

# **GIGA-BYTE TECHNOLOGY CO., LTD.**

## **Minutes of the 2024 Annual General Meeting**

### **(Translations)**

Time: 9:00 a.m., Wednesday, 12 June 2024

Place: Hotel Kuva Chateau No. 398, Minquan Road, Zhongli District, Taoyuan City

Attendance: The total amount of shares represented by attended shareholders and proxies is 496,807,878 shares (382,084,608 shares representing electronic voting), commanding 78.15% of the totally issued shares of this Company at 635,688,886 shares, reaching the statutory requirement for the annual general meeting of shareholders. The chairman thus called the meeting to order according to the law.

Attendees: Mou-Ming Ma, Chun-Ming Tseng, E-Tay Lee (these are directors) and Hwei-Min Wang, Yi-Hong Chan, Chen-Li Yang, Peng-Huang Peng, Li-Chen Lin (these are independent directors).

Guests: Chun-Yuan Xiao of PwC Taiwan, CFO Chun-Ying Chen and General Counsel Chih-Peng Chiu.

Chairman: Pei-Chen Yeh

Recorder: Si-Zheng Huang

- I. Calling the meeting to order:** The total amount of shares represented by attended shareholders and proxies has exceeded the statutory requirement, the chairman thus called the meeting to order.
- II. Chairman's address:** (Omitted).
- III. Management presentations**
  - (1) 2023 business reports**

Explanation: Please refer to Appendix 1 2023 Business Report.

Question ( Shareholder number 54603 ) : Please provide a detailed report on the contents of the business report and the operational status of the company.

Response from the chairman: : The business report included in the shareholder meeting handbook already contains a clear explanation. Shareholders are requested to refer to it.
  - (2) Audit Committee's review report on the 2023 financial statements**

Explanation: Please refer to Appendix 2 Approval/Audit Report of the Audit Committee.
  - (3) Reports on the distribution of compensations to employees and directors in 2023**

Explanation:

1. According to Article 28 of the Articles of Incorporation regarding the percentage of profits distributed to employees and directors, if there is profit in the year, this Company will appropriate 3-10% as compensations for employees and not more than 3% as compensations for directors.
2. In 2023, this Company plans to appropriate NT\$588,689,898 and NT\$46,000,000 as compensations for employees and directors respectively. The appropriation ratio is 10% and 0.78% respectively. Both are distributed in cash.
3. This proposal has been approved by the Compensations Committee Meeting and the Board Meeting.

**(4) Report on 2023 surplus distribution in the form of cash dividend distribution in cash**

Explanation:

1. According to Article 28 of the Articles of Incorporation, distributable dividends and bonuses is authorized to be paid after a resolution has been adopted at a meeting of the board of directors, in whole or in part by cash, and be submitted to the shareholders' meeting.
2. The Company proposes to distribute cash dividend of NT\$4,259,115,536 to shareholders in accordance with the Articles of Incorporation, at NT\$6.7 per share. Cash dividends will be distributed up to one dollar (rounded down values below NT\$1). The odd amount will be combined to the Company's non-operating income. Subsequently, if the number of shares outstanding is affected and the distribution ratio per share is changed due to the repurchase of shares of the Company, the transfer or cancellation of treasury shares, etc., it is proposed to authorize the Chairman to deal with it with full power.
3. Upon resolution of the meeting of the Board of Directors, the Board of Directors shall set the dividend (distribution) record date, distribution date and other related matters.

**(5) Report on the reasons for issuing the corporate bond and related matters**

Explanation:

The Company issued its third overseas unsecured convertible corporate bond on July 27, 2023 within the limit of USD300,000 thousand to meet the funding needs for materials purchase in foreign currency. The issuance status is as follows:

Bond name	Third Issue of the Unsecured Overseas Convertible Bonds
Approval date	July 19, 2023
Issue date	July 27, 2023
Maturity date	July 27, 2028
Total amount of the issue	USD 300,000,000
Par value of the issue	USD 200,000
Issue price	100% of par value
Place of offering and transaction	Singapore Exchange Securities Trading Limited
Conversion Price upon Issuance	NTD 375
Conversion period	October 28, 2023, up to July 17, 2028
Interest rate of issue coupon	0%

Interest rate	1.00% per annum (Calculated based on half a year)
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. 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.
Underwriter	UBS AG Hong Kong Branch
Transfer agency	Citibank, N.A., London Branch
The capital utilization plan and its execution status	All funds raised by the company were used to purchase materials from overseas, and the fund implementation progress is 100%.
The converted number of shares	As of April 14, 2024, there have been no conversion executions

## (6) Revision of the Company’s “Rules of Procedure for Board Meetings”

Explanation:

1. In response to regulation changes, the reasons for convening the board meeting and the matters mentioned in paragraph 1, Article 12 of the rules shall be listed in the reasons for convening and shall not be proposed in the form of extempore motions.
2. Revision of the Company’s “Rules of Procedure for Board Meetings;” the comparison table of the revision is as follows:

Revised Edition	Previous Edition	Description
<p>Article 3: The Company shall hold a board meeting at least once a quarter. The reasons for convening a board meeting shall be specified in the meeting notice, and all directors shall be notified seven days in advance. However, in case of emergency, a meeting may be convened at any time. The notice of convening a board meeting can be sent by fax, e-mail or other means. The matters mentioned in the first paragraph of Article 12 of the Rules shall be listed in the reasons for convening the meeting, and shall not be proposed through extempore motions.</p>	<p>Article 3: The Company shall hold a board meeting at least once a quarter. The reasons for convening a board meeting shall be specified in the meeting notice, and all directors shall be notified seven days in advance. However, in case of emergency, a meeting may be convened at any time. The matters mentioned in the first paragraph of Article 12 of the Rules. <del>Unless there is a sudden emergency or legitimate reason, which should</del> be listed in the reasons for convening the meeting, and shall not be proposed through extempore motions.</p>	<p>1. The first to third items are not revised. 2. As the items in paragraph 1, Article 12 are important matters related to the operation of the Company, they should be stated in the reasons for convening the meeting to provide sufficient information and time for directors to evaluate the proposals before making decisions. Therefore, the fourth paragraph is deleted and it is stipulated that the items in paragraph 1, Article 12 should be listed in the reasons for convening the meeting and should not be proposed as extempore motions. If the Company has urgent matters that need to be discussed</p>

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		<p>at the board meeting, a meeting may be convened at any time in accordance with the provisions in the second paragraph, and it shall not affect the Company's business or operations. The convening of an emergency board meeting shall still be conducted in accordance with Article 6 at a location and time convenient for directors' attendance, and in accordance with Article 4, the content of the board meeting, meeting data and the convening notice shall be delivered to board members.</p>
<p>Article 12: The following matters shall be discussed at the Company's board meeting: I. The Company's business plan. II. Annual financial report. III. Formulate or amend the internal control system and evaluate the effectiveness of the internal control system in accordance with Article 14(1) of the Securities Exchange Act. IV. Formulate or amend the operating procedures for acquisition or disposal of assets, engagement in derivative trading, extending loans to others, and endorsements or guarantees to others in accordance with the provisions of Article 36(1) of the Securities Exchange Act. V. Offering, issuing or private placement of marketable securities of equity nature. VI. If there is no managing director on the Board of Directors, the appointment or removal of the chairman of the board. VII. Appointment and removal of the head of finance, accounting or internal audit. VIII. Donations to related parties or major donations to non-related parties. However, public donations made for emergency relief due to major natural disasters shall be ratified in the next board meeting. IX. Other major matters that should be resolved by the shareholders' meeting or the board meeting or prescribed by the competent authority in accordance with Article 14-3 of the Securities and Exchange Act or other laws and regulations or the articles of association. X. The remuneration of directors and managers shall be proposed by the Compensation</p>	<p>Article 12: The following matters shall be discussed at the Company's board meeting: I. The Company's business plan. II. Annual financial report. III. Formulate or amend the internal control system and evaluate the effectiveness of the internal control system in accordance with Article 14(1) of the Securities Exchange Act. IV. Formulate or amend the operating procedures for acquisition or disposal of assets, engagement in derivative trading, extending loans to others, and endorsements or guarantees to others in accordance with the provisions of Article 36(1) of the Securities Exchange Act. V. Offering, issuing or private placement of marketable securities of equity nature. VI. Appointment and removal of the head of finance, accounting or internal audit. VII. Donations to related parties or major donations to non-related parties. However, public donations made for emergency relief due to major natural disasters shall be ratified in the next board meeting. VIII. Other major matters that should be resolved by the shareholders' meeting or the board meeting or prescribed by the competent authority in accordance with Article 14-3 of the Securities and Exchange Act or other laws and regulations or the articles of association. IX. The remuneration of directors and</p>	<p>1. According to paragraphs 1 and 2, Article 208 of the Company Act, the election of the chairman is the authority of the board of directors or the executive board of directors. Although there is no explicit procedure for the Chairman's dismissal in the Company Act, with reference to the letter of interpretation of the Ministry of Economic Affairs on August 2, 2005 referenced Jing-Shang-Zi 09402105990, the method of the Chairman's dismissal is not explicitly stated in the Company Act; however, unless otherwise provided in the Articles of Association, it is more reasonable to follow the original resolution of the board meeting chaired by the Chairman or the meeting of the</p>

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<p>Committee and decided by the Board of Directors after discussion.</p> <p>The related parties mentioned in paragraph 8 above refers to the related parties regulated by the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The Company's major donation to a non-related party refers to the amount of each donation or the cumulative amount of donations to the same object within a year reaches NTD 100 million or 1% of the net operating income stated in the Company's most recent annual financial report certified by CPAs, or 5% of the paid-in capital. The "one year" mentioned in the preceding paragraph is one year prior to the date of the board meeting, and the part approved in the board resolution is exempt from inclusion.</p> <p>If there are independent directors in place, at least one independent director shall attend the board meeting in person. All independent directors shall be present at the board meeting for the first item which is subject to a board resolution. An independent director who is unable to attend in person shall appoint another independent director to attend. Any objection or reservation from any independent director shall be stated in the minutes of the board meeting. If an independent director is unable to attend the board meeting in person to express an objection or reservation, he/she shall, unless there are valid reasons, issue a written opinion in advance which shall be recorded in the board meeting minutes.</p> <p>The Board of Directors may reject or amend the compensation recommendations made by the Compensation Committee on directors and managers, provided that more than two-thirds of all the directors are present at the board meeting, and a majority of the directors present agree on the rejection or amendment. The resolution shall state whether the compensation approved at the board meeting is better than the Committee's recommendation. If the compensation approved at the board meeting is better than the compensation proposed by the Committee, the differences and reasons shall be stated in the minutes of the board meeting which shall be announced within 2 days from the date of the board meeting's approval.</p>	<p>managers shall be proposed by the Compensation Committee and decided by the Board of Directors after discussion.</p> <p>The related parties mentioned in paragraph 8 above refers to the related parties regulated by the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The Company's major donation to a non-related party refers to the amount of each donation or the cumulative amount of donations to the same object within a year reaches NTD 100 million or 1% of the net operating income stated in the Company's most recent annual financial report certified by CPAs, or 5% of the paid-in capital.</p> <p>The "one year" mentioned in the preceding paragraph is one year prior to the date of the board meeting, and the part approved in the board resolution is exempt from inclusion.</p> <p>If there are independent directors in place, at least one independent director shall attend the board meeting in person. All independent directors shall be present at the board meeting for the first item which is subject to a board resolution. An independent director who is unable to attend in person shall appoint another independent director to attend. Any objection or reservation from any independent director shall be stated in the minutes of the board meeting. If an independent director is unable to attend the board meeting in person to express an objection or reservation, he/she shall, unless there are valid reasons, issue a written opinion in advance which shall be recorded in the board meeting minutes.</p> <p>The Board of Directors may reject or amend the compensation recommendations made by the Compensation Committee on directors and managers, provided that more than two-thirds of all the directors are present at the board meeting, and a majority of the directors present agree on the rejection or amendment. The resolution shall state whether the compensation approved at the board meeting is better than the Committee's recommendation. If the compensation approved at the board meeting is better than the compensation proposed by the Committee, the differences and reasons shall be stated in the minutes of the board meeting which shall be announced within 2 days from the date of the board meeting's approval.</p>	<p>executive board of directors.</p> <p>2. Taking into account the provisions of the Company Act and the interpretation letter from the Ministry of Economic Affairs and based on the fact that the dismissal and election of the Chairman are important matters of the Company, a new paragraph 6 is added, which clearly states that if the board of directors does not have an executive director, the appointment or dismissal of the Chairman shall be discussed at the board meeting. The current paragraphs 6 to 9 are moved to paragraphs 7 to 10.</p> <p>3. The second item is revised in conjunction with the first item, while the third to fifth items are not been revised.</p>

**(7) Other matters: None.**

## IV. Adoption

### Proposal 1: Adoption of the 2023 Business Report and Financial Statements (proposed by the Board)

Explanation:

1. The 2023 financial statements have been audited and certified by the certified public accountant.
2. Please refer to Appendix 1, Appendix 3-1, and Appendix 3-2 for the 2023 Business Report, CPA Audit Report, and Financial Statements of this Company.
3. The 2023 Business Report and 2023 Financial Statements have been approved by the Board meeting and audited by the Audit Committee.
4. Please adopt.

Resolution :

The voting results, with 94.13% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	493,330,266	464,389,988	26,395	13	28,913,870
Proportion	100%	94.13%	0.00%	0.00%	5.86%
Voting electronically		349,806,221	26,395		28,783,530

Question ( Shareholder number 54603 ) : Future Operational Status of the Company 、 How Audit Committee Members Review Financial Statements ◦

Response from the chairman: : The company is dedicated to achieving steady and ongoing growth in the future, with all financial reviews conducted in strict compliance with regulatory standards and pertinent regulations.

## Proposal 2: Adoption of the Proposal for Distribution of 2022 Profits (proposed by the Board)

Explanation:

- 2023 profit distribution plan is prepared in accordance with the Articles of Incorporation, please refer to the profit distribution table for details.
- The resolution was approved at the meeting of the Board of Directors and audited by the Audit Committee.
- Please adopt.

### **GIGA-BYTE TECHNOLOGY CO., LTD.** **PROFIT DISTRIBUTION TABLE** **Year 2023**

(Unit: NT\$)

Items	Total
Beginning retained earnings	14,798,528,690
Add: 2023 Net profit before tax	5,252,209,086
Income tax expense	(509,229,983)
Net profit after tax	4,742,979,103
Other adjustments <sup>2</sup>	(6,450,202)
Less: 10% legal reserve	(473,652,890)
Distributable net profit	19,061,404,701
Cash dividend to shareholders@NT\$6.7 (see note)	(4,259,115,536)
Unappropriated retained earnings	14,802,289,165

Note:1. For current year's surplus distribution, 2023 profit shall first be distributed.

- Other adjustments: This year to determine the benefits of the benefit plan actuarial gains and losses to decrease NT\$ 6,450,202.
- Current distribution based on 635,688,886 shares (calculated based on number of outstanding shares as of April 14, 2024). Subsequently, if the number of shares outstanding is affected and the distribution ratio per share is changed due to the repurchase of shares of the Company, the transfer or cancellation of treasury shares, etc., it is proposed to authorize the Chairman to deal with it with full power.
- Cash dividends will be distributed up to one dollar (rounded down values below NT\$1). The odd amount will be combined to the Company's non-operating income. The Board of Directors shall set the dividend (distribution) record date, distribution date and other related matters.

Resolution:

The voting results, with 94.17% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	493,330,266	464,602,521	31,647	0	28,696,098
Proportion	100%	94.17%	0.00%	0.00%	5.81%
Voting electronically		350,018,754	28,634		28,568,758

## V. Proposals and Discussions

### Proposal 1: Amendment to the Company's "Articles of Incorporation" (proposed by the Board)

Explanation:

1. Cooperate with legal revisions and respond to the company's actual needs
2. Please refer to attachment 1 for a comparison of the Articles of Incorporation before and after revisions. Please discuss.

Revised Edition	Previous Edition	Description
<p>Article 28 Dividend Policy</p> <p>If there is a profit after the annual closing of books, the Company shall appropriate 3-10% as compensations 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.</p> <p>The compensations for employees described above shall be distributed in either stock or cash, and the remuneration for directors shall be distributed in cash. Compensations shall be approved by over half of the directors at a board meeting attended by two-third of the board members. In addition, the compensations for employees and directors shall be reported to the meeting of shareholders.</p> <p>Employees receiving the compensations for employees distributed in stock or cash shall include employees of affiliates meeting relevant requirements. The Board of Directors shall determine the definition of affiliates, distribution requirements, and distribution methods.</p> <p>This Company is in a highly competitive industry with a changeful environment, and the business life cycle has become mature. In consideration of the need for operating funds in the future and long-term financial planning, and to fulfill the demand for cash in-flow of shareholders, if there is a profit after the annual closing of books, the Company shall appropriate, the Company shall distribute the profit according to the following orders:</p> <ol style="list-style-type: none"> <li>1. Cover the losses of previous years and pay the profit-seeking enterprise annual income tax.</li> <li>2. Appropriate 10% to the legal reserve (except when the amount of legal reserve has reached the total <u>paid-in</u> capital of the Company).</li> <li>3. Appropriate or revert to special reserves according to the laws and regulations or the rules of competent authorities.</li> <li>4. After deducting the amount calculated under Item 1 to Item 3, together with 5% to <u>100%</u> of the accumulated undistributed surplus of the previous year, <u>as proposed by the board of directors, according to the following distribution methods:</u></li> </ol> <p>(1) <u>When distributing by issuing new shares, it shall be proposed after resolution by the shareholders' meeting before distribution.</u></p> <p>(2) <u>When distributing profits in cash or all or part of the</u></p>	<p>Article 28 Dividend Policy</p> <p>If there is a profit after the annual closing of books, the Company shall appropriate 3-10% as compensations 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.</p> <p>The compensations for employees described above shall be distributed in either stock or cash, and the remuneration for directors shall be distributed in cash. Compensations shall be approved by over half of the directors at a board meeting attended by two-third of the board members. In addition, the compensations for employees and directors shall be reported to the meeting of shareholders.</p> <p>Employees receiving the compensations for employees distributed in stock or cash shall include employees of affiliates meeting relevant requirements. The Board of Directors shall determine the definition of affiliates, distribution requirements, and distribution methods.</p> <p>This Company is in a highly competitive industry with a changeful environment, and the business life cycle has become mature. In consideration of the need for operating funds in the future and long-term financial planning, and to fulfill the demand for cash in-flow of shareholders, if there is a profit after the annual closing of books, the Company shall appropriate, the Company shall distribute the profit according to the following orders:</p> <ol style="list-style-type: none"> <li>1. Cover the losses of previous years and pay the profit-seeking enterprise annual income tax.</li> <li>2. Appropriate 10% to the legal reserve (except when the amount of legal reserve has reached the total <del>authorized</del> capital of the Company).</li> <li>3. Appropriate or revert to special reserves according to the laws and regulations or the rules of competent authorities.</li> <li>4. After deducting the amount calculated under Item 1 to Item 3, together with 5% to <del>80%</del> of the accumulated undistributed surplus of the previous year, <del>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</del></li> </ol>	<p>In response to the practical necessities of the Company</p>

Revised Edition	Previous Edition	Description
<p><u>statutory surplus reserves and capital surplus specified in Article 241, Company Law, in cash, it shall be handled by the board of directors and reported to the shareholders' meeting without the need to submit a request for acknowledgment by the shareholders' meeting.</u> 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.</p>	<p><del>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.</del> 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.</p>	
<p>Article 31 This “Articles of Incorporation” was established on March 24, 1986. 1st amendment was made on September 1, 1986. 2nd amendment was made on August 30, 1988. 3rd amendment was made on March 20, 1989. 4th amendment was made on June 3, 1991. 5th amendment was made on July 2, 1995. 6th amendment was made on May 15, 1996. 7th amendment was made on January 27, 1997. 8th amendment was made on April 19, 1997. 9th amendment was made on March 25, 1998. 10th amendment was made on May 4, 2000. 11th amendment was made on May 11, 2001. 12th amendment was made on May 23, 2002. 13th amendment was made on June 17, 2003. 14th amendment was made on June 9, 2004. 15th amendment was made on June 9, 2005. 16th amendment was made on April 12, 2006. 17th amendment was made on June 13, 2008. 18th amendment was made on June 16, 2009. 19th amendment was made on June 17, 2010. 20th amendment was made on June 15, 2011. 21st amendment was made on June 18, 2012. 22nd amendment was made on June 11, 2014. 23rd amendment was made on June 17, 2015. 24th amendment was made on June 15, 2016. 25th amendment was made on June 11, 2018. 26th amendment was made on June 12, 2019. 27th amendment was made on June 14, 2022. 28th amendment was made on June 9, 2023. 29th amendment was made on June 12, 2024.</p>	<p>Article 31 This “Articles of Incorporation” was established on March 24, 1986. 1st amendment was made on September 1, 1986. 2nd amendment was made on August 30, 1988. 3rd amendment was made on March 20, 1989. 4th amendment was made on June 3, 1991. 5th amendment was made on July 2, 1995. 6th amendment was made on May 15, 1996. 7th amendment was made on January 27, 1997. 8th amendment was made on April 19, 1997. 9th amendment was made on March 25, 1998. 10th amendment was made on May 4, 2000. 11th amendment was made on May 11, 2001. 12th amendment was made on May 23, 2002. 13th amendment was made on June 17, 2003. 14th amendment was made on June 9, 2004. 15th amendment was made on June 9, 2005. 16th amendment was made on April 12, 2006. 17th amendment was made on June 13, 2008. 18th amendment was made on June 16, 2009. 19th amendment was made on June 17, 2010. 20th amendment was made on June 15, 2011. 21st amendment was made on June 18, 2012. 22nd amendment was made on June 11, 2014. 23rd amendment was made on June 17, 2015. 24th amendment was made on June 15, 2016. 25th amendment was made on June 11, 2018. 26th amendment was made on June 12, 2019. 27th amendment was made on June 14, 2022. 28th amendment was made on June 9, 2023.</p>	<p>Added the date of the latest amendment.</p>

#### Resolution:

The voting results, with 77.26% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	493,330,266	381,185,257	83,434,463	1	28,710,545
Proportion	100%	77.26%	16.91%	0%	5.81%
Voting electronically		266,601,491	83,431,450		28,583,205

**Proposal 2: Authorizing the Board of Directors to handle the case of capital increase in cash and issuance of ordinary shares to participate in the issuance of overseas depositary receipts. (proposed by the Board of Directors)**

Explanation:

1. In order to raise the funds needed for the future development of the Company and to internationalize and diversify our fundraising methods, we propose to request the shareholders' meeting to authorize the board of directors to participate in the issuance of overseas depositary receipts through capital increase in cash in accordance with the Company's Articles of Association or relevant laws and regulations and the following principles, based on market conditions and the Company's funding needs.
  - (1) This capital increase in cash involves the issuance of ordinary shares to participate in the issuance of overseas depositary receipts, with a limit of no more than 50 million shares to be issued.
  - (2) The price of the ordinary shares issued for this capital increase in cash should take into account the current ordinary share market price, but the actual issuance price may be determined jointly with securities underwriter by referring to market conditions. The so-called "ordinary share market price at that time" refers to, in accordance with the customary practices of the issuing market and the agreement between the company and the underwriter, the closing price of ordinary shares on the overseas depositary receipt pricing date, or the average closing price of the trading period prior to the overseas depositary receipt pricing date.
  - (3) Except for retaining 10% of the total number of shares for the subscription by employees of the Company in accordance with Article 267 of the Company Act, a proposal to fully allocate the remaining 90% of the ordinary shares for public issuance in accordance with Article 28-1 of the Securities and Exchange Act will be made to the shareholders' meeting to serve as the original securities for participating in the issuance of overseas depositary receipts. All original shareholders waive their right of first refusal to subscribe. Employees who have not subscribed to the portion are authorized to have the Chairman negotiate with specific individuals to subscribe to them or include them in the original securities participating in the issuance of overseas depositary receipts.
2. Regarding the important contents of the capital increase in cash participating in the issuance of overseas depositary receipts plan including the issuance price, actual number of shares to be issued (the quota), issuance conditions, planned items, fundraising amount, timetable and expected benefits, and all other related issuance operations, the board of directors is authorized to adjust, set and handle them according to market conditions. In the future, if there are changes due to the approval of the competent authority, operating evaluation or objective environmental needs, the board of directors is fully authorized to handle them.

3. In line with the issuance of ordinary shares through capital increase in cash for participation in the issuance of overseas depositary receipts, the Chairman or his designated person is authorized to approve and sign all documents related to the participation in the issuance of overseas depositary receipts and handle related matters on behalf of the Company.
4. The upper limit of the proposed issuance of ordinary shares from capital increase in cash is 50 million shares, accounting for 7.87% of the current outstanding ordinary shares of the Company. This does not cause significant dilution of the original shareholder's equity, and should not have a significant impact on the original shareholder's equity.
5. This case has been reviewed and approved by the 26th meeting of the Audit Committee of the 3rd term and the 28th meeting of the Board of Directors of the 13rd term, and will be submitted to the shareholders' meeting for review in accordance with the law.

Resolution: The voting results, with 87.94% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	493,330,266	433,864,767	30,774,336	0	28,691,163
Proportion	100%	87.94%	6.23%	0.00%	5.81%
Voting electronically		319,281,000	30,771,323		28,563,823

### **Proposal 3: Amendment of the “Financial Derivatives Transactions Operating Procedures (proposed by the board)**

Explanation :

1. To amend the “Financial Derivatives Transactions Operating Procedure” in coordination with the revision of Regulations Governing the Acquisition and Disposal of Assets by Public Companies and practice needs of the Company.
2. Below shows the correspondence of the amendment to the “Financial Derivatives Transactions Operating Procedure”. Please discuss

Revised Edition	Previous Edition	Description
3-1. Transaction types: 3-1-1. <u>The term "derivative product" as used in the Procedures refers to the forward contract, option contract, futures contract, leverage margin contract, swap contract, combination of the contracts above or portfolio contract of embedded derivative products or structured products whose value is derived from specific interest rates, financial instrument prices, commodity prices, exchange rates, price or fee rate indices, credit rating or credit indices or derivatives from other variables.</u>	3-1.Transaction Type: 3-1-1(A) <u>Derivative Products in this procedure refer to financial goods or contracts that have the following three characteristics at the same time.</u> (1) <u>Changes in the value of a contract reflect changes in specific variables, such as interest rates, exchange rates, securities prices, commodity prices, credit ratings, price indices, rate indices, or other variables.</u> (2) <u>In contrast to other types of contracts that have a similar reaction to changes in market conditions, only the original net investment of a smaller amount is required or the original net investor is not required.</u> (3) <u>Delivery on future Dates.</u> <u>Examples of derivative futures, forward contracts, swap and option contracts.</u>	The revised text of the definition of derivative products is consistent with the that in “Procedures for Acquisition or Disposal of Assets.”

Revised Edition	Previous Edition	Description												
	<u>3-1-1(B)Embedded Derivatives: Contained in the mixed product of the derivative products referred to as embedded derivative products. It may be part of a mixed product, which includes derivatives and main contracts, resulting in a cash flow similar to that of an independent derivative products. Embedded derivative product contract of part or all of its primary cash flow, will vary with the particular interest rates, exchange rates, stock prices, product prices, credit rating, price index, the rate of change in the indices or other variables adjusted.</u>													
3-1-2. The forward contracts referred to in the Procedures do not insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts and long-term purchase (sales) contracts.	3-1-2 The forward contract referred to in this procedure does not include insurance contract, performance contract, after-sales service guarantee contract, long-term lease contract and long-term import (sale) goods contract.	Revision of punctuation marks and the text.												
	<u>3-1-3Derivatives can be classified into two categories: hedging and trading. The hedging derivatives include fair value hedging, cash flow hedging and foreign net investment hedging. Those who do not conform to the risk-aversion items in the bulletin shall be deemed to be for the purpose of trading.</u> <u>3-1-4The company was engaged in the trading of derivative products range: only for hedging commodities and the main contract for the preservation of the embedded derivative financial products.</u> <u>3-1-5The Company, through a variety of financial products are engaged in foreign exchange operations, considered to avoid exchange risks that may arise on the operation. The Company shall not engage in speculative financial operations outside of this industry.</u>	Delete 3-1-3、3-1-4、3-1-5。												
3-2. Operations and hedging strategies: The Company engages in derivative trading with the aim of <u>avoiding risks arising from or expected to occur</u> in its operations. Therefore, <u>it only undertakes hedging transactions and is not allowed to engage in non-hedging transactions.</u>	3-2Management and hedging strategies: The company engaged in the transaction of derivative products, should be to avoid risks for the purpose of trading commodities should choose to avoid risks arising from the company's main business. Trading partners should choose the usual banking business with the company as much as possible to avoid credit risk.	It is stated in 3-2 that the Company does not engage in non-hedging transactions. (the content of the original 3-1-5) Credit risk management shall be explained in 4-1.												
3-3. Division of responsibilities: <u>The trading personnel, confirmation personnel, and settlement personnel of the Finance Department conducting derivative transactions must be appointed by the Chief Finance Officer. The trading personnel shall not concurrently serve as confirmation personnel and settlement personnel. If there is any change in the trading personnel, the trading counterparties shall be notified in writing before the effective date.</u>	3-3Division of responsibilities: 3-3-1Financial department: In accordance with the provisions of this procedure, who is responsible for the implementation of transactions should always collect market information, familiar with the relevant laws and operational skills, in order to provide sufficient timely information to the management. 3-3-2The Chief Financial Officer is responsible for the confirmation of transactions and the Chief Operating Officer is responsible for the approval of transactions. 3-3-3Finance Department: Responsible for the delivery of transactions and login details.	The text is revised to meet the practical needs of the Company, and it is stipulate in accordance with the law that trading personnel are not allowed to concurrently serve as confirmation personnel and settlement personnel.												
3-4 Performance evaluation: <u>The performance evaluation of hedging transactions refers to the measurement of the total profit or loss of the hedged items and hedging transactions.</u>	3-4Performance evaluation: 3-4-1Set profit and loss targets and review them regularly according to the size of the position they hold. 3-4-2The Finance Department shall assess and review operational performance on a weekly basis at market prices, regularly assess the net profit and loss of the month on a monthly basis, and review the operational strategies for improving risk aversion.	Defining the measurement scope of performance evaluation.												
3-5. Transaction limit and loss ceiling: <u>The total amount of unsquared contracts for hedging transactions is limited to the net risk-exposure position of the Company after offsetting the receivables and payables generated from the operating business in the next quarter. The loss ceiling on individual and all contracts for hedging transactions shall not exceed 15% of the contract amount.</u>	3-5、Transaction Quota and Loss Limit Amount: : <table border="1" data-bbox="678 1675 1197 2049"> <thead> <tr> <th>Item</th> <th>To hedge purposes</th> <th>For trading purposes</th> </tr> </thead> <tbody> <tr> <td>Hedging transactions: Total amount of risk contract (referring to total amount of obligation-end contract) total amount of non-hedging transaction contract</td> <td>USD 80 Million</td> <td>USD 80 Million</td> </tr> <tr> <td>All contract loss limit</td> <td>----</td> <td>1% of the total contract amount</td> </tr> <tr> <td>Maximum amount of individual contract losses</td> <td>----</td> <td>1% of the amount of individual contracts</td> </tr> </tbody> </table>	Item	To hedge purposes	For trading purposes	Hedging transactions: Total amount of risk contract (referring to total amount of obligation-end contract) total amount of non-hedging transaction contract	USD 80 Million	USD 80 Million	All contract loss limit	----	1% of the total contract amount	Maximum amount of individual contract losses	----	1% of the amount of individual contracts	According to the "Q&A on Regulations Governing the Acquisition and Disposal of Assets by Public Companies," a loss ceiling needs to be set for derivative transactions for hedging purposes. In addition, as the Company does not engage in non-hedging transactions, the loss ceiling of transactions for hedging purposes is deleted.
Item	To hedge purposes	For trading purposes												
Hedging transactions: Total amount of risk contract (referring to total amount of obligation-end contract) total amount of non-hedging transaction contract	USD 80 Million	USD 80 Million												
All contract loss limit	----	1% of the total contract amount												
Maximum amount of individual contract losses	----	1% of the amount of individual contracts												

Revised Edition	Previous Edition		Description							
	<p>Scope of trading restrictions</p>	<p>Forward foreign exchange contracts, interest rate, exchange rate exchange.</p>	<p>Repurchase bonds linked risk-free interest rates, deposit structure and other main contract for the preservation of embedded derivative financial products.</p>							
	<p>3-5-1 Hedging transactions should be assessed periodically at least once every two weeks, non-hedging transactions should be assessed periodically at least once a week and reported to the Chief Operating Officer. In case of abnormal market valuation, they should report to the Board of Directors and take necessary countermeasures.</p>									
<p>3-6 Authorized limits and levels The authorized limits and levels for hedging operations are as follows:</p> <table border="1" data-bbox="193 703 555 965"> <thead> <tr> <th>Authorized limits for single transactions</th> <th>Level</th> </tr> </thead> <tbody> <tr> <td>Over USD10 million</td> <td>Chairman</td> </tr> <tr> <td>Under USD10 million (inclusive)</td> <td>Chief Financial Officer</td> </tr> <tr> <td>Under USD2 million (inclusive)</td> <td>Finance Department Supervisor</td> </tr> </tbody> </table> <p>If the outstanding transaction balance exceeds USD 1.5 million without offset, the single transaction authorization level will be automatically adjusted to the Chairman</p> <p>3-6-2 Authorization limits and levels for non-hedging operations: The Company does not engage in non-hedging transactions.</p>	Authorized limits for single transactions	Level	Over USD10 million	Chairman	Under USD10 million (inclusive)	Chief Financial Officer	Under USD2 million (inclusive)	Finance Department Supervisor		<p>3-6 is added; the authorization limits and levels must be clearly specified in the Procedures according to law.</p>
Authorized limits for single transactions	Level									
Over USD10 million	Chairman									
Under USD10 million (inclusive)	Chief Financial Officer									
Under USD2 million (inclusive)	Finance Department Supervisor									
<p>4-1 Credit risk management: The trading counterparties are limited to well-known financial institutions that have dealings with the Company which can provide professional information, and the concentration in a single trading counterparty shall be avoided.</p>	<p>4.Risk management measures: 4-1Credit Risk Management: 4-1-1The trading partners is limited to the company's banking business. 4-1-2After the transaction, the login person should log in to the Limit control form and immediately reconcile with the bank on the trading day.</p>		<p>The content is revised in line with the definition of credit risk.</p>							
<p>4-2 Credit risk management: Always keep abreast of changes in domestic and international financial situations and control the risk of market price fluctuations caused by changes in interest rates, exchange rates or other factors for derivative products within the upper limit of losses specified in Article 3-5 above.</p>	<p>4-2Market Risk Management: 4-2-1The login person shall check at any time whether the total amount of the transaction meets the prescribed limits of this procedure. 4-2-2Weekly market valuation is conducted by trading units in the financial sector, and attention is paid to the possible profit and loss effects of future market price fluctuations on the positions held.</p>		<p>The content is revised in line with the definition of market risk.</p>							
<p>4-3 Liquidity risk management: To ensure liquidity, trading counterparties must have sufficient equipment, information and trading capabilities to conduct transactions in the market; the derivative products undertaken should have market liquidity and can be reversed according to the Company's needs.</p>	<p>4-3Liquidity Risk Management: Traders should comply with the terms of the authorization and pay attention to the company's cash flow to ensure that there is sufficient cash payment at the time of delivery.</p>		<p>The content is revised in line with the definition of liquidity risk.</p>							
<p>4-4 Cash flow risk management: When engaging in derivative trading, the cash flows shall be considered and estimated to ensure stability and sufficiency of working capital to meet settlement needs.</p>			<p>Cash flow risk management content is added in 4-4 according to laws and regulations.</p>							
<p>4-5 Operations risk management: The Company clearly stipulates the authorization limits and levels, division of operating responsibilities and performance evaluation process for engagement in derivative trading to avoid operations risks.</p>	<p>4-4Operational Risk Management: 4-4-1Traders and confirmation and delivery personnel shall not concurrently serve with each other. 4-4-2Should immediately grasp market information. 4-4-3Transactions shall be confirmed one by one according to the contents of the transaction slip. 4-4-4The transaction form shall be filled in immediately after the transaction and shall be checked and signed by the supervisor. 4-4-5The amount of the transaction shall be in accordance with the amount of authorization provided in this procedure. 4-4-6Execute transaction confirmation according to</p>		<p>Change in the number of the text and revision of the content in line with the definition of operations risk.</p>							

Revised Edition	Previous Edition	Description
	<u>transaction order.</u> 4-4-7Each operation shall be authorized and supervised by <u>the superior supervisor.</u> 4-4-8Each transaction shall be submitted to the latest Board of Directors in accordance with the provisions of the “Company's Procedure for Transaction of Derivative Goods”.	
4-6 Legal risk management: Documents signed with <u>financial institutions</u> must be approved by the Legal <u>Department</u> before they can be signed.	4-5Legal Risk Management: Documents signed with the bank shall be communicated with the legal personnel before it is signed.	Change in the number of the text and revision of the content.
6. Supervision and management by the board of directors: 6-1 The board of directors designates <u>senior executives who are not</u> in the Finance or Audit Department to monitor the <u>measurement</u> , supervision and control of <u>derivative trading risks at all times. If any abnormal situations are found, they should take necessary response measures and immediately report them to the board of directors.</u>	6.Board of Supervision and Management: 6-1The board of directors appoints senior managers to monitor and control the risks of derivatives trading at all times.	Revision in line with laws and regulations.
6-2 The Finance Department should, <u>at least twice a month</u> , summarize the derivative trading content and positions, evaluate whether the performance complies with the established business strategy, and whether the risks undertaken are within the Company's allowed range. <u>The information should be submitted to the senior management designated by the board of directors for approval and then submitted to the latest board meeting.</u>	6-2The Finance Department shall, at the end of each month, summarize the contents and parts of derivative products transactions and assess whether the performance is in accordance with the established business strategy and the risks assumed are within the scope of the company's tolerance, and report to the Board of Directors.	Amendments to comply with legal regulations °
	<u>6-3The adequacy of the risk management measures currently in use shall be assessed periodically and the procedures for dealing with derivative commodities as prescribed by this Procedure and the Company shall be followed.</u> <u>6-4Transactions and profit and loss situations shall be monitored and, if unusual circumstances are found, the necessary measures shall be taken and immediately reported to the Board of Directors (if the company has set up independent directors, shall have independent directors to attend the records and express opinions).</u>	Delete 6-3 、 6-4
7. The Company shall establish a reference book to record in detail for future reference the derivative type, amount, board resolution date, and matters that should be carefully evaluated as stated in the aforementioned Article 6-2 <u>in accordance with relevant laws and regulations. Unless otherwise provided by laws and regulations, the reference book should be kept for at least five years.</u>	7.The Company shall establish a record book, which shall be detailed in the categories, amounts, date of approval of the board of directors of derivative commodities and matters that shall be carefully evaluated in accordance with the preceding Articles 3-5-1, 6-2 and 6-3.	Delete 3-5-1 、 6-3 and the retention period for the ledger.
8. <u>If a subsidiary of the Company that is not a domestic public offering company intends to engage in derivative trading, it shall handle it in accordance with the provisions of this Procedures and regularly provide relevant data to the Company for verification.</u>	8.Operating Procedures: 8-1Authorization Amount and Permissions: The company in accordance with the growth of the company's turnover and changes in the risk site, set the level of authorization, the relevant authorization amount and authority, in accordance with the company's approval authority provisions.	The authorization limits and levels have been added to 3-6 of the procedure in accordance with the law. The content regarding the management of derivative transactions of subsidiaries is added with the article number retained.
9. Announcement and filing procedures: 9-1 The Company <u>shall publicly announce and file on a monthly basis within the statutory period</u> the trading of derivative products as of the end of the previous month by the Company and its subsidiaries that are not domestic public offering companies.	9.Announcement reporting procedures: 9-1The company shall, on a monthly basis, enter the designated information Declaration website by 10th in accordance with the format prescribed by the Financial Supervisory Commission in the event that the company and its subsidiaries not part of the domestic public offering company are engaged in derivative commodity transactions as at the end of last month.	The definition of announcement and filing has been specified in Article 2 and does not need to be further elaborated. Also punctuation marks are revised.
9-2 When the loss incurred in derivative trading reaches the loss ceiling of all or individual contracts stipulated in the Procedures, a public announcement and filing shall be made <u>within the statutory period.</u>	9-2When engaging in the loss of a derivative commodity transaction up to the maximum amount of all or individual contract losses set out in this processing procedure, the relevant data shall be entered into the website designated by the Financial Supervisory and Regulatory Commission for notice and declaration within 2nd from the date of the occurrence of the facts.	The definition of announcement and filing has been specified in Article 2 and does not need to be further elaborated.
11. Other matters This Procedures shall be agreed by the Audit Committee, submitted to the board meeting for resolution, and then submitted to the shareholders' meeting for discussion and	11.Other matters: This procedures shall be approved by more than half of all audit committee members and submitted to the Board of Directors for a resolution. And to report on the	The standards of the Audit Committee's agreement and the board resolution have

Revised Edition	Previous Edition	Description
approval before implementation. The same applies when making amendments.	<p>implementation of the resolution of the shareholders' meeting after its adoption, and the amendment likewise.</p> <p>When the procedures are submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p>When trading financial derivatives, it shall be approved by more than half of all audit committee members and submitted to the Board of Directors for a resolution.</p> <p>When the transactions for the financial derivatives are submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</p> <p>The terms "all audit committee members" and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	been clearly stated in the rules of the organization of the Audit Committee and the rules of procedure for board meetings and there is no need to elaborate further.
<p>1st amendment was made on May 4, 2000.</p> <p>2nd amendment was made on May 11, 2001.</p> <p>3rd amendment was made on May 23, 2002.</p> <p>4th amendment was made on June 17, 2003.</p> <p>5th amendment was made on June 9, 2005.</p> <p>6th amendment was made on June 11, 2014.</p> <p>7th amendment was made on June 17, 2015.</p> <p>8th amendment was made on June 12, 2019.</p> <p>9th amendment was made on June 12, 2024.</p>	<p>1st amendment was made on May 4, 2000.</p> <p>2nd amendment was made on May 11, 2001.</p> <p>3rd amendment was made on May 23, 2002.</p> <p>4th amendment was made on June 17, 2003.</p> <p>5th amendment was made on June 9, 2005.</p> <p>6th amendment was made on June 11, 2014.</p> <p>7th amendment was made on June 17, 2015.</p> <p>8th amendment was made on June 12, 2019.</p>	Added the date of the latest amendment.

Resolution: The voting results, with 94.17% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	493,330,266	464,581,986	39,615	0	28,708,665
Proportion	100%	94.17%	0.00%	0.00%	5.81%
Voting electronically		349,998,219	36,602		28,581,325

## VI. Elections

### To elect Directors include Independent Directors (proposed by the Board)

#### Explanation:

The Company, in accordance with Article 192-1 of the Company Act and Article 17 of the Articles of Incorporation, proposes to re-elect all directors.

In the current regular shareholder meeting, 6 directors and 5 independent directors will be elected. The new directors shall assume office on the day of election during the current year's regular shareholder meeting, for a term of 3 years, from June 12, 2024 to June 11, 2027.

Please refer to Appendix 7 for the Rules for Director Election.

According to the Articles of Association, the Company's election of directors adopts a candidate nomination system. The resolution of the "final roster of independent director candidates" has been passed by the board of directors on March 14, 2024, and the list is as follows.

Final roster of independent director candidates:

List of Candidates for Directors :

No.	Name	Shares held as of the book closure date for the meeting of shareholders	Education	Experience
1	Xi Wei Investment Co., Ltd. Represented by: Pei-Cheng Yeh	9,187,075	Minghsin University of Science and Technology	Chairman and President of Giga-byte Technology Co., Ltd.
2	Ming Wei Investments Co., Ltd. Represented by: Ming-Hsiung Liu	14,062,200	EMBA, National Cheng Chi University	Vice Chairman, Senior Vice President and General Manager of Giga-byte Technology Co., Ltd.
3	Shija Investments Co., Ltd. Represented by: Mou-Ming Ma	3,959,725	Electronic & Computer Engineering, National Taiwan University of Technology	Director and Senior Vice President of Giga-byte Technology Co., Ltd.
4	Yuei-yei Kai Fa Investment Limited. Represented by: Chun-Ming Tseng	2,192,200	Minghsin University of Science and Technology	Director and Senior Vice President of Giga-byte Technology Co., Ltd.
5	Shi Da Investment Limited Represented by: Cong-Yuan Ko	4,805,000	Master of Engineering Management, Tsinghua University	Director of Giga-byte Technology Co., Ltd. Engineer of Acer group
6	E-Tay Lee	295,062	California State University (CSU), Chico Master of Computer Engineering	Manager at Intel Director and Group General Manager of Giga-byte Technology Co., Ltd.

List of Candidates for Independent Directors

No.	Name	Shares held as of the book closure date for the meeting of shareholders	Education	Experience
1	Hwei-Min Wang	0	Chung Hua University Master of Industrial Management	Chairman, Moores Rowland CPAs
2	Cheng-Li Yang	0	MBA, Tulane University, USA. EMBA, National Chengchi University	Chairman, King Core Electronics Inc.

3	Peng-Huang Peng	0	MBA, Soochow University Department of Electrical Engineering, National Taipei University of Technology	Chairman and President, Singatron Group Director, Info-Tek Corp. Director, Kingstate Electronics Corporation
4	Li-Chen Lin	0	MBA, A. B. Freeman School of Business, Tulane University of Louisiana Department of Law, National Taipei University	Presiding Lawyer, PCL Transasia Law Offices
5	Wen-Yi Zhu	0	Ph.D., London Business School, UK, Master of Business Studies, National Taiwan University	Professor, Department of Business Administration and Graduate School of Business, National Taiwan University

#### Election results:

Shareholder account No. / ID Card No.	Account Name/Name	Received Votes	Position Elected
143344	Xi Wei Investment Co., Ltd. Represented by: Pei-Cheng Yeh	451,688,888	Director
143343	Ming Wei Investments Co., Ltd. Represented by: Ming-Hsiung Liu	411,933,125	Director
143342	Shija Investments Co., Ltd. Represented by: Mou-Ming Ma	391,900,125	Director
164617	Yuei-yei Kai Fa Investment Limited. Represented by: Chun-Ming Tseng	391,900,125	Director
162973	Shi Da Investment Limited Represented by: Cong-Yuan Ko	391,900,125	Director
G12095****	E-Tay Lee	391,904,125	Director
F12003****	Hwei-Min Wang	376,681,651	Independent director
R12146****	Cheng-Li Yang	332,255,935	Independent director
J12056****	Peng-Huang Peng	357,681,651	Independent director
E20097****	Li-Chen Lin	371,481,651	Independent director
E22162****	Wen-Yi Zhu	374,481,651	Independent director

## VII. Other Proposals

### Releasing the restriction of the non-competé clause for new directors (Proposed by the Board)

#### Explanation:

1. In accordance with the provisions of Article 209, Paragraph 1 of the Company Act
2. The Company's newly elected directors who invest or engage in business similar to that of the Company, and does not prejudice the interests of the Company, shall submit to the shareholders meeting for approval in accordance with the law. When such circumstances occur in the newly elected directors, propose to agree to release the prohibition on the newly elected directors from participating in competitive business.

3. The list of prohibition on the Company's newly elected directors from participating in competitive business proposed to be released are as follows.

Name	Other mail positions in other companies
Xi Wei Investment Co., Ltd. Represented by: Pei-Cheng Yeh	Director of Albatron Technology Co., Ltd.
Shi Da Investment Limited Represented by: Cong-Yuan Ko	Chairman of Albatron Technology Co., Ltd.
Peng-Huang Peng	Director, Info-Tek Corp. Director, Kingstate Electronics Corporation

Resolution: The voting results, with 88.35% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	493,330,266	435,905,520	14,337,347	0	43,087,399
Proportion	100%	88.35%	2.90%	0%	8.73%
Voting electronically		321,321,754	14,337,346		42,957,046

## VIII. Questions and Motions:

Question ( Shareholder number 154616 ) : Is there a plan to strengthen employees' collective commitment to ESG issues?

Response from the chairman: : The company's Sustainability Office is dedicated to continuously driving forward various ESG projects, focusing on environmental, social, and governance aspects. The office organizes a variety of activities, both regularly scheduled and spontaneous, to engage employees and foster their involvement in ESG initiatives.

Question Shareholder number 438907 : Future Development and Sales Status of AI \ Purpose of Issuing GDR (Global Depositary Receipts) \ Future Expansion Plans.

Response from the chairman: : The demand for AI is just about to begin, and GDR is issued to meet the demand for foreign currency purchases of materials. The current factory production capacity can still support shipments, and future operations will be adjusted at any time depending on the situation.

## IX. Meeting Adjournment: 10:28 a.m., June 12, 2024.

# Appendices

## Appendix 1

### 2023 Business Report

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<sup>®</sup> Core<sup>™</sup> H/HX series processors and NVIDIA<sup>®</sup> GeForce RTX<sup>™</sup> 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

CEO: E-Tay Lee, Yin-Yu Lin

CFO: Chun-Ying Chen

## Appendix 2

### 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 Chun-Yuan Xiao 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 profits distribution 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

## Appendix 3-1

### 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 very rare 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

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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 amortised 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	Current contract liabilities	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>						
Share capital						
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)	( 6,594)	-	1,327	-
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>		<u>6,104,621</u>	<u>5</u>	<u>8,445,741</u>	<u>8</u>
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 owners of the parent										Total	Treasury shares	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 on translation of foreign financial statements	Unrealised gain or loss on valuation of financial assets at fair value through other comprehensive income	Treasury shares	Non-controlling interests	Total equity						
<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	\$ 37,487,984	\$ 15,116	\$ 37,503,100		\$ 15,116	\$ 37,503,100		\$ 37,503,100	
Profit (loss) for the year	-	-	-	-	6,538,521	-	-	6,538,521	(3,672)	6,534,849		(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)		2	(540,972)		(540,972)	
Total comprehensive income (loss)	-	-	-	-	6,604,393	274,435	(881,281)	(597,547)	(3,670)	(593,877)		(3,670)	(593,877)		(593,877)	
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	-	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	-	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		\$ 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		\$ 11,446	\$ 35,944,920		\$ 35,944,920	
Profit for the year	-	-	-	-	4,742,979	-	-	4,742,979	38,106	4,781,085		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		120,095	
Total comprehensive income (loss)	-	-	-	-	4,736,529	(142,070)	268,615	4,863,074	38,106	4,901,180		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)		(3,941,271)	
Change in equity of associates accounted for using equity method	6(7)	-	-	-	-	-	-	392	-	392		-	392		392	
Changes in ownership interests in subsidiaries	6(30)	(	392)	-	-	-	-	(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		411,799	579,600		579,600	
Past due expired dividends	-	-	449,693	-	-	-	-	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		\$ 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
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of financial assets at amortised cost		(\$ 1,809,386 )	(\$ 302,291 )
Proceeds from disposal of financial assets at amortised 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>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
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.

## Appendix 3-2

### 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 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 Note 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. does 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 very rare 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, Taiwan 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>
<b>Capital stock</b>						
3110	Common stock	6(15)	6,356,889	9	6,356,889	10
<b>Capital surplus</b>						
3200	Capital surplus	6(16)	3,898,998	5	3,281,465	5
<b>Retained earnings</b>						
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
<b>Other equity</b>						
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 <b>Operating revenue</b>	6(18) and 7	\$ 90,149,617	100	\$ 100,712,224	100
5000 <b>Operating costs</b>	6(4)(23) (24) and 7	( 83,070,339)	( 92)	( 89,011,001)	( 88)
5900 <b>Gross profit</b>		<u>7,079,278</u>	<u>8</u>	<u>11,701,223</u>	<u>12</u>
<b>Operating expenses</b>	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 impairment gain (loss)	6(23) and 12(2)	61,204	-	( 63,015)	-
6000 <b>Total operating expenses</b>		<u>( 5,716,357)</u>	<u>( 6)</u>	<u>( 7,471,324)</u>	<u>( 8)</u>
6900 <b>Operating profit</b>		<u>1,362,921</u>	<u>2</u>	<u>4,229,899</u>	<u>4</u>
<b>Non-operating income and expenses</b>					
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 <b>Total non-operating income and expenses</b>		<u>3,889,288</u>	<u>4</u>	<u>3,777,628</u>	<u>4</u>
7900 <b>Profit before income tax</b>		5,252,209	6	8,007,527	8
7950 Income tax expense	6(25)	( 509,230)	( 1)	( 1,469,006)	( 1)
8200 <b>Profit for the year</b>		<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 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		( 142,070)	-	274,435	-
8300 <b>Other comprehensive income (loss) for the year, net</b>		<u>\$ 120,095</u>	<u>-</u>	<u>( \$ 540,974)</u>	<u>( 1)</u>
8500 <b>Total comprehensive income for the year</b>		<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			Total equity	
	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		Treasury shares
<u>Year 2022</u>									
	\$ 6,356,889	\$ 3,279,731	\$ 5,011,247	\$ 426,354	\$ 21,750,531	\$ 743,466	\$ 1,472,714	\$ 66,016	\$ 37,487,984
	-	-	-	-	6,538,521	-	-	-	6,538,521
	-	-	-	-	65,872	274,435	881,281	-	(540,974)
	-	-	-	-	6,604,393	274,435	881,281	-	5,997,547
	Appropriations of 2021 earnings:								
	-	-	1,334,879	-	(1,334,879)	-	-	-	-
	-	-	-	-	(7,619,807)	-	-	-	(7,619,807)
	Changes in equity of associates accounted for using equity method								
	-	1,199	-	-	-	-	-	-	1,199
	-	-	-	-	-	-	-	66,016	66,016
	-	535	-	-	-	-	-	-	535
	\$ 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>									
	\$ 6,356,889	\$ 3,281,465	\$ 6,346,126	\$ 426,354	\$ 19,400,238	\$ 469,031	\$ 591,433	\$ -	\$ 35,933,474
	-	-	-	-	4,742,979	-	-	-	4,742,979
	-	-	-	-	(6,450)	(142,070)	268,615	-	120,095
	-	-	-	-	4,736,529	(142,070)	268,615	-	4,863,074
	Appropriations of 2022 earnings:								
	-	-	660,439	-	(660,439)	-	-	-	-
	-	-	-	-	(3,941,271)	-	-	-	(3,941,271)
	-	(392)	-	-	-	-	-	-	(392)
	-	167,801	-	-	-	-	-	-	167,801
	-	449,693	-	-	-	-	-	-	449,693
	-	431	-	-	-	-	-	-	431
	\$ 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 income 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 impairment (gain) loss	6(23)and12(2)	( 61,204 )	63,015
Net gain on financial assets at fair value through profit or loss	6(21)	( 22,578 )	( 10,356 )
Share of profit of subsidiaries and associates 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
Organizational restructuring-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)
Repayments of principal portion of lease liabilities	6(29)	( 38,892)	( 51,188)
Cash dividends paid	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 by (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.