6(6).

#### (2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

#### (3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements have been prepared in accordance with the ‘Regulations Governing the Preparation of Financial Reports by Securities Issuers’.

(2) Basis of preparation

A. Except for the following items, these parent company only financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through profit or loss.

(b) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

- (d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the subsidiaries and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
  - (a) Liabilities that are expected to be settled within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents, or shall be classified as financial assets at amortized cost – current or financial assets at amortized cost – non-current based on its maturity date if the maturity is longer than three months.

(6) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using settlement date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
- D. The Company recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Financial assets at amortized cost

- A. Financial assets at amortized cost are those that meet all of the following criteria:
  - (a) The objective of the Company's business model is achieved by collecting contractual cash flows.
  - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using settlement date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.
- D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortized cost, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs

(10) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Leasing arrangements (lessor) – operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(13) Investments accounted for using equity method / subsidiaries

- A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealized gains or losses occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.
- D. If changes in the Company's shares in subsidiaries do not result in loss in control (transactions with non-controlling interest), transactions shall be considered as equity transactions, which are transactions between owners. Difference of adjustment of non-controlling interest and fair value of consideration paid or received is recognised in equity.

E. Pursuant to the “Regulations Governing the Preparation of Financial Reports by Securities Issuers,” profit (loss) for the year and other comprehensive income (loss) for the year reported in the parent company only financial statements, shall be equal to profit (loss) for the year and other comprehensive income (loss) attributable to owners of the parent reported in the consolidated financial statements, equity reported in the parent company only financial statements shall be equal to equity attributable to owners of parent reported in the consolidated financial statements.

(14) Investments accounted for using equity method- joint ventures

The Company accounts for its interest in a joint venture using equity method. Unrealized profits and losses arising from the transactions between the Company and its joint venture are eliminated to the extent of the Company’s interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, all such losses shall be recognized immediately. When the Company’s share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end. If expectations for the assets’ residual values and useful lives differ from previous estimates or the patterns of consumption of the assets’ future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, ‘Accounting Policies, Changes in Accounting Estimates and Errors’, from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3~55 years
Machinery and equipment	2~10 years
Research and development equipment	3~6 years
Office equipment	5~6 years
Other tangible operating assets	3~6 years



(16) Leasing arrangements (lessee) – right-of-use assets/lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability;
- (b) Any lease payments made at or before the commencement date; and
- (c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize the difference between remeasured lease liability in profit or loss.

(17) Intangible assets

A. Computer software

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 1 to 10 years.

B. Trademark right (indefinite useful life)

Trademark right is stated at cost and regarded as having an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. Trademark right is not amortized, but is tested annually for impairment.

(18) Impairment of non-financial assets

A. The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish,

the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

- B. The recoverable amounts of intangible assets with an indefinite useful life are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(19) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Convertible bonds payable

- A. Convertible bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Company classifies the bonds payable upon issuance as a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- (a) Whether the embedded call options and put options shall be separated as embedded derivative depends on if its' economic characteristics and risks are closely related to the economic characteristics and risks of the host contract, when recognised initially. When the economic characteristics and risks of the embedded call options and put options are closely related to the economic characteristics and risks of the host contract, the multiple embedded derivatives shall be accounted for in accordance with the appropriate standards according to its nature. When the economic characteristics and risks of the embedded call options and put options are not closely related to the economic characteristics and risks of the host contract. Embedded derivatives are separated from the host contract, the host contract shall be accounted for in accordance with the appropriate standards according to its nature.
- (b) The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.
- (c) The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of bonds payable as stated above. Conversion options are not subsequently remeasured.
- (d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.



- (e) When bondholders exercise conversion options, the liability component of the bonds (bonds payable) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and ‘capital surplus—share options’.

(21) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(22) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.
- ii. Remeasurement arising on defined benefit plans is recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognized immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognizes expense as it can no longer withdraw an offer of termination benefits or it recognizes relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(24) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest. The aforementioned grant date represents the grant date resolved by the Board of Directors.

(25) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(26) Share capital

- A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(28) Revenue recognition

Sales of goods

- A. The Company manufactures and sells computer peripheral and component parts products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customers. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either customers has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.
- B. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated business tax, volume discounts, sales returns and allowances. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.
- C. The Company's obligation to provide a repair for faulty products under the standard warranty terms is recognized as a provision.
- D. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(29) Reorganization

On January 1, 2023, The company spun off the operations of the Networking Communication business, and transferred shares of GIGAIPC CO., LTD to Giga Computing Technology Co., Ltd. The spin-off is accounted for using the book value method since the transaction pertains to a reorganization. In accordance with the IFRS Q&A 'Questions on Retrospective Restatement of Comparative Financial Statements under Capital Reorganization' issued by Accounting Research and Development Foundation of the R.O.C. (ARDF) on January 30, 2019, The company did not retrospectively restate the comparative period of the parent company only financial statements ended December 31, 2022.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Company’s accounting policies

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable values are determined based on past experience on industrial. Management’s judgement on determining net realizable value involves material judgement.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and petty cash	\$ 2,373	\$ 2,347
Checking accounts and demand deposits	6,311,906	8,385,505
Time deposits	8,028,967	2,633,181
	<u>\$ 14,343,246</u>	<u>\$ 11,021,033</u>

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company reclassified the pledged bank deposits to “Financial assets at amortized cost”, please refer to Notes 6(5) and 8 for the details.

(2) Financial assets at fair value through profit or loss

<u>Financial assets mandatorily measured at fair value through profit or loss</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Beneficiary certificates	\$ 97,257	\$ 278,664
Government bonds	-	16,298
	97,257	294,962
Valuation adjustment	( 4,997)	( 22,179)
	<u>\$ 92,260</u>	<u>\$ 272,783</u>

A. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

<u>Financial assets mandatorily measured at fair value through profit or loss</u>	<u>2023</u>	<u>2022</u>
Beneficiary certificates	\$ 22,249	\$ 11,181
Debt instruments	<u>1,069</u>	<u>913</u>
	<u>\$ 23,318</u>	<u>\$ 12,094</u>

B. The Company has no financial assets at fair value through profit or loss pledged to others.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Notes and accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 2,029	\$ 2,785
Accounts receivable	\$ 7,063,370	\$ 6,077,974
Less: Allowance for uncollectible accounts	( 35,219)	( 96,475)
	<u>\$ 7,028,151</u>	<u>\$ 5,981,499</u>

A. Details of notes receivable of the Company that were not yet past and the ageing analysis of accounts receivable are provided in Note 12(2).

B. As at December 31, 2023 and 2022, and January 1, 2022, the balances of receivables (including notes receivable) from contracts with customers amounted to \$7,065,399, \$6,080,759, and \$6,237,047, respectively.

C. The Company has no notes and accounts receivable pledged to others.

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes and accounts receivable were \$2,029 and \$2,785; \$7,028,151 and \$5,981,499, respectively.

E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(4) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 4,514,939	(\$ 358,103)	\$ 4,156,836
Work in progress	1,683,551	( 4,698)	1,678,853
Finished goods and merchandise inventories	6,881,505	( 166,742)	6,714,763
	<u>\$ 13,079,995</u>	<u>(\$ 529,543)</u>	<u>\$ 12,550,452</u>

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 9,364,346	(\$ 534,799)	\$ 8,829,547
Work in progress	940,721	( 6,457)	934,264
Finished goods and merchandise inventories	6,695,126	( 519,551)	6,175,575
	<u>\$ 17,000,193</u>	<u>(\$ 1,060,807)</u>	<u>\$ 15,939,386</u>

The cost of inventories recognized as expense for the period:

	Year ended December 31	
	2023	2022
Cost of inventories sold	\$ 82,045,581	\$ 87,163,751
Cost of warranty	1,487,938	1,090,803
(Gain on reversal of) loss on valuation	( 463,180)	756,447
	<u>\$ 83,070,339</u>	<u>\$ 89,011,001</u>

Reversal of inventory valuation loss for the year ended December 31, 2023 was mainly due to the selling of inventory which was previously recognized in the allowance of obsolescence loss as inventory level increased due to market slow down since second quarter of 2022.

(5) Financial assets at amortized cost – non current

	December 31, 2023	December 31, 2022
Pledged bank deposits	<u>\$ 61,668</u>	<u>\$ 161,900</u>

A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

	2023	2022
Interest income	<u>\$ 13,837</u>	<u>\$ 2,726</u>

B. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Company was \$61,668 and \$161,900, respectively.



- C. Details of the Company's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
- D. The Company deposits financial assets at amortised cost in a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

(6) Investments accounted for using the equity method

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Subsidiaries</u>		
Freedom International Group Ltd.	\$ 8,529,092	\$ 7,082,011
Giga Investment Co.	3,850,640	3,554,493
G.B.T. Technology Trading GmbH	405,985	383,948
BYTE International Co., Ltd.	478,568	421,072
G-Style Co., Ltd.	21,034	( 21,576)
GIGAIPC CO., LTD.	-	229,170
Giga-Byte Technology B.V.	172,543	154,139
G.B.T. Inc.	354,797	157,733
Giga-Byte Communication Inc.	20,989	21,450
Giga Computing Technology Co., Ltd.	2,227,819	700
G.B.T. Technology LLC others	165,910	159,767
<u>Joint ventures:</u>		
MyelinTek Inc.	53,357	57,948
	<u>16,280,734</u>	<u>12,200,855</u>
Add : Reclassified to other liabilities, others (shown as other non-current liabilities)	-	21,576
	<u>\$ 16,280,734</u>	<u>\$ 12,222,431</u>

- A. Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2023 for more information on the Company's subsidiary.
- B. For the years ended December 31, 2023 and 2022, shares of profit from subsidiaries accounted for using equity method were \$2,831,992 and \$1,315,525 respectively, based on the audited financial statements.
- C. GIGAIPC CO., LTD. decreased its capital on November 30, 2022 and returned capital amounting to \$80,000 to the Company.
- D. On March 9, 2022, the Company established Giga Computing Technology Co., Ltd., In order to improve the Group's competitiveness and operational performance. On January 1, 2023, the Company transferred the operations related to the networking communication business group and its investment in GIGAIPC CO., LTD. to Giga Computing Technology Co., Ltd. through surviving spin-off method. Please refer to Note 6(27) for information related to organizational restructuring.



- E. On October 17, 2023, Giga Computing Technology Co., Ltd. issued employee stock options, resulting in the Company's shareholding ratio in the investee decreasing to 83.93%. The amount of \$167,801 was recognized under "Capital Surplus - Changes in ownership interests in subsidiaries". For information related to non-controlling interests, please refer to Note 6(30) 2023 Company's consolidated financial statements.
- F. Information about the Company's subsidiaries exposure to Pillar Two income taxes arising from the Pillar Two legislation is provided in Note 6(28) in the 2023 consolidated financial statements.
- G. The Company had no material joint venture investment. The Company's share of the operating results of the aforementioned joint venture investment are as follows:

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Total comprehensive loss	(\$ 4,591)	(\$ 5,050)

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(7) Property, plant and equipment

2023

	Land		Buildings and structures			Machinery		Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
<u>At January 1</u>									
Cost	\$1,052,313	\$178,723	\$1,231,036	\$1,569,902	\$124,413	\$1,694,315	\$1,164,341	\$960,347	\$5,050,039
Accumulated depreciation	-	-	-	(691,616)	(44,291)	(735,907)	(782,523)	(728,615)	(2,247,045)
	<u>\$1,052,313</u>	<u>\$178,723</u>	<u>\$1,231,036</u>	<u>\$878,286</u>	<u>\$80,122</u>	<u>\$958,408</u>	<u>\$381,818</u>	<u>\$231,732</u>	<u>\$2,802,994</u>
<u>At January 1</u>									
Additions	-	-	-	23,252	-	23,252	6,068	154,939	184,259
Disposals	-	-	-	-	-	-	-	(2,185)	(2,185)
Reorganization Spin-off	-	-	-	(7,302)	-	(7,302)	(959)	(73,161)	(81,422)
Reclassifications	11,856	(11,856)	-	5,577	(5,577)	-	8,690	19,529	28,219
Depreciation charge	-	-	-	(36,086)	(2,106)	(38,192)	(101,757)	(125,919)	(265,868)
<u>At December 31</u>	<u>\$1,064,169</u>	<u>\$166,867</u>	<u>\$1,231,036</u>	<u>\$863,727</u>	<u>\$72,439</u>	<u>\$936,166</u>	<u>\$293,860</u>	<u>\$204,935</u>	<u>\$2,665,997</u>
<u>At December 31</u>									
Cost	\$1,064,169	\$166,867	\$1,231,036	\$1,584,616	\$118,836	\$1,703,452	\$1,152,456	\$720,223	\$4,807,167
Accumulated depreciation	-	-	-	(720,889)	(46,397)	(767,286)	(858,596)	(515,288)	(2,141,170)
	<u>\$1,064,169</u>	<u>\$166,867</u>	<u>\$1,231,036</u>	<u>\$863,727</u>	<u>\$72,439</u>	<u>\$936,166</u>	<u>\$293,860</u>	<u>\$204,935</u>	<u>\$2,665,997</u>

2022

	Land		Buildings and structures			Machinery		Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
<u>At January 1</u>									
Cost	\$1,054,422	\$176,614	\$1,231,036	\$1,565,263	\$117,436	\$1,682,699	\$996,537	\$1,009,836	\$4,920,108
Accumulated depreciation	-	-	-	(686,331)	(31,620)	(717,951)	(729,231)	(787,006)	(2,234,188)
	<u>\$1,054,422</u>	<u>\$176,614</u>	<u>\$1,231,036</u>	<u>\$878,932</u>	<u>\$85,816</u>	<u>\$964,748</u>	<u>\$267,306</u>	<u>\$222,830</u>	<u>\$2,685,920</u>
At January 1	\$1,054,422	\$176,614	\$1,231,036	\$878,932	\$85,816	\$964,748	\$267,306	\$222,830	\$2,685,920
Additions	-	-	-	32,948	-	32,948	201,399	154,437	388,784
Disposals	-	-	-	(869)	-	(869)	(2,760)	(2,351)	(5,980)
Reclassifications	(2,109)	2,109	-	(6,977)	6,977	-	11,938	521	12,459
Depreciation charge	-	-	-	(25,748)	(12,671)	(38,419)	(96,065)	(143,705)	(278,189)
At December 31	<u>\$1,052,313</u>	<u>\$178,723</u>	<u>\$1,231,036</u>	<u>\$878,286</u>	<u>\$80,122</u>	<u>\$958,408</u>	<u>\$381,818</u>	<u>\$231,732</u>	<u>\$2,802,994</u>
<u>At December 31</u>									
Cost	\$1,052,313	\$178,723	\$1,231,036	\$1,569,902	\$124,413	\$1,694,315	\$1,164,341	\$960,347	\$5,050,039
Accumulated depreciation	-	-	-	(691,616)	(44,291)	(735,907)	(782,523)	(728,615)	(2,247,045)
	<u>\$1,052,313</u>	<u>\$178,723</u>	<u>\$1,231,036</u>	<u>\$878,286</u>	<u>\$80,122</u>	<u>\$958,408</u>	<u>\$381,818</u>	<u>\$231,732</u>	<u>\$2,802,994</u>

A. The significant components of buildings include main plants and renovation projects, which are depreciated over 50~55 and 3~55 years, respectively.

B. The Company had no interest capitalization for the years ended December 31, 2023 and 2022.

C. The Company has no property, plant and equipment pledged to others as collateral.

(8) Leasing arrangements – lessee

- A. The Company leases various assets including buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise of buildings and business vehicles. Low-value assets comprise multifunction printers.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Buildings	\$ 21,161	\$ 6,429
Transportation equipment	47,431	29,467
	<u>\$ 68,592</u>	<u>\$ 35,896</u>

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 15,178	\$ 22,396
Transportation equipment	23,853	28,602
	<u>\$ 39,031</u>	<u>\$ 50,998</u>

- D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$79,612 and \$14,973, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,152	\$ 1,070
Expense on short-term lease contracts	73,706	65,063
Expense on leases of low-value assets	3,761	4,673
Gain on lease modification	80	61

- F. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were \$117,511 and \$121,944, respectively.

(9) Leasing arrangements – lessor

- A. The Company leases various assets including land and buildings. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2023 and 2022, the Company recognized rent income in the amount of \$59,597 and \$14,387, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
2023	\$ -	\$ 8,666
2024	6,149	966
2025	2,966	572
2026	-	86
	<u>\$ 9,115</u>	<u>\$ 10,290</u>

(10) Other payables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Salaries and bonus payable	\$ 3,403,927	\$ 4,071,633
Agency procurement fees payable	3,606,755	-
Employees' compensation and directors' remuneration payable	634,690	940,836
Marketing fee payable	276,492	399,198
Shipping and freight-in payable	173,339	364,659
Royalties payable	46,225	76,258
Others	458,748	339,092
	<u>\$ 8,600,176</u>	<u>\$ 6,191,676</u>

(11) Provisions

A. Movement analysis of the provision for warranty is as follows:

	<u>2023</u>	<u>2022</u>
At January 1	\$ 818,265	\$ 725,193
Additional provisions	1,487,938	1,090,803
Used during the period	( 1,512,410)	( 729,628)
Reversal of unused provisions	-	( 268,103)
Spin-off	( 51,960)	-
At December 31	<u>\$ 741,833</u>	<u>\$ 818,265</u>

B. The Company gives warranties on the peripherals and accessories of computer hardware sold. Provision for warranty is estimated based on the historical repair records of the product.

(12) Bonds payable

	<u>December 31, 2023</u>
Bonds payable	\$ 9,804,347
Less: Discount on bonds payable	( 883,882)
	<u>\$ 8,920,465</u>

A. On July 27, 2023, the Company issued its third unsecured convertible bonds overseas under the following conditions:

- (a) The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 27, 2023 to July 27, 2028. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 1% (semi-annually calculated).
- (b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue(excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- (c) The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT\$375 per share/conversion exchange rate used is USD:TWD=1:31.095), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently.
- (d) Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption based on semi-annual calculations.
- (e) When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.
- (f) Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to \$449,693 were separated from the liability component and were recognised in ‘capital surplus—share options’ in accordance with IAS 32. In accordance with IFRS 39, the call options and put options embedded in bonds payable were not separated because the economic characteristics and risks of the embedded derivatives were closely related to those of the contracts.

(13) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees’ service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement in the following year, the Company will make contributions for the deficit by next March.

(a) The amounts recognized in the balance sheet as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	(\$ 579,025)	(\$ 588,601)
Fair value of plan assets	<u>168,314</u>	<u>126,508</u>
Net defined benefit liability	<u>(\$ 410,711)</u>	<u>(\$ 462,093)</u>

(b) Movements in net defined benefit liabilities are as follows:

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Balance at January 1	(\$ 588,601)	\$ 126,508	(\$ 462,093)
Current service cost	( 3,864)	-	( 3,864)
Interest (expense) income	( 7,787)	1,619	( 6,168)
Past service cost	1,850	-	1,850
Settlement profit or loss	12,198	( 9,532)	2,666
	<u>( 586,204)</u>	<u>118,595</u>	<u>( 467,609)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,533	2,533
Change in demographic assumptions	( 12)	-	( 12)
Change in financial assumptions	( 8,363)	-	( 8,363)
Experience adjustments	( 2,221)	-	( 2,221)
	<u>( 10,596)</u>	<u>2,533</u>	<u>( 8,063)</u>
Pension fund contribution	-	64,961	64,961
Paid pension	17,775	( 17,775)	-
At December 31	<u>(\$ 579,025)</u>	<u>\$ 168,314</u>	<u>(\$ 410,711)</u>
	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Balance at January 1	(\$ 812,095)	\$ 217,051	(\$ 595,044)
Current service cost	( 3,884)	-	( 3,884)
Interest (expense) income	( 5,628)	1,513	( 4,115)
Past service cost	8,137	( 68)	8,069
Settlement profit or loss	142,495	( 117,002)	25,493
	<u>( 670,975)</u>	<u>101,494</u>	<u>( 569,481)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	17,395	17,395
Change in demographic assumptions	( 3,464)	-	( 3,464)
Change in financial assumptions	51,418	-	51,418
Experience adjustments	16,991	-	16,991
	<u>64,945</u>	<u>17,395</u>	<u>82,340</u>
Pension fund contribution	-	25,048	25,048
Paid pension	17,429	( 17,429)	-
At December 31	<u>(\$ 588,601)</u>	<u>\$ 126,508</u>	<u>(\$ 462,093)</u>



- (c) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.
- (d) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2023	2022
Discount rate	1.20%	1.35%
Future salary increases	3.00%	3.00%

Future mortality rate was estimated based on the 5th Experience Mortality Table from Taiwan Life Insurance.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
	0.25%	0.25%	0.25%	0.25%
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 13,536)	\$ 14,037	\$ 13,753	(\$ 13,336)

<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 14,400)	\$ 14,953	\$ 14,673	(\$ 14,207)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(e) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2024 amount to \$10,449.

(f) As of December 31, 2023, the weighted average duration of that retirement plan is 9 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	\$	24,730
1-2 year(s)		34,028
2-5 years		99,824
Over 5 years		487,856
	<u>\$</u>	<u>646,438</u>

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Company for the years ended December 31, 2023 and 2022 were \$67,086 and \$112,048, respectively.

(14) Share-based payment ( Year 2022 : None )

A. For the year ended December 31, 2022, the Company’s share-based payment arrangements was as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Treasury stock transferred to employees	2022.9.26	705,000 shares	2022.10.3-2022.10.7	Immediately vested

Among the share-based payment arrangements above are settled by equity.

B. The Company’s stock price on September 26, 2022 (grant date) was \$89.2 dollars, and the exercise price was \$93.64 dollars and thus the fair value of stock options was \$0.

(15) Share capital

As of December 31, 2023, the Company’s authorized capital was \$9,500,000, consisting of 950,000 thousand shares of ordinary stock (including 250,000 thousand shares reserved for employee stock options and for convertible bonds issued by the Company), and the paid-in capital was \$6,356,889 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company’s ordinary shares outstanding are as follows:

	Year ended December 31	
	2023	2022
Balance at January 1	635,688,886	634,983,886
Treasury stock transferred to employees	-	705,000
Balance at December 31	<u>635,688,886</u>	<u>635,688,886</u>

(16) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(17) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 80%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors, and resolved by the stockholders when distributed by issuance of new shares. The Company's dividend policy is as follows: not less than 5% of total distribution amount shall be distributed in the form of cash. If the cash dividend is less than ten cents (NT\$0.1) per share, such dividend shall be distributed in the form of shares.
- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

The amount previously set aside by the Company as special reserve of \$426,354 on initial application of IFRSs in accordance with No. Financial-Supervisory-Securities-Corporate-1090150022, dated March 31, 2021, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

D. The appropriation of earnings for 2022 and 2021 had been resolved by stockholders on June 9, 2023 and June 14, 2022. Details are summarized below:

	Years ended December 31			
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 660,439		\$ 1,334,879	
Cash dividends	3,941,271	\$ 6.20	7,619,807	\$ 12.00

E. As of the reporting date of the parent company only financial statements, the appropriation of retained earnings for 2023 has not been resolved by the Board of Directors. Information about the appropriation of earnings proposed by the Board of Directors and resolved by the shareholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(18) Operating revenue

	December 31, 2023	December 31, 2022
Revenue from contracts with customers	<u>\$ 90,149,617</u>	<u>\$ 100,712,224</u>

A. Disaggregation of revenue from contracts with customers

The Company derives revenue at a point in time in the following major product lines and segments information:

	2023		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 71,156,719	\$ -	\$ 71,156,719
Networking communication products	8,146,355	-	8,146,355
Others	10,275,046	571,497	10,846,543
	<u>\$ 89,578,120</u>	<u>\$ 571,497</u>	<u>\$ 90,149,617</u>
	2022		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 69,412,927	\$ -	\$ 69,412,927
Networking communication products	19,230,346	-	19,230,346
Others	11,898,251	170,700	12,068,951
	<u>\$ 100,541,524</u>	<u>\$ 170,700</u>	<u>\$ 100,712,224</u>

B. Contract liabilities

(a) The Company has recognised the following revenue-related contract liabilities:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>January 1, 2022</u>
Advance sales receipts	\$ 357,023	\$ 1,040,938	\$ 1,051,029

(b) Revenue recognized that was included in the contract liability balance at the beginning of the period is as follows:

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Advance sales receipts	\$ 1,040,938	\$ 1,051,029

(19) Interest income

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Interest income from bank deposits	\$ 228,015	\$ 48,684
Interest income from financial assets measured at amortized cost	13,837	2,726
Interest income from financial assets measured at fair value through profit or loss	740	1,738
Others	1,524	3,897
	<u>\$ 244,116</u>	<u>\$ 57,045</u>

(20) Other income

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Rent income	\$ 59,597	\$ 14,387
Other income - others	731,927	887,234
	<u>\$ 791,524</u>	<u>\$ 901,621</u>

(21) Other gains and losses

	<u>Year ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Foreign exchange gains	\$ 79,163	\$ 1,488,382
Gains on financial assets at fair value through profit or loss	22,578	10,356
Gains from lease modification	80	61
Losses (gains) on disposal of property, plant and equipment	( 26)	8,651
Others	-	( 1,723)
	<u>\$ 101,795</u>	<u>\$ 1,505,727</u>

(22) Finance costs

	Year ended December 31	
	2023	2022
Interest expense		
Amortization of convertible bonds discount	\$ 78,972	\$ -
Bank borrowings	-	1,206
Interest expense on lease liabilities	1,152	1,070
Other interest expense	15	14
	<u>\$ 80,139</u>	<u>\$ 2,290</u>

(23) Expenses by nature

	Year ended December 31	
	2023	2022
Cost of goods sold	\$ 81,129,834	\$ 86,278,247
Employee benefit expense	3,022,300	2,632,250
Warranty cost of after-sale service	1,487,938	1,090,803
Export expense	597,607	1,402,593
Marketing service charge	555,168	833,187
Depreciation and amortization	415,532	414,625
Transportation expenses	215,024	399,525
Loss (gain on reversal of) on inventory valuation	( 463,180)	756,447
Expected credit (gains) losses	( 61,204)	63,015
Other costs and expenses	1,887,677	2,611,633
	<u>\$ 88,786,696</u>	<u>\$ 96,482,325</u>

(24) Employee benefit expense

	Year ended December 31	
	2023	2022
Wages and salaries	\$ 2,595,540	\$ 2,091,375
Labor and health insurance fees	187,980	271,292
Pension costs	72,602	86,485
Directors' remuneration	55,614	51,752
Other personnel expenses	110,564	131,346
	<u>\$ 3,022,300</u>	<u>\$ 2,632,250</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3%~10% for employees' compensation and shall not be higher than 3% for directors' remuneration.

B. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at \$588,690 and \$894,836, respectively; while directors' remuneration was both accrued at \$46,000. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 10% and 0.78% of distributable profit of current year for the year ended December 31, 2023. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$588,690 and \$46,000, respectively, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' remuneration of 2022 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2022 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(25) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 460,881	\$ 1,338,449
Tax on undistributed surplus earnings	87,069	195,193
Prior year income tax overestimation	( 36,900)	( 95,119)
Total current tax	<u>511,050</u>	<u>1,438,523</u>
Deferred tax:		
Origination and reversal of temporary differences	( 1,820)	30,483
Income tax expense	<u>\$ 509,230</u>	<u>\$ 1,469,006</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31	
	2023	2022
Remeasurement of defined benefit obligations	(\$ 1,613)	\$ 16,468

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 1,050,442	\$ 1,601,505
Items disallowed by tax regulation	( 453,398)	( 82,853)
Effect from investment tax credits	( 137,983)	( 149,720)
Prior year income tax overestimation	( 36,900)	( 95,119)
Tax on undistributed surplus earnings	87,069	195,193
Income tax expense	<u>\$ 509,230</u>	<u>\$ 1,469,006</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary difference are as follows:

	Year ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 163,653	(\$ 15,287)	\$ -	\$ 148,366
Loss on inventory valuation	212,162	( 106,253)	-	105,909
Pension expense	67,693	( 11,889)	-	55,804
Unrealized profit on intercompany sales	289,176	( 65,950)	-	223,226
Unrealized exchange loss	-	139,570	-	139,570
Remeasurement of defined benefit obligations	13,016	-	1,613	14,629
Others	60,374	55,739	-	116,113
	<u>\$ 806,074</u>	<u>(\$ 4,070)</u>	<u>\$ 1,613</u>	<u>\$ 803,617</u>
<u>Deferred tax liabilities</u>				
Unrealized exchange gain	(\$ 5,890)	\$ 5,890	\$ -	\$ -



	Year ended December 31, 2022			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 145,039	\$ 18,614	\$ -	\$ 163,653
Loss on inventory valuation	60,872	151,290	-	212,162
Pension expense	51,230	16,463	-	67,693
Unrealized profit on intercompany sales	483,548	( 194,372)	-	289,176
Unrealized exchange loss	21,350	( 21,350)	-	-
Remeasurement of defined benefit obligations	29,484	-	( 16,468)	13,016
Others	55,612	4,762	-	60,374
	<u>\$ 847,135</u>	<u>(\$ 24,593)</u>	<u>(\$ 16,468)</u>	<u>\$ 806,074</u>
<u>Deferred tax liabilities</u>				
Unrealized exchange profit	\$ -	(\$ 5,890)	\$ -	(\$ 5,890)

D. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary difference unrecognized as deferred tax liabilities were \$916,162 and \$745,523, respectively.

E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 4,742,979	635,689	<u>\$ 7.46</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	4,180	
-Convertible bonds	<u>72,753</u>	<u>10,768</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 4,815,732</u>	<u>\$ 650,637</u>	<u>\$ 7.40</u>

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 6,538,521	635,125	<u>\$ 10.29</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares	-	<u>10,848</u>	
-Employees' compensation			
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 6,538,521</u>	<u>645,973</u>	<u>\$ 10.12</u>

(27) Organizational Restructuring

On June 14, 2022, as approved by the shareholders at the shareholders' meeting, the Company transferred the operations related to the networking communication business group and its investment in GIGAIPC CO., LTD. to the Company's wholly-owned investee, Giga Computing Technology Co., Ltd., through surviving spin-off method. In consideration, Giga Computing Technology Co., Ltd. issued 83,360,000 shares (at NT\$10 per share) to the Company, with the split effective date being January 1, 2023.

The consideration and details of assets/liabilities for the transaction are as follows:

	January 1, 2023
Received Consideration	
Equity instruments	<u>\$ 833,600</u>
The book value of assets/liabilities from the spin off	
Cash	1,990,657
Inventories	217,788
Investments accounted for using equity method	229,922
Property, plant and equipment	81,422
Intangible assets	9,124
Other non-current assets	4,801
Contract assets- current	( 697,364)
Accounts payable	( 513,097)
Other payables	( 384,053)
Provisions for liabilities - current	( 51,960)
Other current liabilities	<u>( 53,640)</u>
Total net assets	<u>\$ 833,600</u>

(28) Supplemental cash flow information

Investing activities with partial cash payments

	Year ended December 31	
	2023	2022
Purchase of property, plant and equipment	\$ 184,259	\$ 388,784
Add: Opening balance of payable on equipment	6,321	2,208
Less: Ending balance of payable on equipment	( 7,157)	( 6,321)
Cash paid during the year	<u>\$ 183,423</u>	<u>\$ 384,671</u>

(29) Changes in liabilities from financing activities

	December 31, 2023			
	Long-term borrowings	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	\$ -	\$ 90,966	\$ 36,304	\$ 127,270
Changes in cash flow from financing activities	9,291,186	7,813	( 38,892)	9,260,107
Payment of interest expense on lease liabilities(Note)	-	-	( 1,152)	( 1,152)
Conversion Option of Convertible bonds	( 449,693)	-	-	( 449,693)
Amortization of Convertible bonds discount(Note)	78,972	-	-	78,972
Changes in other non-cash items	-	-	72,799	72,799
At December 31	<u>\$8,920,465</u>	<u>\$ 98,779</u>	<u>\$ 69,059</u>	<u>\$ 9,088,303</u>

	December 31, 2022			
	Long-term borrowings	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	\$ 200,000	\$ 1,907	\$ 80,572	\$ 282,479
Changes in cash flow from financing activities	( 200,000)	89,059	( 51,188)	( 162,129)
Payment of interest expense on lease liabilities(Note)	-	-	( 1,070)	( 1,070)
Changes in other non-cash items	-	-	7,990	7,990
At December 31	<u>\$ -</u>	<u>\$ 90,966</u>	<u>\$ 36,304</u>	<u>\$ 127,270</u>

Note: Listed under cash flows from operating activities.

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

Names of related parties	Relationship with the Company
G.B.T., Inc. (G.B.T.-USA)	The Company's subsidiary
G.B.T. Technology Trading GmbH (G.B.T.-DE)	"
Freedom International Group Ltd. (Freedom)	"
Giga-Byte Technology B.V. (G.B.T.-NL)	"
Giga-Byte Technology (India) Private Limited (G.B.T.-India)	"
Gigabyte Technology Pty. Ltd. (G.B.T.-AU)	"
Gigabyte Communications Inc.	"
G-Style Co., Ltd. (G-Style)	"
BYTE International Co., Ltd. (BYTE International)	"
Nippon Giga-Byte Corp.(G.B.T.-Japan)	"
Gigabyte Information Technology Commerce Limited Company (G.B.T.-Turkey)	"
Gigabyte Technology LLC (G.B.T.-Korea)	"
Giga Computing Technology Co., Ltd.(Giga C.T.)	"
Dongguan Gigabyte Electronics Co., Ltd. (Dongguan Gigabyte)	The Company's indirect subsidiary
Ningbo Gigabyte Technology Co., Ltd. (Ningbo Gigabyte)	"
Ningbo BestYield Tech. Services Co., Ltd. (Ningbo BestYield)	"
Ningbo Giga-Byte International Trade Co., Ltd. (Ningbo Giga-Byte International Trade)	"
Giga-Trend International Investment Group Ltd.	"
Ningbo Zhongjia Technology Co. Ltd. (Ningbo Zhongjia)	"
Senyun Precise Optical Co., Ltd.	"
OGS Europe B.V. (OGS)	"
Selita Precision Co., Ltd. (Selita Precision)	"
GIGAIPC CO., LTD. (GIGAIPC)(Note)	"
Cloudmatrix Co., Ltd.	"

Note: GIGAIPC was originally a subsidiary of the Company. As of January 1, 2023, the Company transferred it to Giga C.T. through an existing split method, making it an indirect subsidiary of the Company.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2023	2022
Sales of goods:		
Ningbo Zhongjia	\$ 18,139,880	\$ 15,858,612
G.B.T.-USA	14,953,891	20,516,808
Giga C.T.	2,808,343	-
Subsidiaries	1,480,226	4,673,742
Indirect subsidiaries	132,456	1,254,611
Revenue from processing:		
Giga C.T.	206,198	-
Indirect subsidiaries	12,618	4,136
	<u>\$ 37,733,612</u>	<u>\$ 42,307,909</u>

The sales prices to related parties were based on the agreed contracts. Credit terms to related parties were within 30~90 days after receipt of goods or 30~60 days for monthly billings. Credit terms to third parties were up to 180 days or 30~90 days for monthly billings after receipt of goods purchases.

B. Purchases

	Year ended December 31	
	2023	2022
Purchases of goods:		
Giga C.T.	\$ 689,370	\$ -
Dongguan Gigabyte	652,232	684,125
Ningbo Gigabyte	641,746	660,982
Subsidiaries	72,193	41,471
Indirect subsidiary	-	19
	<u>\$ 2,055,541</u>	<u>\$ 1,386,597</u>

All purchases from related parties are based on negotiated terms because the related products are unique and cannot be purchased from third parties. The payment terms for related parties are 30~60 days or 30~45 days for monthly billings after receipt of goods that would be available to third parties. The payment term for third parties is 7~120 days after receipt of goods or 30~120 days for monthly billings.

C. Warranty expense

	Year ended December 31	
	2023	2022
BYTE International	\$ 744,106	\$ 5,281
Ningbo BestYield	199,263	370,956
G.B.T.-USA	184,247	318,289
Subsidiaries	7,891	148,607
Indirect subsidiaries	-	6,084
	<u>\$ 1,135,507</u>	<u>\$ 849,217</u>

Warranty expense is the expenditure arising from the after-sales maintenance service provided by the related party in the area where the related party is. The price is calculated based on the actual incurred cost, and the payment term is 30 days for monthly billings.

D. Marketing service charge (Shown as “Selling expenses”)

	Year ended December 31	
	2023	2022
G.B.T.-AU	\$ 44,299	\$ 225,547
G.B.T.-NL	129,277	149,776
Subsidiaries	114,464	126,466
	<u>\$ 288,040</u>	<u>\$ 501,789</u>

Marketing service charge is the expenditure arising from the business development rendered by the related party in the area where the related party is located. The price is calculated based on the actual incurred cost, and the payment term is 30 days for monthly billings.

E. Professional service fees (Shown as “Selling expenses”)

	Year ended December 31	
	2023	2022
G.B.T.-NL	\$ 121,711	\$ 159,196
Indirect subsidiaries	7,963	8,181
	<u>\$ 129,674</u>	<u>\$ 167,377</u>

Professional service fee is the service expenditure arising from the staff who provided business development and after-sales maintenance services in the area where the related party is located. The price is calculated based on the actual incurred cost, and the payment term is 30 days for monthly billings.

F. Rent income(Listed under “other income”)

	Year ended December 31	
	2023	2022
Giga C.T.	\$ 35,103	\$ -
BYTE International	14,273	5,003
Subsidiaries	34	34
Indirect subsidiaries	3,455	2,881
	<u>\$ 52,865</u>	<u>\$ 7,918</u>

The aforementioned rental income represents the leasing of buildings and other facilities required for operation by the Company to the said company. The rent is priced based on market rates, with payment received either in advance or on a monthly basis. There are no significant differences compared to transactions with unrelated parties.

G. Accounts receivable

	Year ended December 31	
	2023	2022
Giga C.T.	\$ 4,714,432	\$ -
Ningbo Zhongjia	4,448,568	4,776,824
G.B.T.-USA	2,338,305	6,767,025
Subsidiaries	176,843	1,344,023
Indirect subsidiaries	1,167,666	2,280,444
	<u>\$ 12,845,814</u>	<u>\$ 15,168,316</u>

H. Other receivables

	Year ended December 31	
	2023	2022
Agency procurement fees:		
Giga C.T.	\$ 7,017,172	\$ -
Others:		
Giga C.T.	3,071	-
Subsidiaries	3,668	8,433
Indirect subsidiaries	82	327
	<u>\$ 7,023,993</u>	<u>\$ 8,760</u>

I. Accounts payable

	Year ended December 31	
	2023	2022
Dongguan Gigabyte	\$ 1,774,846	\$ 2,357,807
Ningbo Gigabyte	809,586	2,963,771
Subsidiaries	341,497	13,932
Indirect subsidiaries	176	3,096
	<u>\$ 2,926,105</u>	<u>\$ 5,338,606</u>

J. Other payables

	Year ended December 31	
	2023	2022
BYTE International	\$ 65,710	\$ -
G.B.T. -NL	30,673	61,227
G.B.T.-USA	23,227	75,886
Ningbo BestYield	21,578	54,883
G.B.T. -AU	2,301	30,826
Subsidiaries	9,354	19,890
Indirect subsidiaries	401	-
	<u>\$ 153,244</u>	<u>\$ 242,712</u>

K. Property transactions - Acquisition of investments accounted for using equity method  
(Participation in cash capital increase)

	No of shares	Objects	December 31, 2023
			Consideration
Freedom	17,000,000	Common Stock shares	\$ 531,420
G.B.T.-Japan	2,000	"	4,580

(3) Key management compensation

	Year ended December 31	
	2023	2022
Salaries and other short-term employee benefits	\$ 452,609	\$ 639,772
Share-based payments	124,715	-
Post-retirement benefits	1,365	1,444
Total	<u>\$ 578,689</u>	<u>\$ 641,216</u>

8. PLEGDED ASSETS

The Company's assets pledged as collateral are as follows:

Pledged asset	Book value		Purpose
	December 31, 2023	December 31, 2022	
Pledged assets - non-current (accounted for as "Financial assets at amortized cost - non-current")			
- Time deposits	\$ 61,668	\$ 61,380	Guarantee for the customs duties

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.



## 10. SIGNIFICANT DISASTER LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

## 12. OTHERS

### (1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue employee stock option or buyback and retire treasury stock.

### (2) Financial instruments

#### A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets mandatorily measured at fair value through profit or loss	\$ 92,260	\$ 272,783
<u>Financial assets at amortized cost</u>		
Cash and cash equivalents	14,343,246	11,021,033
Financial assets at amortized cost	61,668	161,900
Notes receivable	2,029	2,785
Accounts receivable (including related parties)	19,873,965	21,149,815
Other receivables	7,136,061	148,216
Other financial assets	257,500	257,500
Guarantee deposits paid	36,374	27,107
	<u>\$ 41,803,103</u>	<u>\$ 33,041,139</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial liabilities</u>		
<u>Financial liabilities at amortized cost</u>		
Notes payable	\$ 9,340	\$ 11,441
Accounts payable (including related parties)	17,311,025	18,995,462
Other payables	8,600,176	6,191,706
Bonds payable	8,920,465	-
Guarantee deposits received	98,779	90,966
Lease liabilities	69,059	36,304
	<u>\$ 35,008,844</u>	<u>\$ 25,325,879</u>

## B. Financial risk management policies

- (a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, and price risk), credit risk and liquidity risk.
- (b) Risk management is carried out by a treasury department (Company Treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require divisions to manage their foreign exchange risk against their functional currency. The companies are required to hedge its entire foreign exchange risk exposure with the Company treasury.
- iii. The Company's businesses involve some non-functional currency operations (the Company's functional currency is NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

				December 31, 2023		
				Foreign currency		
				amount	Exchange	Book value
				(In thousands)	rate	(NTD)
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
	USD:NTD	\$	1,022,078	30.735	\$31,413,567	
	RMB:NTD		202,070	4.331	875,165	
<u>Non-monetary items</u>						
	USD:NTD	\$	3,002	30.735	92,266	
<u>Investments accounted for using equity method</u>						
	USD:NTD	\$	294,662	30.735	\$ 9,056,432	
<u>Financial liabilities</u>						
<u>Monetary items</u>						
	USD:NTD	\$	485,002	30.735	\$14,906,536	
	RMB:NTD		553,445	4.331	2,396,970	
				December 31, 2022		
				Foreign currency		
				amount	Exchange	Book value
				(In thousands)	rate	(NTD)
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
	USD:NTD	\$	828,298	30.708	\$25,435,375	
	RMB:NTD		145,982	4.408	643,489	
<u>Non-monetary items</u>						
	USD:NTD	\$	7,248	30.708	222,572	
<u>Investments accounted for using equity method</u>						
	USD:NTD	\$	240,780	30.708	\$ 7,393,883	
<u>Financial liabilities</u>						
<u>Monetary items</u>						
	USD:NTD	\$	438,561	30.708	\$13,467,331	
	RMB:NTD		580,319	4.408	2,558,046	

- iv. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022 amounted to gains of \$79,163 and \$1,488,382, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

		Year ended December 31, 2023		
		Sensitivity analysis		
		Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	314,136	\$ -
RMB:NTD	1%		8,752	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	149,065	\$ -
RMB:NTD	1%		23,970	-
		Year ended December 31, 2022		
		Sensitivity analysis		
		Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	254,354	\$ -
RMB:NTD	1%		6,435	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	134,673	\$ -
RMB:NTD	1%		25,580	-

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

- ii. The Company invests in beneficiary certificates. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1 % with all other variables held constant, pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$923 and \$2,576, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

- i. The domestic/overseas bond funds investment and bond products with fixed interest rate by the Company was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.
- ii. For fixed interest rate bond investments held by the Company classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At December 31, 2023 and 2022, if market interest rates had 1 % higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2023 and 2022 would have been \$0 and \$152 lower/higher, respectively.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments at fair value through profit or loss.
- ii. The bond fund held by the Company was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Company trades with several securities investment trust companies, credit risk is low.
- iii. The Company has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Company is the total amount of all book value.
- iv. The Company manages their credit risk taking into consideration the entire Company's concern. According to the Company's credit policy, each local entity in the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.

- v. The Company adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.
- vi. The Company adopts following assumptions under IFRS 9 to assess whether these has been a significant increase in credit risk on that instrument since initial recognition:  
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vii. The Company classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collaterals. The Company applies the simplified approach to estimate expected credit loss under the provision matrix basis.
- viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
- (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
  - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
  - (iii) Default or delinquency in interest or principal repayment;
  - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- ix. The Company used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2023 and 2022, the provision matrix is as follows:

	<u>Not past due</u>	<u>Up to 30 days past due</u>	<u>31 to 60 days past due</u>
<u>December 31, 2023</u>			
Expected loss rate	0.94%	1.27%	7.04%
Total book value	\$ 5,137,589	\$ 1,822,676	\$ 90,427
Loss allowance	<u>\$ 13,472</u>	<u>\$ 7,018</u>	<u>\$ 3,495</u>
	<u>61 to 90 days past due</u>	<u>Over 90 days</u>	<u>Total</u>
Expected loss rate	43.26%	100.00%	
Total book value	\$ 2,365	\$ 10,313	\$ 7,063,370
Loss allowance	<u>\$ 921</u>	<u>\$ 10,313</u>	<u>\$ 35,219</u>

	<u>Not past due</u>	<u>Up to 30 days past due</u>	<u>31 to 60 days past due</u>
<u>December 31, 2022</u>			
Expected loss rate	1.78%	5.74%	24.91%
Total book value	\$ 4,525,635	\$ 1,410,455	\$ 82,895
Loss allowance	<u>\$ 23,398</u>	<u>\$ 15,926</u>	<u>\$ 6,621</u>
	<u>61 to 90 days past due</u>	<u>Over 90 days</u>	<u>Total</u>
Expected loss rate	64.45%	100%	
Total book value	\$ 21,339	\$ 37,650	\$ 6,077,974
Loss allowance	<u>\$ 12,880</u>	<u>\$ 37,650</u>	<u>\$ 96,475</u>

- x. Movements in relation to the Company applying the simplified approach to provide loss allowance for notes receivable and accounts receivable are as follows:

	<u>2023</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Total</u>
At January 1	\$ -	\$ 96,475	\$ 96,475
Reversal of impairment loss	-	( 61,204)	( 61,204)
Write-offs	-	( 52)	( 52)
At December 31	<u>\$ -</u>	<u>\$ 35,219</u>	<u>\$ 35,219</u>
	<u>2022</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Total</u>
At January 1	\$ -	\$ 33,947	\$ 33,947
Provision for impairment	-	63,015	63,015
Write-offs	-	( 487)	( 487)
At December 31	<u>\$ -</u>	<u>\$ 96,475</u>	<u>\$ 96,475</u>

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts to \$36,714 and \$108,262 on December 31, 2023 and 2022, respectively. For provisioned loss in 2023 and 2022, the reversal of impairment losses and the impairment losses arising from customers' contracts amounted to \$61,204 and (\$63,015), respectively.

(C) Liquidity risk

- i. Company treasury monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the treasury of the company. Company treasury invests surplus cash in current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Company had no undrawn borrowing facilities for fixed rate long-term borrowings.
- iv. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Except that the contractual undiscounted cash flows of notes payable, accounts payable (including related parties), other payables and guarantee deposits received were equivalent to their carrying amounts and were expiring within one year, the amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

December 31, 2023	Between 1			Total
	Less than 1 year	and 2 year(s)	Over 2 years	
Lease liability	\$ 39,729	\$ 23,739	\$ 7,318	\$ 70,786
Bonds payable	-	-	9,804,347	9,804,347

December 31, 2023	Between 1			Total
	Less than 1 year	and 2 year(s)	Over 2 years	
Lease liability	\$ 25,708	\$ 9,312	\$ 1,656	\$ 36,676

- v. The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

### (3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in beneficiary certificates and government bond are included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.



B. Except for those listed in the table below, the carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortised cost (cash in banks), notes receivable, accounts receivable (including related parties), other receivables other financial assets, guarantee deposits paid, notes payable, accounts payable (including related parties), other payables, guarantee deposits received and lease liability) are approximate to their fair values.

	December 31, 2023			
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 8,920,465	\$ -	\$ 8,896,590	\$ -

The above convertible bonds payable are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities as at December 31, 2023 and 2022 is as follows:

(a) The related information of natures of the assets is as follows:

	Level 1	Level 2	Level 3	Total
<u>December 31, 2023</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 92,260	\$ -	\$ -	\$ 92,260
	Level 1	Level 2	Level 3	Total
<u>December 31, 2022</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 257,559	\$ -	\$ -	\$ 257,559
Debt instrument	15,224	-	-	15,224
	<u>\$ 272,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,783</u>

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>	<u>Government bonds</u>
Market quoted price	Closing price	Net asset value	Market price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.
  - iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
  - iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitized instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions.
  - v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
  - vi. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.
- D. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- E. For the years ended December 31, 2023 and 2022, there was no transfer in or out from Level 3.

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Please refer to table 1.
- C. Holding of marketable securities at the end of the year (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 3.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 4.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

#### (3) Information on investments in Mainland China

- A. Basic information: Please refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 10.

#### (4) Major shareholders information

Major shareholders information: Please refer to table 11.

### 14. OPERATING SEGMENTS

None.

GIGA-BYTE TECHNOLOGY CO., LTD.

Provision of endorsements and guarantees to others

Year ended December 31, 2023

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Company name	Relationship with the endorser/ guarantor (Note 4)	Limit on endorsements/ guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2023	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of			Footnote
											endorsements/ guarantees by parent company to subsidiary	endorsements/ guarantees by subsidiary to parent company	endorsements/ guarantees to the party in Mainland China	
0	Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	2	\$ 2,983,200 (Note 2)	\$ 267,395 (USD 8,700)	\$ 267,395 (USD 8,700)	\$ 267,395 (USD 8,700)	-	0.71%	\$ 11,241,843	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: The Company's limit on amount of endorsements/ guarantees provided to single party is 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 50% of the paid-in capital of that single party.

The total limit on amount of endorsements/ guarantees of the Company and subsidiaries provided to single party is 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 30% of the net assets of that single party. However, when endorser/guarantee to subsidiaries which were 100% directly or indirectly held by the Company, the endorsement / guarantee amount should not exceed 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 300% of the paid-in capital of that subsidiary.

Note 3: The ceiling on total endorsements and guarantees shall not exceed 30% of net assets in latest audited (reviewed) financial statements of the Company.

The total limit on amount of endorsements/ guarantees of the Company and subsidiaries is 40% of net assets in latest audited (reviewed) financial statements of the Company.

Note 4: The Company could provide endorsements/ guarantees to the following counterparties:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

Note 5: The ending balance of this statement is presented in New Taiwan dollars. Where foreign currencies are involved, they are translated into New Taiwan dollars using the U.S. dollar exchange rate of \$30.735 as of the balance sheet date.

GIGA-BYTE TECHNOLOGY CO., LTD.  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
December 31, 2023

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	As of December 31, 2023		Footnote	
					Book value	Ownership (%)		Fair value
Giga-Byte Technology Co., Ltd.	Beneficiary certificates - Goldman Sachs Finance Corp.	None	Financial assets at fair value through profit or loss-current	3,000,000	\$ 97,257	-	\$ 92,260	Expressed in thousands of NTD (Except as otherwise indicated)
			Valuation adjustment of financial assets at fair value through profit or loss		( 4,997)			
Giga-Trend International Investment Group Ltd.	Listed stocks - Sintrones Technology Corp. etc.	None	Financial assets at fair value through profit or loss-current	Omitted	\$ 92,260			
			Valuation adjustment of financial assets at fair value through profit or loss		67,130	0.01%-0.32%	\$ 84,340	
	Emerging stocks - Lianyou Metals Co., Ltd. etc.	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 17,210			
			Valuation adjustment of financial assets at fair value through profit or loss		84,340			
	Unlisted stocks - Castec International Corp. etc.	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 43,913	0.11%-1.30%	\$ 51,165	
			Valuation adjustment of financial assets at fair value through profit or loss		7,252			
	Beneficiary certificates - Cathay U.S. Treasury 20+ Year Bond ETF etc.	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 51,165			
			Valuation adjustment of financial assets at fair value through profit or loss		143,213		\$ 97,619	
	Unlisted stocks - Taiwan Truewin Technology Co., Ltd.	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 97,619			
			Valuation adjustment of financial assets at fair value through profit or loss		27,684		\$ 28,263	
Giga Investments Corp.	Beneficiary certificates - Yuanta Japan Leaders Equity Fund	None	Financial assets at fair value through profit or loss-current	1,045,079	\$ 36,324	1.95%	\$ 67,952	
			Valuation adjustment of financial assets at fair value through profit or loss		31,628			
	Beneficiary certificates - NEXUS CVC Partners Fund LP.	"	Financial assets at fair value through profit or loss-current	3,021,148	\$ 30,000		\$ 30,211	
			Valuation adjustment of financial assets at fair value through profit or loss		211			
	Beneficiary certificates - Y uanta Japan Leaders Equity Fund	"	Financial assets at fair value through profit or loss-current		\$ 67,952			
			Valuation adjustment of financial assets at fair value through profit or loss		30,000			
	Beneficiary certificates - NEXUS CVC Partners Fund LP.	"	Financial assets at fair value through profit or loss-non current		\$ 75,000	15.48%	\$ 75,000	

Securities held by	Relationship with the securities issuer	General ledger account	As of December 31, 2023			
			Number of shares	Book value	Ownership (%)	Fair value
Giga Investments Corp.	Marketable securities Listed stocks - Walsin Technology Corporation etc.	Financial assets at fair value through other comprehensive income-non current Valuation adjustment of financial assets at fair value through other comprehensive income	Omitted	936,387 884,541	1.37%~9.43%	\$ 1,820,928
				<u>1,820,928</u>		
	Unlisted stocks - Northstar Motors Co., Ltd. etc.	Financial assets at fair value through other comprehensive income-non current Valuation adjustment of financial assets at fair value through other comprehensive income	Omitted	64,798	3.25%~13.93%	\$ 57,626
				<u>7,172</u>		
G-Style Co., Ltd.	Unlisted stocks - JM Material Technology Inc.	Financial assets at fair value through other comprehensive income-non current Valuation adjustment of financial assets at fair value through other comprehensive income	160,000	20,000	10.00%	\$ 2,093
				<u>17,907</u>		
Freedom International Group Ltd.	Unlisted stocks - Graid Technology Inc.	Financial assets at fair value through other comprehensive income-non current Valuation adjustment of financial assets at fair value through other comprehensive income	1,600,000	24,588	6.25%	\$ 24,588
				<u>24,588</u>		
Selita Precision Co., Ltd.	Unlisted stocks - P.R.C.E. Ltd.	Financial assets at fair value through other comprehensive income-non current Valuation adjustment of financial assets at fair value through other comprehensive income	122,990	1,184	10.24%	\$ 1,178
				<u>6</u>		
				<u>1,178</u>		

GIGA-BYTE TECHNOLOGY CO., LTD.

Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Table 3

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2023		Addition		Disposal			Balance as at December 31, 2023	
					Number of shares	Amount	Number of shares	Amount	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	Investments accounted for using equity method	Freedom International Group Ltd.	Parent-subidiary	146,071,692	\$ 4,720,532	17,000,000	\$ 531,420	-	-	-	176,571,692	\$ 5,251,932

Note: For the year ended December 31, 2023, the Company acquired 30,500,000 shares, including cash capital increasing 17,000,000 shares and capital surplus transferred to common stock 13,500,000 shares.

GIGA-BYTE TECHNOLOGY CO., LTD.

Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Real estate acquired by	Real estate	Date of the event	Transaction amount (Note)	Status of payment (Note)	Counterparty	Relationship	Owner	Information on prior transaction if the counterparty is a related party			Price Reference	Purpose of Acquisition	Other commitments
								Relationship with the issuer	Date of transfer	Amount			
Freedom International Group Ltd.	Land and Buildings	December 20, 2023	\$ 1,180,439 (USD 38,407)	\$ 33,809 (USD 1,100)	Scind Arenth Point LLC.	None	Not applicable	Not applicable	Not applicable	Refer to the valuation of the professional valuer and market prices	The Company business planning	Need to pay relating taxes and fees	

Note: Based on U.S. dollar exchange rate of \$30.735 as of the balance sheet date. Up to December 31, 2023, the prepaid amount of USD 1,100 (in thousands) was listed under "other non-current assets". Other receivables were collected in January, 2024; however, the ownership transfer process has not yet been completed.



GIGA-BYTE TECHNOLOGY CO., LTD.

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Differences in transaction terms compared to third party transactions				Notes/accounts receivable (payable)	Percentage of total notes/accounts receivable (payable)
						Credit term	Unit price	Credit term	Balance		
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsiidiary	(Sales)	\$ 14,953,891	(15%)	45 days upon receipt of goods	The price was based on the contract price	Normal	\$ 2,338,305	12%	
	G-Style Co., Ltd.	"	"	1,300,136	(1%)	60 days upon receipt of goods	"	"	139,371	1%	
	Giga-Byte Technology B.V.	"	"	180,068	-	30 days upon receipt of goods	"	"	37,450	-	
	Giga Computing Technology Co., Ltd.	"	"	2,808,343	(14%)	60 days upon receipt of goods	"	"	4,714,432	24%	
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidiary	"	18,139,880	(18%)	90 days upon receipt of goods	"	"	4,448,568	22%	
	Giga Computing Technology Co., Ltd.	Parent-subsiidiary	Purchases	689,370	1%	60 days upon receipt of goods	"	"	( 341,497)	(2%)	
	Dongguan Gigabyte Electronics Co., Ltd.	Parent-indirect subsidiary	"	652,232	1%	60 days upon receipt of goods	"	"	( 1,774,846)	(10%)	
	Ningbo Gigabyte Technology Co., Ltd.	"	"	641,746	1%	30 days upon receipt of goods	"	"	( 809,586)	(5%)	
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	(Sales)	1,319,570	(93%)	60 days upon receipt of goods	"	"	149,154	94%	
Giga Computing Technology Co., Ltd.	"	"	"	28,239,481	(60%)	60 days upon receipt of goods	"	"	4,199,672	49%	
	"	"	Purchases	359,440	1%	7 days upon receipt of goods	"	"	-	-	
	Gigaipc Co., Ltd.	subsidiary-indirect subsidiary	(Sales)	753,681	(2%)	60 days after billing	"	"	186,692	2%	
	Ningbo Gigabyte Technology Co.,	"	Purchases	1,510,981	2%	45 days after billing	"	"	( 1,932,170)	(7%)	

GIGA-BYTE TECHNOLOGY CO., LTD.

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more  
December 31, 2023

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023		Overdue receivables		Amount collected subsequent to the balance sheet date (Note 2)	Allowance for doubtful accounts	Expressed in thousands of NT\$ (Except as otherwise indicated)
			(Note 1)	(Note 1)	Amount	Action taken			
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsubsidiary	\$	2,338,305	3.28	\$	924,267	\$	-
	Giga Computing Technology Co., Ltd.	"		11,734,675	2.90		3,923,791		-
	G-Style Co., Ltd.	"		139,406	4.43		58,343		-
	Dongguan Gigabyte Electronics Co., Ltd.	Parent-indirect subsidiary		669,292	5.78		669,292		-
	Ningbo Zhongjia Technology Co., Ltd.	"		4,448,568	3.93		1,135,804		-
	Ningbo Gigabyte Technology Co., Ltd.	"		476,202	1.69		256,505		-
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies		149,154	6.91		13,603		-
Giga Computing Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-subsubsidiary		347,338	5.88		45,761		-
	G.B.T. Inc.	Sister companies		4,199,672	6.72		1,671,729		-
	Gigaipc Co., Ltd.	Parent-subsubsidiary		186,692	4.04		81,360		-
Ningbo Gigabyte Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB	186,015 thousand	2.87	RMB	82,618 thousand		-
	Giga Computing Technology Co., Ltd.	Sister companies	RMB	240,108 thousand	4.26	RMB	118,242 thousand		-
Dongguan Gigabyte Electronics Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB	408,958 thousand	5.46	RMB	207,155 thousand		-

Note 1: Including other receivables.

Note 2: The amount represents collections subsequent to December 31, 2023 up to January 31, 2024.

GIGA-BYTE TECHNOLOGY CO., LTD.  
 Significant inter-company transactions during the reporting periods  
 Year ended December 31, 2023

Expressed in thousands of NTD  
 (Except as otherwise indicated)

Table 7

Company name		Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Parent company to subsidiary	Sales	\$ 180,068	Note 6	-	
"	"	"	Marketing service charge	129,277	Note 3	-	
"	"	"	Service charge	121,711	"	-	
G.B.T., Inc	Parent company to subsidiary	Sales	14,953,891	Note 7	11%		
"	"	"	Accounts receivable	2,338,305	"	3%	
"	"	"	After-sale service fees	184,247	Note 3	-	
G-Style Co., Ltd.	Parent company to subsidiary	Sales	1,300,136	Note 5	1%		
"	"	"	Accounts receivable	139,371	"	-	
Giga Computing Technology Co., Ltd.	Parent company to subsidiary	Sales	2,808,343	"	2%		
"	"	"	Processing revenue	206,198	Note 2	-	
"	"	"	Accounts receivable	4,714,432	Note 5	6%	
"	"	"	Other receivables	7,020,243	"	9%	
"	"	"	Purchases	689,370	"	1%	
"	"	"	Accounts payable	341,497	"	-	
BYTE International Co., Ltd	Parent company to subsidiary	After-sale service fees	744,106	Note 3	1%		
Ningbo Zhongjia Technology Co., Ltd.	Parent company to indirect subsidiary	Sales	18,139,880	Note 1	13%		
"	"	"	Accounts receivable	4,448,568	"	5%	
Ningbo Gigabyte Technology Co., Ltd.	Parent company to indirect subsidiary	Purchases	641,746	Note 6	-		
"	"	"	Accounts payable	809,586	"	1%	
"	"	"	Accounts receivable	476,202	Note 2	1%	
Dongguan Gigabyte Electronics Co., Ltd.	Parent company to indirect subsidiary	Purchases	652,232	Note 5	-		
"	"	"	Accounts payable	1,774,846	"	2%	
"	"	"	Accounts receivable	669,292	Note 2	1%	
Ningbo BestYield Tech. Services Co., Ltd.	Parent company to indirect subsidiary	After-sale service fees	199,263	Note 3	-		
Giga-Byte Technology B.V.	G.B.T. Technology Trading GmbH	Subsidiary to subsidiary	Marketing service charge	139,708	Note 4	-	
G-Style Co., Ltd.	G.B.T., Inc	Subsidiary to subsidiary	Sales	1,319,570	Note 5	1%	
"	"	"	Accounts receivable	149,154	"	-	

Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga Computing Technology Co., Ltd.	G.B.T., Inc	Subsidiary to subsidiary	Purchases	359,440	Note 8	-
"	"	"	Sales	28,239,481	Note 5	21%
"	"	"	Accounts receivable	4,199,672	"	5%
Ningbo Gigabyte Technology Co., Ltd.	"	Subsidiary to subsidiary	Purchases	1,510,981	Note 9	1%
"	"	"	Accounts payable	1,932,170	"	2%
Gigaipc Co., Ltd.	"	Subsidiary to indirect subsidiary	Sales	753,681	Note 2	1%
"	"	"	Accounts receivable	186,692	"	-

Note 1 : Credit terms were 90 days upon receipt of goods.

Note 2 : Credit terms were 60 days after billing.

Note 3 : Credit terms were 30 days after billing.

Note 4 : Credit terms were 180 days after billing.

Note 5 : Credit terms were 60 days upon receipt of goods.

Note 6 : Credit terms were 30 days upon receipt of goods.

Note 7 : Credit terms were 45 days upon receipt of goods.

Note 8 : Credit terms were 7 days upon receipt of goods.

Note 9 : Credit terms were 45 days after billing.

Note 10 : Transactions listed above are amounts reaching NT\$100 million.

GIGA-BYTE TECHNOLOGY CO., LTD.

Information on investees  
Year ended December 31, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Table 8

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income(loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Book value					
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	\$ 5,251,952	\$ 4,720,532	176,571,692	\$ 8,529,092	100.00	\$ 708,284	\$ 1,061,650	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Giga Investments Corp.	Taiwan	Holding company	2,815,000	2,815,000	297,756,500	3,850,640	100.00	29,611	29,611	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	310,000	310,000	12,000,000	21,034	100.00	102,396	42,610	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Giga-Byte Communication Inc.	Taiwan	Manufacturing and selling of communications	1,647,508	1,647,508	2,145,831	20,989	99.86	( 461)	( 461)	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	BYTE International Co., Ltd.	Taiwan	Selling of PC peripherals	583,709	583,709	31,000,000	478,568	100.00	93,657	93,657	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	MyelinTek Inc.	Taiwan	Software service	70,000	70,000	299,999,995	53,557	40.00	( 11,478)	( 4,591)	Investee accounted for using equity method	
Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	Taiwan	Sales of computer information products	834,600	1,000	83,460,000	2,227,819	83.93	1,511,057	1,383,182	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Sales of computer information products	25,984	25,984	8,500	172,543	100.00	18,576	20,110	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd.	U.K.	Marketing of computer information products	47,488	47,488	800,000	28,234	100.00	( 802)	( 802)	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Marketing of computer information products	8,075	3,495	3,000	17,095	100.00	1,124	1,124	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Marketing of computer information products	352,752	352,752	-	405,985	100.00	6,782	6,782	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Marketing of computer information products	55,664	55,664	2,400,000	60,992	100.00	1,827	1,827	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Marketing and maintenance of computer information products	182,868	182,868	4,600,000	14,422	100.00	( 2,323)	( 2,323)	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Marketing of computer information products	241	241	5,000	8,215	100.00	2,075	2,075	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	90,660	90,660	54,116	354,797	22.64	528,334	198,499	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Marketing of computer information products	3,541	3,541	8,000	1,568	100.00	785	785	The Company's subsidiary	
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC Company	South Korea	Marketing of computer information products	22,534	22,534	168,000	35,384	100.00	( 1,743)	( 1,743)	The Company's subsidiary	
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Poland	Marketing and maintenance of computer information products	500	500	100	111	100.00	( 569)	-	The Company's indirect subsidiary	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2023	Investment income(loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	December 31, 2023					
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	\$ 1,844,922	\$ 1,844,922	57,032,142	100.00	\$ 2,477,091	\$ 277,828	\$ -	-	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	458,239	458,239	184,916	77.36	1,496,700	528,334	-	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	100.00	3,183,084	118,674	-	-	The Company's indirect subsidiary
Freedom International Group Ltd.	LCKT Yuan Chan Technology Co., Ltd.(Cayman)	Cayman Islands	Holding company	92,775	92,775	3,000,000	30.00	-	( 58,494)	-	-	Subsidiary's investee company accounted for under the equity method
G.B.T. Inc.	Gigabyte Canada Inc.	Canada	Marketing of computer information products	22	22	1,000	100.00	716	434	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	515,950	515,950	56,890,000	100.00	587,021	( 8,063)	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Senyuan Precision Optical Co., Ltd.	Taiwan	Manufacturing and selling of optical lens	1,547,410	1,547,410	324,586,585	96.41	271,954	( 35,649)	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Seltia Precision Co., Ltd.	Taiwan	Manufacturing, wholesale and retail of bicycle and parts	50,000	50,000	5,000,000	100.00	49,258	13,332	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Cloumatrix Co., Ltd.	Taiwan	E-commerce platform	30,200	30,200	3,000,000	100.00	24,945	4,023	-	-	The Company's indirect subsidiary
Giga Investments Corp.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	392,000	392,000	11,200,000	24.35	391,587	371	-	-	Subsidiary's investee company accounted for under the equity method
Giga Investments Corp.	Da Shiang Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	12,500	12,500	1,250,000	25.00	10,597	( 9,736)	-	-	Subsidiary's investee company accounted for under the equity method
Giga Computing Technology Co., Ltd.	Gigaipco Co., Ltd.	Taiwan	Sales of computer information products	120,000	120,000	12,000,000	100.00	251,391	110,776	-	-	The Company's indirect subsidiary
Giga-Trend International Investment Group Ltd.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	51,480	51,480	1,716,000	3.73	59,997	371	-	-	Subsidiary's investee company accounted for under the equity method
Ningbo BestYield Tech. Services Co.,Ltd.	OGS Europe B.V.	Netherlands	Selling of communications	12,443	12,443	3,000	100.00	42,680	( 5,666)	-	-	The Company's indirect subsidiary
BYTE International Co., Ltd.	Aorus Pte. Ltd.	Singapore	Marketing of computer information products	60,757	60,757	3,073,000	100.00	9,616	( 3,090)	-	-	The Company's indirect subsidiary

**GIGA-BYTE TECHNOLOGY CO., LTD.**  
Information on investments in Mainland China  
Year ended December 31, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Table 9

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income of investee as of December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Gigabyte Electronics Co., Ltd.	Main business activities: Manufacturing of computer information products	\$ 1,180,938	Note 1	\$ 1,180,938	\$ -	\$ -	\$ 1,180,938	\$ 128,476	100.00	\$ 128,476	\$ 1,545,359	\$ -	The Company's indirect subsidiary
Ningbo Giga-Byte International Trade Co., Ltd.	Sales of computer information products	259,752	Note 1	259,752	-	-	259,752	181,757	100.00	181,757	900,553	-	The Company's indirect subsidiary
Ningbo BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	181,923	Note 2	165,515	-	-	165,515	9,578	100.00	9,578	254,297	-	The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	109,853	Note 3	-	-	-	-	193,980	100.00	193,980	607,881	-	The Company's indirect subsidiary
Ningbo Gigabyte Technology Co., Ltd.	Manufacturing of computer information products	2,780,313	Note 1	2,780,313	-	-	2,780,313	143,121	100.00	143,121	3,162,166	-	The Company's indirect subsidiary
Shenzhen BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	15,841	Note 3	-	-	-	-	1,447	-	1,447	-	-	The Company's indirect subsidiary
Dongguan Senyun Precision Optical Co., Ltd.	Selling of mold and industrial plastic products	4,539	Note 2	4,539	-	-	4,539	648	96.41	625	1,615	-	The Company's indirect subsidiary
Zaozhuang BestYield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	5,507	Note 3	-	-	-	-	8	100.00	8	8,070	-	The Company's indirect subsidiary

Note 1: Invested by Charleston Investments Limited and Giga Future Limited, which are subsidiaries of Freedom International Group Ltd.

Note 2: Directly invest in a company in Mainland China.

Note 3: Others.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)		Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
		Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	
Giga-Byte Technology Co., Ltd.	\$ 4,386,518	\$ 4,402,053	\$ -	22,760,496
Senyun Precision Optical Co., Ltd.	4,539	9,974	-	169,253

GIGA-BYTE TECHNOLOGY CO., LTD.

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area  
Year ended December 31, 2023

Table 10

Expressed in thousands of NTD  
(Except as otherwise indicated))

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance at December 31, 2023	%	Balance at December 31, 2022	Purpose	Maximum balance during the year ended December 31, 2023	Balance at December 31, 2023	Interest rate	Interest during the year ended December 31, 2023	Others
Ningbo Zhongjia Technology Co., Ltd.	\$ 18,139,880	18	\$ -	-	\$ 4,448,568	22	\$ -	-	\$ -	-	-	\$ -	-
Ningbo Gigabyte Technology Co., Ltd.	25,129	-	-	-	476,202	2	-	-	-	-	-	-	-
"	( 641,746)	( 1)	-	-	( 809,586)	( 5)	-	-	-	-	-	-	-
Dongguan Gigabyte Electronics Co.,	6,230	-	-	-	669,292	3	-	-	-	-	-	-	-
"	( 652,232)	( 1)	-	-	( 1,774,846)	( 10)	-	-	-	-	-	-	-
Ningbo BestYield Tech. Services Co.,Ltd.	81,178	-	-	-	15,990	-	-	-	-	-	-	-	- After-sales service costs paid at \$199,263



GIGA-BYTE TECHNOLOGY CO., LTD.  
Major Shareholders Information  
December 31, 2023

Table 11

Name of Major Shareholders	Name of shares hold	Shares	Ownership(%)
MING WEI GLOBAL CO., LTD		42,583,497	6.69%

Note 1: The major shareholders' information, which means the ownership above 5%, was calculated by Taiwan Depository & Clearing Corporation on the last operating date of each quarter, using the Company's issuance of common shares. (including treasury shares) and preference shares registered and held by the shareholders. The share capital on the financial statements different from the actual number of shares in dematerialized form due to the difference of calculation basis.

Note 2: If the shares were kept in the trust by the shareholders, it was disclosed as a separate account set by the trustee. As for the shareholder, whose shareholding ratio was greater than 10%, is regarded as an insider in accordance with Securities and Exchange Act, their shareholding ratio included the self-owned shares and trusted shares controlled by themselves. For the information of insiders, please refer to the Market Observation Post System.

VI. State the financial position of the Company if any insolvency occurs in the Company or affiliates in the most recent year until the date this report is printed: None

## Seven. Financial position and the review and analysis of financial performance and risks

### I. Financial Position

#### Analysis on financial positions - IFRS

Unit: NTD 1,000

Subject	Year	2023 (Consolidated)	2022 (Consolidated)	Change	
				Amount	%
Current assets		73,074,904	54,802,894	18,272,010	33.34
Fixed Assets Real estate, factory, and equipment		4,820,456	4,946,900	-126,444	-2.56
Intangible assets		169,857	129,151	40,706	31.52
Other assets		4,085,203	3,692,904	392,299	10.62
Total assets		82,150,420	63,571,849	18,578,571	29.22
Current liabilities		34,599,267	26,966,570	7,632,697	28.30
Other Non-current liabilities		9,616,992	660,359	8,956,633	1,356.33
Total liabilities		44,216,259	27,626,929	16,589,330	60.05
Equity attributable to owners of the parent		37,472,810	35,933,474	1,539,336	4.28
Equity		6,356,889	6,356,889	0	0.00
Capital surplus		3,898,998	3,281,465	617,533	18.82
Retained earnings		26,967,976	26,172,718	795,258	3.04
Other shareholder's Equity		248,947	122,402	126,545	103.38
Non-controlling interests		461,351	11,446	449,905	3,930.67
Total shareholder's Equity		37,934,161	35,944,920	1,989,241	5.53
<p>Significant changes are analyzed as follows:</p> <ol style="list-style-type: none"> <li>1. Current assets: The change is mainly due to the issuance of convertible corporate bonds in the current period to replenish the working capital and active stocking in response to AI market demand.</li> <li>2. Intangible assets: mainly due to the increase in purchase of computer software.</li> <li>3. Current liabilities: mainly due to the increase in accounts payable due to the active stocking of AI products in response to the market demand for AI.</li> <li>4. Non-current liabilities: mainly refers to the issuance of convertible bonds in the current period.</li> <li>5. Other equity: mainly due to the increase in the valuation gain or loss of financial assets at fair value through other comprehensive income in the current period.</li> <li>6. Non-controlling interests: mainly due to the consolidated subsidiary's employee stock options.</li> </ol>					

## II. Financial Performance

### (I) Comparison of Operating Results - IFRS

Unit: NTD1,000

Subject \ Year	2023 (Consolidated)	2022 (Consolidated)	Differences	
			Amount	%
Sales	136,773,409	107,263,644	29,509,765	27.51
Gross profit	16,575,441	16,616,078	-40,637	-0.24
Operating income	4,895,175	5,845,214	-950,039	-16.25
Non-operating income & expenses	1,209,446	2,600,527	-1,391,081	-53.49
Net profit before tax	6,104,621	8,445,741	-2,341,120	-27.72
Net income from continuing operations	4,781,085	6,534,849	-1,753,764	-26.84
Loss from discounted operations	–	–		
Net Income	4,781,085	6,534,849	-1,753,764	-26.84
Other comprehensive incomes (net after tax)	120,095	-540,972	661,067	122.2
Total comprehensive income	4,901,180	5,993,877	-1,092,697	-18.23
<p>Analysis and description of changes:</p> <ol style="list-style-type: none"> <li>1.The increase compared to the previous period was mainly due to the increase in sales of AI servers.</li> <li>2.The decrease in non-operating income and expenses is mainly due to the decrease in foreign currency exchange gains.</li> <li>3.The increase in other comprehensive income compared with the previous period was mainly due to the recognition of valuation gains on financial assets at fair value through other comprehensive income.</li> </ol>				

### III. Cash Flow

#### Analysis of Cash Flow - IFRS

##### (I) Analysis of liquidity over the last two years

Unit: %

Subject /year	2023	2022	Difference (%)
Cash flow ratio	6.55	21.56	-69.62
Cash flow adequacy ratio	68.97	67.89	1.59
Cash reinvestment ratio	-3.41	-4.70	27.45
Explanation for changes: This year, in response to the AI market demand, we actively stocked up, leading to a decrease in cash flow from operating activities and an increase in related purchase payments, resulting in a lower cash flow ratio compared to last year. Additionally, this year's cash dividend payout was not as high as last year's, resulting in an increase in the cash reinvestment ratio compared to last year.			

##### (II) Analysis on liquidity for the next year

Unit: NTD1,000

Cash Balance At beginning period (1)	Estimated cash flow from Operations for the year (2)	Estimated cash outflow For the year (3)	Estimated cash balance (short) For the year (1)+(2)-(3)	Corrective actions on cash short	
				Investment plan	Financial plan
23,166,075	10,436,406	31,365,880	2,236,601	—	20,000,000
1. Analysis of cash flow changes for 2024: (1) Operating activities: Maintenance of operating revenue is expected to generate cash flow from operating activities in 2024. (2) Investing and financing activities: It is expected that distribution of cash dividends and repaying loans will still play the main role apart from increase of long-term investment in 2024. 2. Remedial actions for expected cash deficit and liquidity analysis: Fundraising activities are expected to continue in 2024 to maintain cash flow liquidity.					

### IV. The Effect of major capital spending on financial position and operation

##### (I) Major capital spending and sources of capital:

Unit: NTD1,000

Project	Acquisition of real estate, machinery, and equipment	Actual (expected) date of completion	Total funds needed	Actual or expected use of funds
				2023
		112.12	416,736	416,736

##### (II) Expected Result: N/A.

V.The direct investment policy of the Company over the last five years, major cause for profit or loss and improvement plan, investment plan in next year

### Analysis on Direct Investments

Unit: NTD 1,000

Item	Description	The amount of investment income (loss)(Note)	Investment Policy	Major cause for profit or loss	Improvement plan	Investment plan in the future
G-Style		102,396	Sales of NB and gaming NB products	Developing new-generation products in line with market price and niche.	None	None
Giga Computing Technology Co., Ltd.		1,511,057	Research and development , manufacturing and sales of server products and solutions	Operating revenue increased significantly due to the establishment of a technological advantage in research and development, which enabled us to respond quickly to customer needs and provide related products.	None	None
Sen Yun Precision Optical		(35,649)	R&D, production and sales of molds and optical lens	Revenue fell short of expectations due to low demand for optical molds.	We will shift to precision manufacturing to increase product offerings and reduce overheads to control costs.	None

Note:Disclosed companies are subsidiaries that are actively operating and over which GIGABYTE has controlling power (owns 50% of their shares).

## VI.Risk Management and Evaluation

- (I) The effect of interest rate and exchange rate volatility, inflation on the income status of the Company and measures to cope with the problem:

### 1.Changes in interest rate:

The company's interest rate risk is mainly derived from short-term investment positions or financial liabilities, and changes in interest rates will affect the company's investment returns and financing costs. Presently, the Company's interest revenue and financial costs account for approximately 0.3% and 0.006% of its operating revenue, respectively, which are extremely low and pose no significant impact after evaluation. If interest rates are expected to fluctuate significantly in the future, or short-term investments and financial liabilities will change significantly, the Company will use appropriate financial instruments to address the aforementioned changes and reduce its net working capital cost.

### 2.Changes in exchange rate:

The Company is exposed to exchange rate risk resulting from sale and purchase transactions that are denominated in currencies other than the functional currency of the Company, primarily in New Taiwan Dollar. The company's revenue and purchases are mainly quoted in USD and RMB (for areas in China); the ratio of natural hedging through offsetting of exposed assets and liabilities can reach 80%. For other exposures, the Company closely monitors exchange rate trends and reduces exchange rate risks through real-time exchange transactions or forward exchange instruments.

### 3.Inflation:

Inflation risks will increase the company's operating costs such as the purchase price of raw materials. Remedial actions include but are not limited to large quantity procurement, long-term contracts, increasing the list of approved suppliers, and optimizing production processes so as to reduce pressure from production cost increases. Meanwhile, price quotes for customers will be appropriately adjusted to reflect the cost of goods sold and market conditions so as to mitigate the impact of inflation on the company's profit and loss.

- (II) The engagement in the investment in high risk and high leverage investments, financing a third party, acting as guarantor in favor of a third party by endorsement, and the policy in derivative trade, the causes of loss or profit from such activities and the measures for coping with the problem:

For outward loans, endorsement/guarantee and derivatives, Giga-Byte has faithfully complied with the policies duly enacted in accordance with "Procedures in Acquisition or Disposal of Assets", "Procedures in Outward Loans of Capitals" and "Procedures in Endorsement/guarantee" and conservative policy. Under no circumstances has Giga-Byte engaged in high leverage investment.

- (III) R&D plans, the current progress of R&D plans in progress, R&D expenses that should be committed in the future, expected date of volume production, and the factors contributing to successful R&D in the future in the most recent year and up to the publication date of the annual report:

## 1. 2024 R&D Plans :

Product R&D	Expected finish time
(1) World leading motherboard •Development of the next-generation AORUS gaming, overclocking and personal AI series motherboards •Develop latest Intel® platform motherboards •Develop latest AMD® platform motherboards	2024 Q2~Q3
(2) World leading graphic cards •Develop latest AORUS gaming graphic cards •Develop the latest AERO silver-white design creator graphics card •Develop latest AMD® platform graphic cards	2024 Q2~Q3
(4) Industry innovative cloud server •Development of AI server with new architecture of NVIDIA HGX GPU and MGX •Develop of AMD Instinct GPU AI server •Development of servers based on the latest AMD Instinct platform •Develop latest Ampere Siry platform servers •Develop latest AI computing applicable G-series servers •Develop latest hyper-converged infrastructure applicable H-series servers •Develop latest big data storage service S-series servers •Develop latest multimedia designer or software development engineer specific W-series workstation •Develop latest enterprise internal IT structure applicable R-series servers •Develop latest OCT computing structure compliant RACKLUTIONOP and large datacenter grand scale deployment applicable rack products •Develop the latest liquid cooling (Liquid Cooling) specially designed for energy saving and carbon reduction and immersion cooling (Immersion Cooling) products •Development of the NVIDIA HGX and L11 GIGA POD of AMD Instinct	2024 Q1~Q4
(5) Professionally crafted gaming laptops and creator laptops •Develop AI software programs for second-generation laptops Develop Intel® 13th gen. high-performance laptops •Develop Intel® 14th gen. high-performance laptops •Develop first-generation AERO lightweight productivity laptops •Develop new-generation AORUS professional gaming laptops	2024 Q1~Q4
(5) Award winning gaming peripherals •Develop next generation smart gaming display •Develop next generation smart gaming peripheral products	2024 Q2~Q4
(6) 5G, Edge Computing and New Applications of AI •Workstation level high-performance AI edge computing industrial computer system •Integrate the newest wireless and wireless communication Technology, multiple allowable input voltages, and computing acceleration interface cards which support ultra-high speed extension kit as well as AI, making it possible to apply AI edge computing computer system to many fields such as smart factory and e-Health.	2024 Q4

## 2. Progress of unaccomplished R&D plans:

Persist to present different types of new products ahead of the others in the industry.



3. The R&D expenses that should be committed will remain about NT\$2,178 million more will be invested.
  4. Projection on mass production:  
Mass production has proceeded as scheduled in the research and development plans. A number of advanced and diverse products were presented.
  5. Major factors that affect the future success of R&D  
Initiation of projects that further expand our superiority in R&D, supporting hardware and equipment with Cloud services and applications for innovative software and hardware integrations. In addition to providing users with astounding functions, our products have also continued to garner awards and external recognition. We are able and confident in providing our customers with the best products by driving new innovative technologies and marketing of our new products and adhering to our practical and steadfast business philosophies that aims to sustainably maximize the value of our brand
- (IV) The influence of significant Changes of policies and laws, domestic or foreign, toward the finance of the Company and the corresponding measures in the most recent year and up to the publication date of the annual report:  
GIGABYTE management is compliant to both local and international laws. Various departments are able to keep track of changes to major policies and laws and adjust our internal control and management policies as well as business activities where appropriate to ensure smooth business operations. Hence, GIGABYTE is able to respond in a timely and effective manner to changes in important policies and laws.
- (V) The influence of Changes of technology and in the industry toward the finance of the Company and the corresponding measures in the most recent year and up to the publication date of the annual report:  
GIGABYTE has been involved in this industry for many years and has continuously invested large amounts of resources for the R&D of new technologies, achieving a first rate R&D capability in our fields. Additionally, GIGABYTE's management team maintains constant vigilance for future trends and technologies, and would adjust corporate business strategies and expand new market opportunities so that GIGABYTE would remain in effective command of the overall economic environment and be aware of possible changes to corporate finances and businesses resulting from changes in the industry.
- (VI) GIGABYTE garnered another award in a row and has repeatedly won international design awards. We shall be able to maintain our superior corporate image.
- (VII) Expected results from mergers and acquisition and possible risk:  
To enhance the group's competitiveness and operational performance, the company's networking business (including assets, liabilities, and operations) is proposed to be transferred through a spin-off to Giga Computing Technology Co., Ltd. (hereinafter referred to as "GCP"), a wholly-owned subsidiary of the company. GCP will issue shares to the company as consideration for the transfer.

The company's audit committee has appointed Ming-Yang Lai, CPA, of Eslite United CPA Firm as an independent expert to provide a fairness opinion on the share exchange ratio for this spin-off. According to CPA Ming-Yang Lai's opinion, the spin-off is an organizational adjustment, and since GCP remains a wholly-owned subsidiary before and after the transfer, there is no impact on the shareholders' equity of the company. Therefore, the proposed share exchange ratio for the spin-off is considered reasonable.

(VIII) Expected results from expansion of facilities and possible risk:

Due to the large volume and high value of GCP products, and considering future plans for simple assembly, testing, and maintenance of these products in the United States, it is advisable to carry out the aforementioned operations in a self-owned facility with a higher safety factor. To enhance production efficiency, shorten delivery times, and meet customer demands, thereby gaining a greater competitive advantage, we have decided to purchase real estate for a factory.

(IX) Possible risks from concentration of purchase and sales:

Customers whose sales exceeded 10% this period primarily benefited from the AI application boom starting in the second half of the year, leading to large-scale data center construction sales projects. Our company has already made specific considerations and plans regarding the future business development of the AI industry and the needs of potential customers, so there is no risk of high concentration of sales. In addition, in terms of purchasers, Intel, NVIDIA and AMD motherboards and VGA, Sever GPU chip makers are leading companies in the information industry. This is an industrial feature and there is no risk of concentration.

(X) The effect and risk of the massive transaction of or conversion of shares by directors, supervisors or dominant shareholders of the Company holding more than 10% of the stakes:

There were no massive transactions or conversion of shares effected by the directors or dominant shareholders of the Company holding more than 10% of the stakes in 2023 or as of date of publication.

(XI) The effect and risks of the Change of the management: N/A.

(XII) Litigious or Non-Litigious Events: There have been no litigious or non-litigious events that may significant affect the Company.

(XIII) Other major risks and responding measures: None.

VII.Others: None.

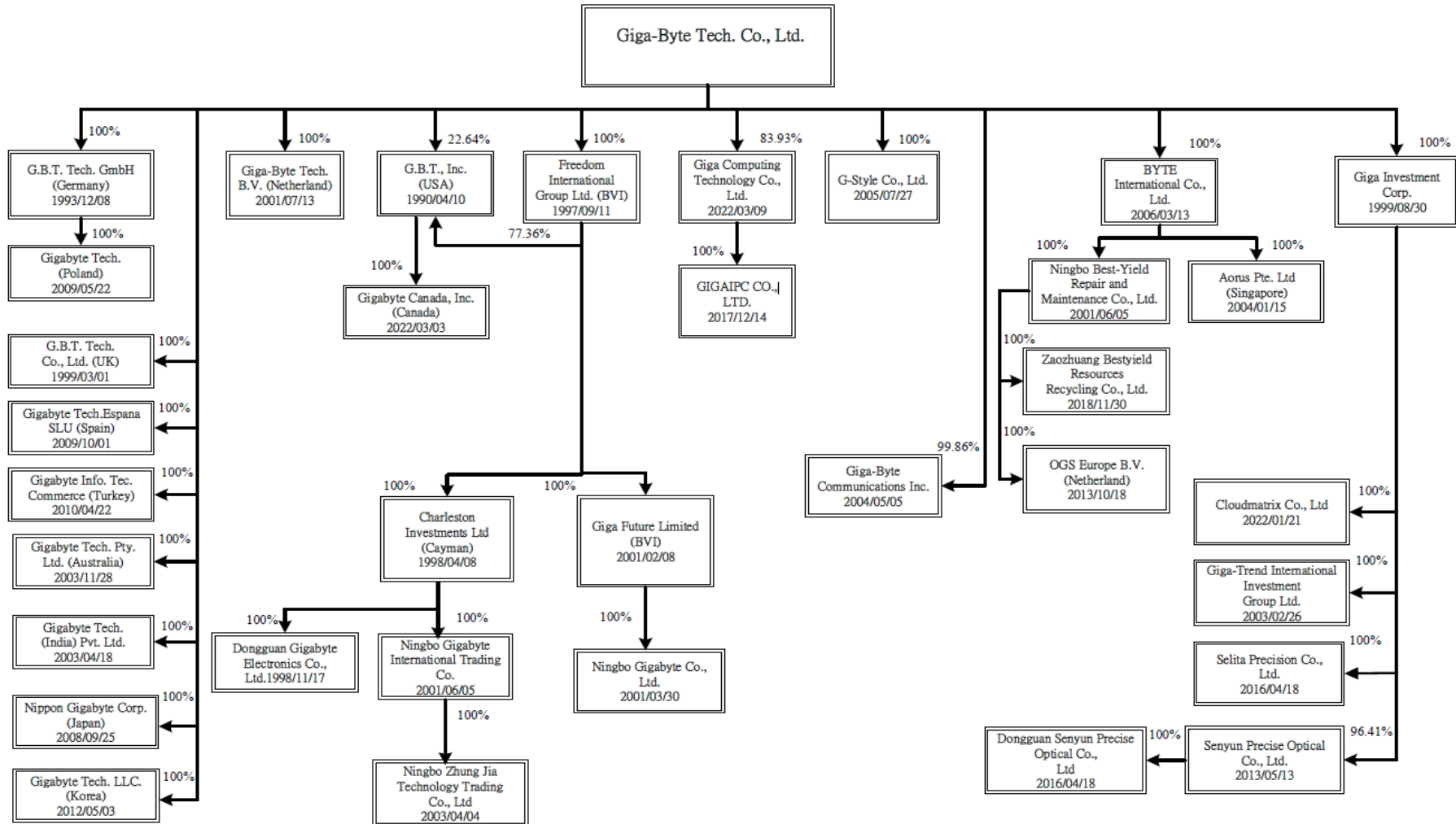
## Eight. Special Matters

### I. Related information on affiliates

#### (I) Summary status of affiliates

##### 1. Organization of affiliates

##### (1) Affiliate organization chart:



(2) Pursuant to Article 369-3 of the Company Act, subordinate company presumed to have controlling interest: Nil.

(3) Pursuant to Article 369-2 of the Company Act, subordinate companies with HR, finance or business operations directly or indirectly controlled by the Company: Nil.

2. Basic data by Affiliates:

December 31, 2023

Name of Company	Date of Establishment	Address	Capital Received	Primary business or production Item
G.B.T., Inc.	1990.04.10	17358 Railroad Street, City of Industry, CA, U.S.A.	USD 18,010,700	Sale of Motherboard, computer and peripherals
G.B.T. Technology Trading GmbH	1993.09.21	Am Stadtrand 63, 22047 Hamburg, Germany	EUR 10,080,000	Promotion of Motherboard, computer and peripherals
Freedom International Group Ltd.	1997.09.11	P.O.Box 4342, Road Town, Tortola, British Virgin Islands	USD 176,571,691.54	Holding company
Charleston Investments Limited	1998.04.08	P.O.Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands	USD 57,032,141.68	Holding company
Dongguan GIGABYTE Electronics Co., Ltd.	1998.11.17	3 YuYuanYi Road, YuYuan Industrial District, HuangJiang, DONGGuan, GuangDong	USD 36,380,000	Manufacturing of Motherboard, computer and peripherals
GBT Tech. Co. Ltd.	1999.01.26	13 Warren Yard, Warren Farm Office Village, Wolverton Mill, Milton Keynes England MK12 5NW	GBP 800,000	Promotion of Motherboard, computer and peripherals
Giga Investment Corp.	1999.08.30	6F., No. 10, Sec. 1, Roosevelt Rd., Zhongzheng Dist., Taipei City, Taiwan	NTD 2,977,565,000	Holding company
Giga Future Limited	2001.02.08	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	USD 82,819,549.86	Holding company
Ningbo Giga-Byte Technology Co., Ltd.	2001.03.30	9 ChuangYeEr Road, NingBo Bonded West Zone, NingBo, ZheJiang	USD 85,629,768	Manufacturing of Motherboard, computer and peripherals
Ningbo BestYield Tech. Services Co., Ltd.	2001.06.05	9 ChuangYeEr Road, NingBo Bonded West Zone, NingBo, ZheJiang	USD 5,800,000	Repairing of computer, peripherals
Ningbo GIGABYTE International Trading Co.	2001.06.05	9 ChuangYeEr Road, NingBo Bonded West Zone, NingBo, ZheJiang	USD 8,000,000	Sale of Motherboard, computer and peripherals
Giga-Byte Technology B.V.	2001.07.13	Steenoven 24, 5626 DK Eindhoven, Netherlands	EUR 850,000	Sale of Motherboard, computer and peripherals
Giga-Trend International Investment Group Ltd.	2003.02.26	B2 No. 205, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City, Taiwan	NTD 568,900,000	Holding company
Ningbo Zhongjia Technology Co., Ltd.	2003.04.04	9 ChuangYeEr Road, NingBo Bonded West Zone, NingBo, ZheJiang	CNY 28,000,000	Sale of Motherboard, computer and peripherals
GIGABYTE Technology Pty. Ltd.	2003.11.28	U1/19-23 Clarinda Road Oakleigh South VIC 3167, Australia.	AUD 2,400,000	Promotion of Motherboard, computer and peripherals
Aorus Pte. Ltd.	2004.01.15	60 Paya Lebar Road #07-31 Paya Lebar Square Singapore	SGD 3,073,000	Trademark registration management
Giga-Byte Communications Inc.	2004.05.05	B2 No. 205, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City, Taiwan	NTD 21,488,380	Sale of communication product
GIGABYTE Technology (India) Private Limited	2003.04.17	807 & 808, 8th Floor, Naman Midtown, B-WING, Elphinstone Rd., Mumbai	INR 46,000,000	Promotion and Repairing of Motherboard, computer and peripherals
G-Style Co., Ltd.	2005.07.27	5F No. 221, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City, Taiwan	NTD 120,000,000	sale of notebooks
BYTE International Co., Ltd.	2006.03.13	B2 No. 205, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City, Taiwan	NTD 310,000,000	Promotion and Repairing of ITC products (3C outlet)
Nippon Giga-Byte Corp.	2008.09.25	2F, Gaokanda 6-chome, 15-14 Gaokanda, Chiyoda, Tokyo, Japan	JPY 30,000,000	Promotion of Motherboard, computer and peripherals
GIGABYTE Technology Poland SP	2009.05.22	ul. Fabry czna 20, 53-609, Wroclaw, Poland	PLN 50,000	Repairing of Motherboard,

Name of Company	Date of Establishment	Address	Capital Received	Primary business or production Item
Z.O.O.				computer and peripherals
GIGABYTE Technology ESPANA S.L.U.	2009.07.30	Calle Bilbao nº 58, BARCELONA, ESPAÑA	EUR 5,000	Promotion of Motherboard, computer and peripherals
GIGABYTE Technology LLC.	2012.05.03	NO.506, CHUNGJIN B/D,138, Wonhyo-ro, Yongsan-gu, Seoul, Republic of Korea	KRW 840,000,000	Promotion of Motherboard, computer and peripherals
Senyun Precise Optical Co., Ltd	2013.05.13	No. 18, Gongye 1st Rd., Pingzhen Dist., Taoyuan City 320 , Taiwan (R.O.C.)	NTD 1,134,583,640	Manufacturing and sales of molds and optical and electronic components
OGS Europe B.V.	2013.10.18	Hooge Zijde 7, 5626 DC, Eindhoven, The Netherlands	EUR 300,000	Repairing of Motherboard, computer and peripherals
Selita Precision Co., Ltd.	2016.04.18	B2 No. 205, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City , Taiwan	NTD 50,000,000	Consignment development, manufacturing and sales of automotive parts
Dongguan Senyun Precise Optical Co., Ltd	2016.04.18	No.6 Yu Yuan 2 Road, HuangJiang, DONGGuan, GuangDong	CNY 1,000,000	Manufacturing and sales of molds and optical and electronic components
GIGAIPC CO., LTD.	2017.12.14	B1 No. 205, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City , Taiwan	NTD 120,000,000	Selling of electronic components and parts, computer information products
Zaozhuang Bestyield Resources Recycling Co., Ltd.	2018.11.30	Suite 1601, SOHO Zhujiang Building D2, Zhujiang Rd., Xuecheng Dist., Zaozhuang City, Shandong Province, China	CNY 1,200,000	Recycling and sale of renewable resources
GIGABYTE Information Technology Commerce Limited Company	2010.04.22	KÜÇÜKBAKKALKÖY MAH.DEFNE SK. FLORA RESIDANCE AP.N.1/282 ATAŞEHİR, İSTANBUL, Turkey	TRY 200,000	Promotion of Motherboard, computer and peripherals
CLOUDMATRIX CO., LTD.	2015.04.10	No. 23, Ln. 65, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City 231 , Taiwan (R.O.C.)	NTD 30,000,000	E-Commerce
Giga Computing Technology Co., Ltd.	2022.03.09	7F., No. 6, Baoqiang Rd., Xindian Dist., New Taipei City 231 , Taiwan (R.O.C.)	NTD 994,400,000	Sale of electronic parts, computer information, and network communication products
GIGABYTE Canada Inc.	2022.03.03	100 Leek Crescent, Uint 3, Richmond Hill. ON L4B 3E6. Canada.	CAD 1,000	Cross-selling of motherboards, computers, and peripherals

3. Presumed to have the same shareholder data as an affiliate with controlling interest or subordination: Nil.

#### 4. Overall scope of business of the affiliates

The business scope of the Company and its affiliates includes the manufacture, processing and trading of motherboards, graphic cards and other computer peripherals. The scope of the motherboard business managed by the affiliates is as follows:

- (1) G.B.T., Inc. ∙ G.B.T. Technology Trading GmbH ∙ G.B.T. Tech. Co., Ltd. ∙ Giga-Byte Technology B.V. ∙ GIGABYTE Technology Pty. Ltd. ∙ Aorus Pte. Ltd. ∙ GIGABYTE Technology (India) Private Limited ∙ Nippon Giga-Byte Corp. ∙ GIGABYTE Technology Poland SP. Z.O.O. ∙ GIGABYTE Technology ESPANA S.L.U. ∙ GIGABYTE Information Technology Commerce Limited Company ∙ GIGABYTE Technology LLC and GIGABYTE Canada Inc. : Sale, promotion and repair of computer information products in the Americas, Europe, Asia and the Pacific region.
- (2) Dongguan GIGABYTE Electronics Co., Ltd. ∙ Ningbo GIGABYTE Co., Ltd. : Manufacture of computer information products and components for mainland China.
- (3) Ningbo Best-Yield Repair and Maintenance Co., Ltd. : After-sales maintenance of computer information products in mainland China.
- (4) Ningbo Zhong Jia Technology Trading Co., Ltd. : Sale of computer information products and components for mainland China.

- (5) BYTE International Co., Ltd. : Promotion and Repairing of ITC products (3C outlet).
- (6) Freedom International Group Ltd. 、Charleston Investment Ltd. and Giga Future Limited : Holding company.
- (7) Giga-Byte Communications Inc. (In liquidation): Sale of communication product.
- (8) OGS Europe B.V. : Repairing of Motherboard, computer and peripherals.
- (9) G-Style Co., Ltd. : Sale of notebooks.
- (10) Senyun Precise Optical Co., Ltd. : Manufacturing and sales of molds and optical and electronic components.
- (11) Selita Precision Co., Ltd. : Consignment development, manufacturing and sales of automotive parts.
- (12) Dongguan Senyun Precise Optical Co., Ltd : Selling of optical and electronic components and parts for mainland China.
- (13) GIGAIPC CO., LTD. : Selling of electronic components and parts, computer information products.
- (14) Zaozhuang Bestyield Resources Recycling Co., Ltd.: Recycling and sale of renewable resources.
- (15) Cloudmatrix Co., Ltd.. : E-Commerce.
- (16) Giga Computing Technology Co., Ltd. : Sale of electronic parts, computer information, and network communication products.

#### 5. Information on the directors, supervisors and general managers by affiliate:

December 31, 2023

Name of Company	Role	Name / Representative	Number of Shares Held	
			Number of Shares	Shares Ratio %
G.B.T., Inc.	Director	Yeh, Pei-Chen 、Liu, Ming-Hsiung 、Lee, E-Tay 、Lu, Zheng-Wei	—	—
G.B.T. Technology Trading GmbH	Director	Liu, Ming-Hsiung 、Tseng, Chun-Ming 、Lee, E-Tay 、Huang, Guo-Hua	—	—
Freedom International Group Ltd.	Director	Giga-Byte Technology Co., Ltd.( Representative: Yeh, Pei-Chen) 、Lin, Yin-Yu 、Liu, Keng-Wei 、Liu, Hsiao-Yu)	176,571,691.54	100
Charleston Investments Limited	Director	Liu, Ming-Hsiung 、Ma, Mou-Ming 、Freedom International Group Ltd.(Representative: Yeh, Pei-Chen) 、Lee, E-Tay 、Yeh, Yu-Zhang 、Yeh, Yu-Ting	57,032,141.68	100
Dongguan GIGABYTE Electronics Co., Ltd.	Director	Charleston Investments Limited. (Representative : Tseng, Chun-Ming 、Wang, Guo-Zhen 、Wang, Zhen-Sheng)	—	100
GBT Tech. Co. Ltd.	Director	Liu, Ming-Hsiung 、Huang, Guo-Hua	—	—
Giga Investment Corp.	Director	Giga-Byte Technology Co., Ltd. (Representative: Yeh, Pei-Chen 、Liu, Ming-Hsiung 、Ma, Mou-Ming)	297,756,500	100
Giga Future Limited	Director	Yeh, Pei-Chen 、Liu, Ming-Hsiung 、Ma, Mou-Ming 、Yeh, Yu-Jen	—	—
Ningbo GIGABYTE Co., Ltd.	Director	Giga Future Limited(Representative : Yeh, Pei-Chen 、Tseng, Chun-Ming 、Chen, Hong-Ming 、Chen, De-Xiu)	—	100
	Supervisor	Giga Future Limited(Representative : Chen, Chun-Ying)		
Ningbo Best-Yield Repair and Maintenance Co., Ltd.	Director	Yeh, Pei-Chen 、Tseng, Chun-Ming 、Lin, Chi-Ching 、Chen, Zhen-Feng	—	100
	Supervisor	BYTE International Co., Ltd. (Representative : Huang, Szu-Cheng)		
Ningbo GIGABYTE International Trading Co.	Director	Charleston Investments Limited. (Representative: Lin, Yin-Yu 、Hsiao, Wen-Da 、Liu, Jia-Yi 、Liu, Meng-Zong)	—	100
	Supervisor	Charleston Investments Limited(Representative : Huang, Szu-Cheng)		
Giga-Byte Technology B.V.	Director	Liu, Ming-Hsiung 、Lee, E-Tay 、Lian, Chin-Sin	—	—
Giga-Trend International Investment Group Ltd.	Director	Giga Investment Corp.(Representative: Yeh, Pei-Chen 、Liu, Ming-Hsiung 、Ma, Mou-Ming)	56,890,000	100
Ningbo Zhong Jia Technology Trading Co., Ltd.	Director	Ningbo GIGABYTE International Trading Co. (Representative: Lin, Yin-Yu 、Liao, Chi-Li 、You, Hong-Dao)	—	100
	Supervisor	Ningbo GIGABYTE International Trading Co. (Representative : Huang, Szu-Cheng)		
GIGABYTE Technology Pty. Ltd.	Director	Yeh, Pei-Chen 、Lin, Yin-Yu 、Liu, Yi-Yun	—	—
Aorus Pte. Ltd.	Director	Liu, Ming-Hsiung 、Lin, Yin-Yu	—	—
Giga-Byte Communications Inc.	Director	Giga-Byte Technology Co., Ltd. (Representative: Yeh, Pei-Chen 、Liu, Ming-Hsiung 、Ma, Mou-Ming 、Tseng,	2,145,831	99.86

Name of Company	Role	Name / Representative	Number of Shares Held	
			Number of Shares	Shares Ratio %
		Chun-Ming)		
	Supervisor	Giga Investment Corp.(Representative: Chen, Chun-Ying)	7	-
GIGABYTE Technology (India) Private Limited	Director	Liu, Ming-Hsiung 、 Liu, Wen- Chung 、 Sunil Grewal	—	—
G-Style Co., Ltd.	Director	Giga-Byte Technology Co., Ltd. (Representative: Yeh, Pei-Chen 、 Liu, Ming-Hsiung 、 Lin, Yin-Yu)	12,000,000	100
BYTE International Co., Ltd.	Director	Giga-Byte Technology Co., Ltd. (Representative: Yeh, Pei-Chen 、 Lin, Chi-Ching 、 Chen Zheng-Feng 、 Tseng, Chun-Ming 、 Lee, E-Tay))	31,000,000	100
	Supervisor	Giga-Byte Technology Co., Ltd. (Representative: Liu, Ming-Hsiung)		
Nippon Giga-Byte Corp.	Director	Lin Hong-Yu 、 Yeh, Pei-Chen 、 Ma, Mou-Ming	—	—
	Supervisor	Liu, Ming-Hsiung		
GIGABYTE Technology Poland SP Z.O.O.	Director	Huang Guo-Hua	—	—
GIGABYTE Technology ESPANA S.L.U.	Director	Wang Chuan-Jia	—	—
GIGABYTE Information Technology Commerce Limited Company	Director	Giga-Byte Technology Co., Ltd. (Representative: Chen, Jing Ting)	8,000	100
	Director	Liu Zhong-Jin	—	—
GIGABYTE Technology LLC.	Director	Liu, Ming-Hsiung 、 Chiu, Chih-Peng	—	—
	Supervisor	Chen, Chun-Ying		
Senyun Precise Optical Co., Ltd	Director	Giga Investment Corp. (Representative: Weng,Nai-Wen 、 Bai, Guang-Hua 、 Chen Hui-Zhou 、 Sun,Guo-Ren 、 Chen,Shi-Cheng)	324,586,585	96.41
	Supervisor	Ming Wei Investment Co., Ltd. (Representative: Liu, Ming-Hsiung 、 Chen,Chun-Ying)	1,073,273	0.32
OGS Europe B.V.	Director	Ma, Mou-Ming 、 Lin, Chi-Ching	—	—
Selita Precision Co., Ltd.	Director	Giga Investment Corp. (Representative: Tseng, Chun-Ming 、 Bai, Guang-Hua 、 Chen, Shih-Chang )	5,000,000	100
Dongguan Senyun Precise Optical Co., Ltd.	Director	Bai, Guang-Hua 、 Ceng,Hui-Zhou 、 Weng,Nai-Wen	—	—
	Supervisor	Chen, San-Jing		
GIGAIPC CO., LTD.	Director	Giga-Byte Technology Co., Ltd. (Representative: Lee, E-Tay 、 Bai, Guang-Hua 、 Chiu, Chih-Peng )	12,000,000	100
Zaozhuang Bestyield Resources Recycling Co., Ltd.	Director	Ningbo Best-Yield Repair and Maintenance Co., Ltd. (Representative: Lin, Chi-Ching)	—	—
	Supervisor	Ningbo Best-Yield Repair and Maintenance Co., Ltd. (Representative: Chen, San-Jing)		
Cloudmatrix Co., Ltd.	Director	Giga Investment Corp. (Representative: Sun,Guo-Ren 、 Liu, Ming-Hsiung 、 Bai, Guang-Hua)	3,000,000	100
Giga Computing Technology Co., Ltd.	Director	Giga-Byte Technology Co., Ltd. (Representative: Yeh, Pei-Chen 、 Liu, Ming-Hsiung 、 Ma Mou-Ming 、 Tseng, Chun-Ming 、 Lee, E-Tay)	100,000	100
Gigabte Canada Inc.	Director	Lu, Zheng-Wei 、 Chen,Yi-Long 、 Chen,Jian-Zhi	—	—

(II) Summary of Business Operations of Affiliates:  
Financial status and operating results by affiliate:

December 31, 2023 Unit: NTD1,000; shares / NT\$

Company Name	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Profit for the year (After income tax)	Earnings per share
G.B.T., Inc.	534,991	10,579,546	8,641,555	1,937,991	45,836,812	684,542	528,334	2,210.31
G.B.T. Technology Trading GmbH	352,751	419,400	13,416	405,984	139,708	(1,788)	6,782	註二
Freedom International Group Ltd.	5,251,952	9,211,306	0	9,211,306	0	(137,377)	708,284	4.01
Charleston Investments Limited	1,625,872	2,477,092	1	2,477,091	0	(247)	277,828	4.87
Dongguan GIGABYTE Electronics Co., Ltd.	1,180,938	2,395,362	850,943	1,544,419	11,300,524	156,400	128,476	註二
GBT Tech Co. Ltd.	47,488	29,381	1,148	28,233	22,647	299	(802)	(1.00)
Giga Investment Corp.	2,977,565	3,850,843	203	3,850,640	0	(277)	29,611	0.10
Giga Future Limited	2,361,020	3,185,405	0	3,185,405	0	(20,032)	118,674	1.46
Ningbo GIGABYTE Co., Ltd.	2,780,313	3,794,567	634,324	3,160,243	9,923,689	135,600	143,121	註二
Ningbo Best-Yield Repair and Maintenance Co., Ltd.	181,923	322,734	68,437	254,297	361,948	14,581	9,578	註二
Ningbo GIGABYTE International Trading Co.	259,752	901,190	1,185	900,005	15,489	(4,756)	181,757	註二
Giga-Byte Technology B.V.	25,984	303,731	131,188	172,543	607,173	19,184	18,576	2,185.41
Giga-Trend International Investment Group Ltd.	568,900	587,324	303	587,021	0	(14,403)	(8,063)	(0.14)
Ningbo Zhung Jia Technology Trading Co., Ltd	109,853	5,631,158	5,005,076	626,082	19,330,040	346,989	193,980	註二
GIGABYTE Technology Pty. Ltd.(Australia)	55,664	69,109	8,117	60,992	70,288	2,967	1,827	0.76
Aorus Pte. Ltd.	66,312	9,707	90	9,617	0	(3,081)	(3,090)	(1.00)
Giga-Byte Communications Inc.	21,488	36,732	15,714	21,018	0	(466)	(461)	(0.21)
GIGABYTE Technology (India) Private Limited	35,925	75,490	24,846	50,644	71,227	9,049	(2,323)	(5.05)
G-Style Co., Ltd.	120,000	269,598	182,476	87,122	1,425,984	98,904	102,396	8.53
BYTE International Co., Ltd.	310,000	678,607	200,038	478,569	993,017	80,399	93,657	3.02
Nippon Giga-Byte Corp.	8,075	24,897	7,802	17,095	28,511	1,425	1,124	374.67
GIGABYTE Technology Poland SP Z O.O.	383	3,870	1,558	2,312	14,873	(155)	(569)	(5,692.75)
GIGABYTE Technology ESPANA S.L.U.	241	10,123	1,908	8,215	24,957	1,413	2,075	415.00
GIGABYTE Information Technology Commerce Limited Company	3,541	2,625	1,057	1,568	13,445	762	785	98.13
GIGABYTE Technology LLC.	22,534	39,867	4,483	35,384	64,564	(808)	(1,743)	(10.38)
Senyun Precise Optical Co., Ltd.	1,134,584	308,190	26,102	282,088	106,510	(38,280)	(35,649)	(0.31)
OGS Europe B.V.	10,515	50,647	7,970	42,677	68,324	(582)	(5,666)	(1,888.67)



Company Name	Capital amount	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Profit for the year (After income tax)	Earnings per share
Selita Precision Co., Ltd.	50,000	55,887	6,629	49,258	29,657	13,000	13,332	2.67
Dongguan Senyun Precise Optical Co., Ltd	4,539	1,904	3,579	(1,675)	4,907	632	625	Note 2
GIGAIPC CO., LTD.	120,000	511,343	259,619	251,724	1,031,575	124,048	110,776	9.23
Zaozhuang Bestyield Resources Recycling Co., Ltd.	5,507	8,487	417	8,070	10,627	(19)	8	Note 2
Cloudmatrix Co., Ltd.	30,000	143,816	118,871	24,945	256,353	3,543	4,023	1.34
Giga Computing Technology Co., Ltd.	994,400	22,908,239	20,100,607	2,807,632	48,842,914	1,690,711	1,511,057	15.20
GIGABYTE Canada Inc.	24	10,363	9,754	609	18,639	673	434	433.93

Note 1: If the affiliate is an overseas entity, the respective balance sheets and income statements must be converted at the rate as on the report date and presented in NTD (thousands)

Note 2: A limited company. Not Applicable.

(III) Consolidated financial statement: please refer to the “Current Year Audited Consolidated Financial Statement of the Subsidiaries” in “Six. Financial Summary”.

(IV) Affiliation Report : None.

II. Processing of private equity as of current year and up to financial statement report date : None.

III. Subsidiary holding or disposing shares as of current year and up to financial statement report date : Not applicable.

IV. Any other supplementary information : None.

V. Any incidents of significance pertaining to Article 36 para 3 item 2 of the Securities & Exchange Act as of current year and up to financial statement report date : None.



台北總公司 / Taipei Headquarter



桃園南平廠 / Nan Ping Factory, Taiwan



大陸東莞廠 / Dong Guan Factory, China



大陸寧波廠 / Ning Bo Factory, China