

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2024 AND 2023

For the convenience of readers and for information purpose only, the auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors’ report and financial statements shall prevail.

GIGA-BYTE TECHNOLOGY CO., LTD.
DECEMBER 31, 2024 AND 2023 PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS' REPORT
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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, 2024 and 2023, 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, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public 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 Company's 2024 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 2024 parent company only financial statements are stated as follows:

Occurrence of revenue from significant new counterparties

Description

Please refer to Note 4(31) for accounting policies on operating revenue and Note 6(17) for details of operating revenue.

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

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.

Hsiao, Chun-Yuan

Lin, Se-Kai

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2025

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

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 10,208,550	10	\$ 14,343,246	19
1110	Financial assets at fair value through	6(2)				
	profit or loss-current		193,834	-	92,260	
1150	Notes receivable, net	6(3)	2,029	-	2,029	-
1170	Accounts receivable, net	6(3)	16,648,935	17	7,028,151	9
1180	Accounts receivable-related parties,	7				
	net		14,930,421	15	12,845,814	17
1200	Other receivables	7	19,047,000	19	7,136,061	10
130X	Inventories, net	6(4)	11,822,037	12	12,550,452	17
1410	Prepayments		300,525	1	558,865	1
1470	Other current assets		2,168	-	259,689	-
11XX	Total current assets		73,155,499	74	54,816,567	73
Non-current assets						
1535	Financial assets at amortized cost-	6(5) and 8				
	non-current		62,023	-	61,668	-
1550	Investments accounted for under	6(6) and 7				
	equity method		22,404,541	22	16,280,734	22
1600	Property, plant and equipment, net	6(7)	2,675,624	3	2,665,997	4
1755	Right-of-use assets	6(8)	49,200	-	68,592	-
1780	Intangible assets		160,273	-	143,981	-
1840	Deferred income tax assets	6(24)	596,638	1	803,617	1
1900	Other non-current assets		120,284	-	74,342	-
15XX	Total non-current assets		26,068,583	26	20,098,931	27
1XXX	Total assets		\$ 99,224,082	100	\$ 74,915,498	100

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GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2120	Financial liabilities at fair value	6(2)				
	through profit or loss-current		\$	2,216	-	\$ -
2130	Contract liabilities-current	6(17)		514,938	1	357,023
2150	Notes payable			10,785	-	9,340
2170	Accounts payable			10,449,886	11	14,384,920
2180	Accounts payable-related parties	7		4,122,937	4	2,926,105
2200	Other payables	6(10) and 7		10,224,406	10	8,600,176
2230	Current income tax liabilities			149,001	-	588,144
2250	Provisions for liabilities-current	6(11)		560,139	1	741,833
2280	Lease liabilities-current			31,174	-	38,505
2300	Other current liabilities			444,223	-	336,133
21XX	Total current liabilities			26,509,705	27	27,982,179
Non-current liabilities						
2530	Bonds payable	6(12)		18,403,329	19	8,920,465
2570	Deferred income tax liabilities	6(24)		172,029	-	-
2580	Lease liabilities-non-current			18,608	-	30,554
2600	Other non-current liabilities	6(13)		437,262	-	509,490
25XX	Total non-current liabilities			19,031,228	19	9,460,509
2XXX	Total liabilities			45,540,933	46	37,442,688
Equity						
	Capital stock	6(14)				
3110	Common stock			6,698,889	7	6,356,889
	Capital surplus	6(15)				
3200	Capital surplus			14,011,469	14	3,898,998
	Retained earnings	6(16)				
3310	Legal reserve			7,480,218	7	7,006,565
3320	Special reserve			426,354	-	426,354
3350	Unappropriated retained earnings			24,615,353	25	19,535,057
	Other equity interest					
3400	Other equity interest			450,866	1	248,947
3XXX	Total equity			53,683,149	54	37,472,810
3X2X	Total liabilities and equity		\$	99,224,082	100	\$ 74,915,498

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, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17) and 7	\$ 137,034,821	100	\$ 90,149,617	100
5000	Operating costs	6(4)(22)(23) and 7	(126,959,846)	(93)	(83,070,339)	(92)
5900	Gross profit		10,074,975	7	7,079,278	8
	Operating expenses	6(22)(23) and 7				
6100	Selling expenses		(3,496,886)	(3)	(2,966,345)	(3)
6200	General and administrative expenses		(2,015,854)	(1)	(1,494,070)	(2)
6300	Research and development expenses		(1,491,326)	(1)	(1,317,146)	(1)
6450	Expected credit (losses) gains	6(22) and 12(2)	(167,766)	-	61,204	-
6000	Total operating expenses		(7,171,832)	(5)	(5,716,357)	(6)
6900	Operating profit		2,903,143	2	1,362,921	2
	Non-operating revenue and expenses					
7100	Interest income	6(18)	371,775	-	244,116	-
7010	Other income	6(19) and 7	986,296	1	791,524	1
7020	Other gains and losses	6(20)	831,943	1	101,795	-
7050	Finance costs	6(21)	(379,966)	-	(80,139)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(6)				
			6,025,385	4	2,831,992	3
7000	Total non-operating revenue and expenses		7,835,433	6	3,889,288	4
7900	Profit before income tax		10,738,576	8	5,252,209	6
7950	Income tax expense	6(24)	(950,036)	(1)	(509,230)	(1)
8200	Profit for the year		\$ 9,788,540	7	\$ 4,742,979	5
	Other comprehensive income, net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(13)	\$ 30,656	-	(\$ 8,063)	-
8330	Share of other comprehensive (loss) income 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		(302,775)	-	268,615	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(6,131)	-	1,613	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		(278,250)	-	262,165	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		504,694	-	(142,070)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		504,694	-	(142,070)	-
8300	Other comprehensive income, net		\$ 226,444	-	\$ 120,095	-
8500	Total comprehensive income for the year		\$ 10,014,984	7	\$ 4,863,074	5
9750	Basic earnings per share	6(25)	\$ 15.03		\$ 7.46	
9850	Diluted earnings per share	6(25)	\$ 14.46		\$ 7.40	

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, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Capital stock - common stock	Retained Earnings				Other equity interest		Total equity
			Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealised gain or loss on valuation of financial assets at fair value through other comprehensive income	
<u>Year 2023</u>									
Balance at January 1, 2023		\$ 6,356,889	\$ 3,281,465	\$ 6,346,126	\$ 426,354	\$ 19,400,238	(\$ 469,031)	\$ 591,433	\$ 35,933,474
Profit for the year		-	-	-	-	4,742,979	-	-	4,742,979
Other comprehensive (loss) income for the year		-	-	-	-	(6,450)	(142,070)	268,615	120,095
Total comprehensive income (loss)		-	-	-	-	4,736,529	(142,070)	268,615	4,863,074
Appropriations of 2022 earnings:	6(16)								
Legal reserve		-	-	660,439	-	(660,439)	-	-	-
Cash dividends		-	-	-	-	(3,941,271)	-	-	(3,941,271)
Changes in equity of associates accounted for using equity method		-	(392)	-	-	-	-	-	(392)
Changes in ownerships interests in subsidiaries	6(6)	-	167,801	-	-	-	-	-	167,801
Due to recognition of equity component of convertible bonds issued	6(12)	-	449,693	-	-	-	-	-	449,693
Past due expired dividends		-	431	-	-	-	-	-	431
Balance at December 31, 2023		\$ 6,356,889	\$ 3,898,998	\$ 7,006,565	\$ 426,354	\$ 19,535,057	(\$ 611,101)	\$ 860,048	\$ 37,472,810
<u>Year 2024</u>									
Balance at January 1, 2024		\$ 6,356,889	\$ 3,898,998	\$ 7,006,565	\$ 426,354	\$ 19,535,057	(\$ 611,101)	\$ 860,048	\$ 37,472,810
Profit for the year		-	-	-	-	9,788,540	-	-	9,788,540
Other comprehensive income (loss) for the year		-	-	-	-	24,525	504,694	(302,775)	226,444
Total comprehensive income (loss)		-	-	-	-	9,813,065	504,694	(302,775)	10,014,984
Appropriations of 2023 earnings:	6(16)								
Legal reserve		-	-	473,653	-	(473,653)	-	-	-
Cash dividends		-	-	-	-	(4,259,116)	-	-	(4,259,116)
Cash capital increase - issuance of global depository receipts		342,000	9,478,164	-	-	-	-	-	9,820,164
Changes in equity of associates accounted for using equity method		-	12,260	-	-	-	-	-	12,260
Changes in ownerships interests in subsidiaries		-	94,792	-	-	-	-	-	94,792
Due to recognition of equity component of convertible bonds issued	6(12)	-	526,862	-	-	-	-	-	526,862
Past due expired dividends		-	393	-	-	-	-	-	393
Balance at December 31, 2024		\$ 6,698,889	\$ 14,011,469	\$ 7,480,218	\$ 426,354	\$ 24,615,353	(\$ 106,407)	\$ 557,273	\$ 53,683,149

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
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 10,738,576	\$ 5,252,209
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(22)	277,336	304,899
Amortization	6(22)	126,778	110,633
Gain from lease modification	6(8)(20)	(11)	(80)
Expected credit (losses) gains	6(22) and 12(2)	167,766	(61,204)
Gain on valuation of financial assets at fair value through profit or loss	6(20)	(7,145)	(22,578)
Share of profit of subsidiaries , associates and joint ventures accounted for using the equity method	6(6)	(6,025,385)	(2,831,992)
Loss disposal of property, plant and equipment	6(20)	-	26
Interest income	6(18)	(371,775)	(244,116)
Interest expense	6(21)	379,966	80,139
Employee compensation		45,145	147,743
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss		(92,213)	203,101
Notes receivable		-	756
Accounts receivable		(11,873,157)	1,337,054
Other receivables		(11,916,688)	(6,980,107)
Inventories		728,415	3,171,146
Prepayments		294,620	(279,126)
Other current assets		257,521	(1,232)
Changes in operating liabilities			
Contract liabilities		157,915	13,449
Notes payable		1,445	(2,101)
Accounts payable		(2,738,202)	(1,171,340)
Other payables		1,586,648	2,791,687
Provisions for liabilities		(181,694)	(24,472)
Other current liabilities		108,090	234,308
Other non-current liabilities		(53,827)	(59,445)
Cash (outflow) inflow generated from operations		(18,389,876)	1,969,357
Interest received		377,524	238,855
Dividends received		501,591	38,002
Interest paid		(108,912)	(1,167)
Income tax paid		(1,016,301)	(1,451,516)
Net cash flows (used in) from operating activities		(18,635,974)	793,531

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GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost		(\$ 62,023)	(\$ 1,112,104)
Proceeds from disposal of financial assets at amortized cost		61,668	1,212,336
Acquisition of investments accounted for using equity method	6(6) and 7	(372,652)	(536,000)
Acquisition of property, plant and equipment	6(27)	(194,172)	(183,423)
Proceeds from disposal of property, plant and equipment		4,225	2,159
Acquisition of intangible assets		(143,070)	(138,810)
Increase in refundable deposits		(6,284)	(16,015)
Decrease in refundable deposits		6,966	6,619
Reorganization-cash reduction due to spin-off	6(26)	-	(1,990,657)
Reorganization-cash inflow due to merger		221	-
Increase in other non-current assets		(63,682)	(34,690)
Net cash flows used in investing activities		(768,803)	(2,790,585)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		57,716,365	-
Decrease in short-term borrowings		(57,716,365)	-
Proceeds from issuing bonds	6(28)	9,738,672	9,291,186
Increase in guarantee deposits received	6(28)	296,686	8,785
Decrease in guarantee deposits received	6(28)	(284,430)	(972)
Payments on lease liabilities	6(28)	(42,288)	(38,892)
Cash dividends	6(16)	(4,259,116)	(3,941,271)
Cash capital increase - issuance of global depository receipts	6(14)	9,820,164	-
Past due expired unpaid dividends for shareholders		393	431
Net cash flows from financing activities		15,270,081	5,319,267
Net (decrease) increase in cash and cash equivalents		(4,134,696)	3,322,213
Cash and cash equivalents at beginning of year		14,343,246	11,021,033
Cash and cash equivalents at end of year		<u>\$ 10,208,550</u>	<u>\$ 14,343,246</u>

The accompanying notes are an integral part of these parent company only financial statements.

GIGA-BYTE TECHNOLOGY CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

- (1) Giga-Byte Technology Co., Ltd. (the “Company”) was incorporated as company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The address of the Company’s registered office is No.6, Baoqiang Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.). The Company is primarily engaged in the manufacturing, processing and trading of computer peripheral and component parts. The Company’s shares have been traded on the Taiwan Stock Exchange since September 24, 1998.
- (2) In order to improve the Group’s competitiveness and operational performance, the Company transferred the operations related to the networking communication business group to Giga Computing Technology Co., Ltd. on January 1, 2023. Please refer to Note 6(26) for details.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorized for issuance by the Board of Directors on March 14, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1) Compliance statement

The parent company only financial statements have been prepared in accordance with the ‘Regulations Governing the Preparation of Financial Reports by Securities Issuers’.

(2) Basis of preparation

A. Except for the following items, these parent company only financial statements have been prepared under the historical cost convention:

- (a) Financial assets and liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional currency.

A. Foreign currency transactions and balances

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

- (d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the subsidiaries and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) Cash equivalents

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

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

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

(7) Financial assets at amortized cost

- A. Financial assets at amortized cost are those that meet all of the following criteria:
 - (a) The objective of the Company's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using settlement date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.
- D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

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

(10) Derecognition of financial assets

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

(11) Leasing arrangements (lessor) — operating leases

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

(12) Inventories

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

(13) Investments accounted for using equity method / subsidiaries

- A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealized gains or losses occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.

- D. If changes in the Company's shares in subsidiaries do not result in loss in control (transactions with non-controlling interest), transactions shall be considered as equity transactions, which are transactions between owners. Difference of adjustment of non-controlling interest and fair value of consideration paid or received is recognized in equity.
- E. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) for the year and other comprehensive income (loss) for the year reported in the parent company only financial statements, shall be equal to profit (loss) for the year and other comprehensive income (loss) attributable to owners of the parent reported in the consolidated financial statements, equity reported in the parent company only financial statements shall be equal to equity attributable to owners of parent reported in the consolidated financial statements.

(14) Investments accounted for using equity method—joint ventures

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

(15) Property, plant and equipment

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

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

(16) Leasing arrangements (lessee) — right-of-use assets/lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the fixed payments, less any lease incentives receivable.

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

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
 - (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date; and
 - (c) Any initial direct costs incurred by the lessee.

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

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

(17) Intangible assets

- A. Computer software

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

B. Trademark right (indefinite useful life)

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

(18) Impairment of non-financial assets

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

(19) Borrowings

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

(20) Notes and accounts payable

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

(21) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(22) Convertible bonds payable

A. Convertible bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Company classifies the bonds payable upon issuance as a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- (a) Whether the embedded call options and put options shall be separated as embedded derivative depends on if its' economic characteristics and risks are closely related to the economic characteristics and risks of the host contract, when recognized initially. When the economic characteristics and risks of the embedded call options and put options are closely related to the economic characteristics and risks of the host contract, the multiple embedded derivatives shall be accounted for in accordance with the appropriate standards according to its nature. When the economic characteristics and risks of the embedded call options and put options are not closely related to the economic characteristics and risks of the host contract. Embedded derivatives are separated from the host contract, the host contract shall be accounted for in accordance with the appropriate standards according to its nature.
- (b) The host contracts of bonds are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortized in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.
- (c) The embedded conversion options which meet the definition of an equity instrument are initially recognized in 'capital surplus—share options' at the residual amount of total issue price less the amount of bonds payable as stated above. Conversion options are not subsequently remeasured.
- (d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- (e) When bondholders exercise conversion options, the liability component of the bonds (bonds payable) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(23) Derecognition of financial liabilities

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

(24) Non-hedging derivatives

Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognized in profit or loss.

(25) Provisions

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

(26) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

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

C. Termination benefits

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

D. Employees' compensation and directors' remuneration

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

(27) Employee share-based payment

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

(28) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(29) Share capital

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

(30) Dividends

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

(31) Revenue recognition

Sales of goods

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

(32) Reorganization

On January 1, 2023, the Company spun off the operations of the Networking Communication business, and transferred shares of GIGAIPC CO., LTD to Giga Computing Technology Co., Ltd. The spin-off is accounted for using the book value method since the transaction pertains to a reorganization. In accordance with the IFRS Q&A 'Questions on Retrospective Restatement of Comparative Financial Statements under Capital Reorganization' issued by Accounting Research and Development Foundation of the R.O.C. (ARDF) on January 30, 2019, the Company did not retrospectively restate the comparative period of the parent company only financial statements for the year ended December 31, 2022.

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

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

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash on hand and petty cash	\$ 2,545	\$ 2,373
Checking accounts and demand deposits	6,152,295	6,311,906
Time deposits	4,053,710	8,028,967
	<u>\$ 10,208,550</u>	<u>\$ 14,343,246</u>

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

B. The Company reclassified the pledged bank deposits to "Financial assets at amortized cost", please refer to Notes 6(5) and 8 for details.

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial assets mandatorily measured at fair value through profit or loss</u>		
Debt instruments	\$ 194,601	\$ -
Beneficiary certificates	-	97,257
Valuation adjustment	(767)	(4,997)
	<u>\$ 193,834</u>	<u>\$ 92,260</u>

Financial liabilities held for trading

Derivative instruments	<u>\$ 2,216</u>	<u>\$ -</u>
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A. Amounts recognized in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

	<u>2024</u>	<u>2023</u>
<u>Financial assets mandatorily measured at fair value through profit or loss</u>		
Debt instruments	\$ 8,831	\$ 1,069
Beneficiary certificates	-	22,249
<u>Financial liabilities held for trading</u>		
Derivative instruments	(1,686)	-
	<u>\$ 7,145</u>	<u>\$ 23,318</u>

- B. Explanations of the transactions and contract information in respect of derivative financial liabilities that the Company does not adopt hedge accounting are as follows:

Derivative financial instruments	December 31, 2024	
	Contract amount	
	(Notional principal)	
	(in thousands)	Contract period
Forward Exchange contracts - Sell USD, Buy TWD	USD 5,000	November 2024 ~ February 2025

The Company entered into forward exchange contracts to hedge exchange rate risk of import and export proceeds. However, these forward exchange contracts are not accounted for under hedge accounting.

- C. The Company has no financial assets at fair value through profit or loss pledged to others.
- D. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	\$ 2,029	\$ 2,029
Accounts receivable	\$ 16,850,534	\$ 7,063,370
Less: Allowance for uncollectible accounts	(201,599)	(35,219)
	<u>\$ 16,648,935</u>	<u>\$ 7,028,151</u>

- A. Details of notes receivable of the Company that were not yet past due and ageing analysis of accounts receivable are provided in Note 12(2).
- B. As of December 31, 2024 and 2023, and January 1, 2023, the balances of receivables (including notes receivable) from contracts with customers amounted to \$16,852,563, \$7,065,399, and \$6,080,759, respectively.
- C. The Company has no notes and accounts receivable pledged to others.
- D. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes and accounts receivable were \$2,029 and \$2,029; \$16,648,935 and \$7,028,151, respectively.
- E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(4) Inventories

December 31, 2024			
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 5,113,118	(\$ 318,288)	\$ 4,794,830
Work in progress	1,211,705	(3,639)	1,208,066
Finished goods and merchandise inventories	5,978,317	(159,176)	5,819,141
	<u>\$ 12,303,140</u>	<u>(\$ 481,103)</u>	<u>\$ 11,822,037</u>

December 31, 2023			
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 4,514,939	(\$ 358,103)	\$ 4,156,836
Work in progress	1,683,551	(4,698)	1,678,853
Finished goods and merchandise inventories	6,881,505	(166,742)	6,714,763
	<u>\$ 13,079,995</u>	<u>(\$ 529,543)</u>	<u>\$ 12,550,452</u>

The cost of inventories recognized as expense for the period:

Year ended December 31			
	2024	2023	
Cost of inventories sold	\$ 125,838,028	\$ 82,045,581	
Cost of warranty	1,170,258	1,487,938	
Gain on reversal of valuation	(48,440)	(463,180)	
	<u>\$ 126,959,846</u>	<u>\$ 83,070,339</u>	

Reversal of inventory valuation loss for the years ended December 31, 2024 and 2023 was mainly due to the selling of inventory which was previously recognized in the allowance of obsolescence loss as inventory level increased due to market slow down.

(5) Financial assets at amortized cost – non current

	December 31, 2024	December 31, 2023
Pledged bank deposits	<u>\$ 62,023</u>	<u>\$ 61,668</u>

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

	2024	2023
Interest income	<u>\$ 423</u>	<u>\$ 13,837</u>

B. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Company was \$62,023 and \$61,668, respectively.

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

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

(6) Investments accounted for using the equity method

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Subsidiaries</u>		
Freedom International Group Ltd.	\$ 9,588,389	\$ 8,529,092
Giga Computing Technology Co., Ltd.	6,968,513	2,227,819
Giga Investment Co.	3,644,968	3,850,640
G.B.T. Inc.	429,947	354,797
G.B.T. Technology Trading GmbH	421,678	405,985
Nippon Giga-Byte Corp.	396,122	17,095
BYTE International Co., Ltd.	393,647	478,568
G-Style Co., Ltd.	119,277	21,034
Giga-Byte Technology B.V.	221,790	172,543
Giga-Byte Communication Inc.	-	20,989
G.B.T. Technology LLC others	162,881	148,815
<u>Joint ventures:</u>		
MyelinTek Inc.	57,329	53,357
	<u>\$ 22,404,541</u>	<u>\$ 16,280,734</u>

A. Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2024 for more information on the Company's subsidiary.

B. For the years ended December 31, 2024 and 2023, shares of profit from subsidiaries accounted for using equity method were \$6,025,385 and \$2,831,992 respectively, based on the audited financial statements.

C. On March 9, 2022, the Company established Giga Computing Technology Co., Ltd., in order to improve the Group's competitiveness and operational performance. On January 1, 2023, the Company transferred the operations related to the networking communication business group and its investment in GIGAIPC CO., LTD. to Giga Computing Technology Co., Ltd. through surviving spin-off method. Please refer to Note 6(26) for information related to organizational restructuring.

D. On October 17, 2023, Giga Computing Technology Co., Ltd. issued employee stock options, resulting in the Company's shareholding ratio in the investee decreasing to 83.93%. The amount of \$167,801 was recognized under "Capital Surplus - Changes in ownership interests in subsidiaries". For information related to non-controlling interests, please refer to Note 6(30) of the Company's 2023 consolidated financial statements.

E. On April 17, 2024, the Company participated in the capital increase of Nippon Giga-Byte Corp. in the amount of \$372,600. The Company's shareholding ratio remains at 100% after the capital increase.

- F. On August 14, 2024, the Board of Directors resolved that the Company acquire the remaining 0.14% of equity for \$52 from other shareholders of the subsidiary, Giga-Byte Communications Inc., through a merger, with the Company as the surviving entity. The effective date was set on September 30, 2024.
- G. Information about the Company's subsidiaries exposure to Pillar Two income taxes arising from the Pillar Two legislation is provided in Note 6(28) of the 2024 consolidated financial statements.
- H. The Company had no material joint venture investment. The Company's share of the operating results of the aforementioned joint venture investment are as follows:

	Year ended December 31	
	2024	2023
Profit for the year from continuing operations		
(Total comprehensive income (loss))	\$ 3,972	(\$ 4,591)
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(7) Property, plant and equipment

	2024								
	Land			Buildings and structures			Machinery	Others	Total
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	
<u>At January 1</u>									
Cost	\$ 1,064,169	\$ 166,867	\$ 1,231,036	\$ 1,584,616	\$ 111,950	\$ 1,696,566	\$ 1,152,456	\$ 720,223	\$ 4,800,281
Accumulated depreciation	-	-	-	(720,889)	(39,511)	(760,400)	(858,596)	(515,288)	(2,134,284)
	<u>\$ 1,064,169</u>	<u>\$ 166,867</u>	<u>\$ 1,231,036</u>	<u>\$ 863,727</u>	<u>\$ 72,439</u>	<u>\$ 936,166</u>	<u>\$ 293,860</u>	<u>\$ 204,935</u>	<u>\$ 2,665,997</u>
At January 1	\$ 1,064,169	\$ 166,867	\$ 1,231,036	\$ 863,727	\$ 72,439	\$ 936,166	\$ 293,860	\$ 204,935	\$ 2,665,997
Additions	-	-	-	99,774	-	99,774	29,158	102,784	231,716
Disposals	-	-	-	-	-	-	-	(4,225)	(4,225)
Reclassifications	(113,324)	113,324	-	(47,987)	47,987	-	16,248	810	17,058
Depreciation charge	-	-	-	(36,833)	(3,354)	(40,187)	(95,069)	(99,666)	(234,922)
At December 31	<u>\$ 950,845</u>	<u>\$ 280,191</u>	<u>\$ 1,231,036</u>	<u>\$ 878,681</u>	<u>\$ 117,072</u>	<u>\$ 995,753</u>	<u>\$ 244,197</u>	<u>\$ 204,638</u>	<u>\$ 2,675,624</u>
<u>At December 31</u>									
Cost	\$ 950,845	\$ 280,191	\$ 1,231,036	\$ 1,612,146	\$ 175,673	\$ 1,787,819	\$ 1,189,387	\$ 677,459	\$ 4,885,701
Accumulated depreciation	-	-	-	(733,465)	(58,601)	(792,066)	(945,190)	(472,821)	(2,210,077)
	<u>\$ 950,845</u>	<u>\$ 280,191</u>	<u>\$ 1,231,036</u>	<u>\$ 878,681</u>	<u>\$ 117,072</u>	<u>\$ 995,753</u>	<u>\$ 244,197</u>	<u>\$ 204,638</u>	<u>\$ 2,675,624</u>

2023									
	Land			Buildings and structures			Machinery	Others	Total
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	
<u>At January 1</u>									
Cost	\$ 1,052,313	\$ 178,723	\$ 1,231,036	\$ 1,569,902	\$ 124,413	\$ 1,694,315	\$ 1,164,341	\$ 960,347	\$ 5,050,039
Accumulated depreciation	-	-	-	(691,616)	(44,291)	(735,907)	(782,523)	(728,615)	(2,247,045)
	<u>\$ 1,052,313</u>	<u>\$ 178,723</u>	<u>\$ 1,231,036</u>	<u>\$ 878,286</u>	<u>\$ 80,122</u>	<u>\$ 958,408</u>	<u>\$ 381,818</u>	<u>\$ 231,732</u>	<u>\$ 2,802,994</u>
 At January 1	\$ 1,052,313	\$ 178,723	\$ 1,231,036	\$ 878,286	\$ 80,122	\$ 958,408	\$ 381,818	\$ 231,732	\$ 2,802,994
Additions	-	-	-	23,252	-	23,252	6,068	154,939	184,259
Disposals	-	-	-	-	-	-	-	(2,185)	(2,185)
Reorganization Spin-off	-	-	-	(7,302)	-	(7,302)	(959)	(73,161)	(81,422)
Reclassifications	11,856	(11,856)	-	5,577	(5,577)	-	8,690	19,529	28,219
Depreciation charge	-	-	-	(36,086)	(2,106)	(38,192)	(101,757)	(125,919)	(265,868)
At December 31	<u>\$ 1,064,169</u>	<u>\$ 166,867</u>	<u>\$ 1,231,036</u>	<u>\$ 863,727</u>	<u>\$ 72,439</u>	<u>\$ 936,166</u>	<u>\$ 293,860</u>	<u>\$ 204,935</u>	<u>\$ 2,665,997</u>
 <u>At December 31</u>									
Cost	\$ 1,064,169	\$ 166,867	\$ 1,231,036	\$ 1,584,616	\$ 111,950	\$ 1,696,566	\$ 1,152,456	\$ 720,223	\$ 4,800,281
Accumulated depreciation	-	-	-	(720,889)	(39,511)	(760,400)	(858,596)	(515,288)	(2,134,284)
	<u>\$ 1,064,169</u>	<u>\$ 166,867</u>	<u>\$ 1,231,036</u>	<u>\$ 863,727</u>	<u>\$ 72,439</u>	<u>\$ 936,166</u>	<u>\$ 293,860</u>	<u>\$ 204,935</u>	<u>\$ 2,665,997</u>

- A. The significant components of buildings include main plants and renovation projects, which are depreciated over 50~55 and 3~55 years, respectively.
- B. The Company had no interest capitalisation for the years ended December 31, 2024 and 2023.
- C. The Company has no property, plant and equipment pledged to others as collateral.

(8) Leasing arrangements — lessee

- A. The Company leases various assets including buildings and transportation equipment. Rental contracts are typically made for periods of 2 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise of buildings, parking spaces and business vehicles. Low-value assets comprise multifunction printers.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Buildings	\$ 4,985	\$ 21,161
Transportation equipment	44,215	47,431
	<u>\$ 49,200</u>	<u>\$ 68,592</u>

	Year ended December 31	
	2024	2023
	Depreciation charge	Depreciation charge
Buildings	\$ 16,176	\$ 15,178
Transportation equipment	26,238	23,853
	<u>\$ 42,414</u>	<u>\$ 39,031</u>

- D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were \$25,925 and \$79,612, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,428	\$ 1,152
Expense on short-term lease contracts	75,108	73,706
Expense on leases of low-value assets	2,311	3,761
Gain on lease modification	11	80

- F. For the years ended December 31, 2024 and 2023, the Company's total cash outflow for leases were \$121,135 and \$117,511, respectively.

(9) Leasing arrangements — lessor

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

B. For the years ended December 31, 2024 and 2023, the Company recognized rent income in the amounts of \$61,704 and \$59,597, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
2024	\$ -	\$ 6,149
2025	59,901	2,966
2026	177	-
	<u>\$ 60,078</u>	<u>\$ 9,115</u>

(10) Other payables

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Salaries and bonus payable	\$ 3,407,119	\$ 3,403,927
Agency procurement fees payable	4,446,072	3,606,755
Employees' compensation and directors' remuneration payable	1,249,842	634,690
Marketing fee payable	317,729	276,492
Shipping and freight-in payable	315,038	173,339
Royalties payable	46,722	46,225
Others	441,884	458,748
	<u>\$ 10,224,406</u>	<u>\$ 8,600,176</u>

(11) Provisions

	<u>2024</u>	<u>2023</u>
At January 1	\$ 741,833	\$ 818,265
Additional provisions	1,170,258	1,487,938
Used during the period	(1,351,952)	(1,512,410)
Spin-off	-	(51,960)
At December 31	<u>\$ 560,139</u>	<u>\$ 741,833</u>

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

(12) Bonds payable

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Bonds payable	\$ 20,023,879	\$ 9,804,347
Less: Discount on bonds payable	(1,620,550)	(883,882)
	<u>\$ 18,403,329</u>	<u>\$ 8,920,465</u>

A. Fourth unsecured convertible bonds overseas

(a) On July 23, 2024, the Company issued its fourth unsecured convertible bonds overseas under the following conditions:

- i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 23, 2024 to July 23, 2029. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 0.875% (semi-annually calculated).
- ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT\$358.87 per share/conversion exchange rate used is USD: TWD=1:32.61), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT\$350.75 per share on August 9, 2024.
- iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 0.875% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.
- v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.
- vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

(b) Regarding the issuance of convertible bonds, the equity conversion options amounting to \$526,862 were separated from the liability component and were recognized in 'capital surplus—share options' in accordance with IAS 32. In accordance with IFRS 9, the call options and put options embedded in bonds payable were not separated because the economic characteristics and risks of the embedded derivatives were closely related to those of the host contracts.

B. Third unsecured convertible bonds overseas

(a) On July 27, 2023, the Company issued its third unsecured convertible bonds overseas under the following conditions:

- i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 27, 2023 to July 27, 2028. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 1% (semi-annually calculated).
- ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue(excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT\$375 per share/conversion exchange rate used is USD:TWD=1:31.095), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT\$357.87 per share on August 9, 2024.
- iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.
- v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.
- vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

(b) Regarding the issuance of convertible bonds, the equity conversion options amounting to \$449,693 were separated from the liability component and were recognized in 'capital surplus—share options' in accordance with IAS 32. In accordance with IFRS 9, the call options and put options embedded in bonds payable were not separated because the economic characteristics and risks of the embedded derivatives were closely related to those of the host contracts.

(13) Pensions

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

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of defined benefit obligations	(\$ 534,552)	(\$ 579,025)
Fair value of plan assets	<u>208,326</u>	<u>168,314</u>
Net defined benefit liability	<u>(\$ 326,226)</u>	<u>(\$ 410,711)</u>

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

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	(\$ 579,025)	\$ 168,314	(\$ 410,711)
Current service cost	(2,081)	-	(2,081)
Interest (expense) income	(6,800)	1,934	(4,866)
Past service cost	221	-	221
	<u>(587,685)</u>	<u>170,248</u>	<u>(417,437)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,887	14,887
Change in demographic assumptions	(9)	-	(9)
Change in financial assumptions	21,911	-	21,911
Experience adjustments	(6,133)	-	(6,133)
	<u>15,769</u>	<u>14,887</u>	<u>30,656</u>
Pension fund contribution	-	44,452	44,452
Paid pension	37,364	(21,261)	16,103
At December 31	<u>(\$ 534,552)</u>	<u>\$ 208,326</u>	<u>(\$ 326,226)</u>
	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	(\$ 588,601)	\$ 126,508	(\$ 462,093)
Current service cost	(3,864)	-	(3,864)
Interest (expense) income	(7,787)	1,619	(6,168)
Past service cost	1,850	-	1,850
Settlement profit or loss	12,198	(9,532)	2,666
	<u>(586,204)</u>	<u>118,595</u>	<u>(467,609)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,533	2,533
Change in demographic assumptions	(12)	-	(12)
Change in financial assumptions	(8,363)	-	(8,363)
Experience adjustments	(2,221)	-	(2,221)
	<u>(10,596)</u>	<u>2,533</u>	<u>(8,063)</u>
Pension fund contribution	-	64,961	64,961
Paid pension	17,775	(17,775)	-
At December 31	<u>(\$ 579,025)</u>	<u>\$ 168,314</u>	<u>(\$ 410,711)</u>

- (c) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.
- (d) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2024	2023
Discount rate	1.65%	1.20%
Future salary increases	3.00%	3.00%

Future mortality rate was estimated based on the 6th Experience Mortality Table from Taiwan Life Insurance.

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

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2024</u>				
Effect on present value of defined benefit obligation	(\$ 11,510)	\$ 11,909	\$ 11,722	(\$ 11,388)
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 13,536)	\$ 14,037	\$ 13,753	(\$ 13,336)

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

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

(e) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2025 amount to \$10,433.

(f) As of December 31, 2024, the weighted average duration of the retirement plan is 8 years.

The analysis of timing of the future pension payment was as follows:

Within 1 year	\$	32,890
1-2 year(s)		42,781
2-5 years		94,371
Over 5 years		446,017
	\$	<u>616,059</u>

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Company for the years ended December 31, 2024 and 2023 were \$71,748 and \$67,086, respectively.

(14) Share capital

A. As of December 31, 2024, the Company’s authorized capital was \$9,500,000, consisting of 950,000 thousand shares of ordinary stock (including 50,000 thousand shares reserved for employee stock options, for preferred shares with warrants or for convertible bonds issued by the Company), and the paid-in capital was \$6,698,889 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company’s ordinary shares outstanding are as follows:

	<u>2024</u>	<u>2023</u>
At January 1	635,688,886	635,688,886
Cash capital increase - Issuance of global depository receipts	<u>34,200,000</u>	<u>-</u>
At December 31	<u>669,888,886</u>	<u>635,688,886</u>

B. On June 12, 2024, the Company's shareholders during their meeting resolved to authorize the Board of Directors to issue new common shares for the capital increase and sponsor the issuance of global depositary receipts (GDRs) in order to support the capital requirements of the procurement of raw materials in foreign currencies. As approved by the Financial Supervisory Committee on July 15, 2024, these GDRs were listed on the Securities Exchange of Luxembourg on July 19, 2024, amounting to 17,100 thousand units, represented by 34,200 thousand shares of the Company's common stock. The GDRs were issued at a price of USD 17.75 (in dollars) per unit. The actual cash received was USD 300,031 thousand (approximately NTD 9,820,164 thousand) after deducting issuance costs. Each unit represents 2 common shares of the Company. As of December 31, 2024, there was no outstanding GDRs.

(15) Capital surplus

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

(16) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 100%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors, and distributed as below:
- (a) It shall be resolved by the stockholders when distributed by issuance of new shares.
 - (b) Earnings distributed in the form of cash or all or part of the legal reserve and capital surplus regulated by Paragraph 1 of Article 241 of the Company Act distributed in cash shall be resolved by the Board of Directors, and not reported to shareholders for resolution. Cash dividends shall not be less than 5% of total distribution amount. If the cash dividend is less than ten cents (NT\$0.1) per share, such dividend shall be distributed in the form of shares.
- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

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

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

- D. The appropriation of earnings for 2023 and 2022 had been resolved by stockholders on June 12, 2024 and June 9, 2023, respectively. Details are summarized below:

	2023		2022	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 473,653		\$ 660,439	
Cash dividends	4,259,116	Note	3,941,271	\$ 6.20

Note: Due to the issuance of GDRs, the company adjusted the Cash dividend distribution from \$6.7 to \$6.35794327 dollars per share.

- E. As of the reporting date of the parent company only financial statements, the appropriation of retained earnings for 2024 has not been resolved by the Board of Directors. Information about the appropriation of earnings proposed by the Board of Directors and resolved by the shareholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(17) Operating revenue

	December 31, 2024	December 31, 2023
Revenue from contracts with customers	\$ 137,034,821	\$ 90,149,617

- A. Disaggregation of revenue from contracts with customers

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

	2024		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 81,462,716	\$ -	\$ 81,462,716
Networking communication products	45,259,615	-	45,259,615
Others	9,405,060	907,430	10,312,490
	<u>\$ 136,127,391</u>	<u>\$ 907,430</u>	<u>\$ 137,034,821</u>

	2023		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 71,156,719	\$ -	\$ 71,156,719
Networking communication products	8,146,355	-	8,146,355
Others	10,275,046	571,497	10,846,543
	<u>\$ 89,578,120</u>	<u>\$ 571,497</u>	<u>\$ 90,149,617</u>

B. Contract liabilities

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

	December 31, 2024	December 31, 2023	January 1, 2023
Advance sales receipts	<u>\$ 514,938</u>	<u>\$ 357,023</u>	<u>\$ 1,040,938</u>

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

	Year ended December 31	
	2024	2023
Advance sales receipts	<u>\$ 357,023</u>	<u>\$ 1,040,938</u>

(18) Interest income

	Year ended December 31	
	2024	2023
Interest income from bank deposits	\$ 371,169	\$ 228,015
Interest income from financial assets measured at amortized cost	423	13,837
Interest income from financial assets measured at fair value through profit or loss	-	740
Others	183	1,524
	<u>\$ 371,775</u>	<u>\$ 244,116</u>

(19) Other income

	Year ended December 31	
	2024	2023
Rent income	\$ 61,704	\$ 59,597
Other income - others	924,592	731,927
	<u>\$ 986,296</u>	<u>\$ 791,524</u>

(20) Other gains and losses

	Year ended December 31	
	2024	2023
Foreign exchange gains	\$ 824,787	\$ 79,163
Gains on financial assets at fair value through profit or loss (non-derivative financial instruments)	8,831	22,578
Losses on financial assets and liabilities at fair value through profit or loss (derivative financial instruments)	(1,686)	-
Gains from lease modification	11	80
Losses on disposal of property, plant and equipment	-	(26)
	<u>\$ 831,943</u>	<u>\$ 101,795</u>

(21) Finance costs

	Year ended December 31	
	2024	2023
Interest expense		
Amortization of convertible bonds discount	\$ 271,054	\$ 78,972
Bank borrowing	107,463	-
Interest expense on lease liabilities	1,428	1,152
Other interest expense	21	15
	<u>\$ 379,966</u>	<u>\$ 80,139</u>

(22) Expenses by nature

	Year ended December 31	
	2024	2023
Cost of goods sold	\$ 124,848,485	\$ 81,129,834
Employee benefit expense	3,890,257	3,022,300
Warranty cost of after-sale service	1,170,258	1,487,938
Export expense	896,160	597,607
Marketing service charge	696,597	555,168
Depreciation and amortization	404,114	415,532
Gain on reversal of on inventory valuation	(48,440)	(463,180)
Expected credit losses (gains)	167,766	(61,204)
Other costs and expenses	2,106,481	2,102,701
	<u>\$ 134,131,678</u>	<u>\$ 88,786,696</u>

(23) Employee benefit expense

	Year ended December 31	
	2024	2023
Wages and salaries	\$ 3,419,148	\$ 2,595,540
Labor and health insurance fees	183,640	187,980
Pension costs	78,474	72,602
Directors' remuneration	70,220	55,614
Other personnel expenses	138,775	110,564
	<u>\$ 3,890,257</u>	<u>\$ 3,022,300</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3%~10% for employees' compensation and shall not be higher than 3% for directors' remuneration.

B. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at \$1,198,842 and \$588,690, respectively; while directors' remuneration was accrued at \$51,000 and \$46,000. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 10% and 0.43% of distributable profit of current year for the year ended December 31, 2024. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$1,198,286 and \$46,000, respectively, and the employees' compensation will be distributed in the form of cash.

Employees' compensation and directors' remuneration of 2023 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2023 financial statements.

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

(24) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2024	2023
Current tax:		
Current tax on profits for the year	\$ 535,860	\$ 460,881
Tax on undistributed surplus earnings	-	87,069
Prior year income tax underestimation (overestimation)	41,299	(36,900)
Total current tax	577,159	511,050
Deferred tax:		
Origination and reversal of temporary differences	372,877	(1,820)
Income tax expense	\$ 950,036	\$ 509,230

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

	Year ended December 31	
	2024	2023
Remeasurement of defined benefit obligations	\$ 6,131	(\$ 1,613)

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31	
	2024	2023
Tax calculated based on profit before tax and statutory tax rate	\$ 2,147,715	\$ 1,050,442
Items disallowed by tax regulation	(1,120,356)	(453,398)
Effect from investment tax credits	(118,622)	(137,983)
Prior year income tax overestimation	41,299	(36,900)
Tax on undistributed surplus earnings	-	87,069
Income tax expense	\$ 950,036	\$ 509,230

C. Amounts of deferred tax assets or liabilities as a result of temporary difference are as follows:

	Year ended December 31, 2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 148,366	(\$ 36,339)	\$ -	\$ 112,027
Loss on inventory valuation	105,909	(9,688)	-	96,221
Pension expense	55,804	(10,766)	-	45,038
Unrealized profit on intercompany sales	223,226	(40,225)	-	183,001
Unrealized exchange loss	139,570	(139,570)	-	-
Remeasurement of defined benefit obligations	14,629	-	(6,131)	8,498
Others	116,113	35,740	-	151,853
	<u>\$ 803,617</u>	<u>(\$ 200,848)</u>	<u>(\$ 6,131)</u>	<u>\$ 596,638</u>
<u>Deferred tax liabilities</u>				
Unrealized exchange gain	<u>\$ -</u>	<u>(\$ 172,029)</u>	<u>\$ -</u>	<u>(\$ 172,029)</u>
	Year ended December 31, 2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 163,653	(\$ 15,287)	\$ -	\$ 148,366
Loss on inventory valuation	212,162	(106,253)	-	105,909
Pension expense	67,693	(11,889)	-	55,804
Unrealized profit on intercompany sales	289,176	(65,950)	-	223,226
Unrealized exchange loss	-	139,570	-	139,570
Remeasurement of defined benefit obligations	13,016	-	1,613	14,629
Others	60,374	55,739	-	116,113
	<u>\$ 806,074</u>	<u>(\$ 4,070)</u>	<u>\$ 1,613</u>	<u>\$ 803,617</u>
<u>Deferred tax liabilities</u>				
Unrealized exchange gain	<u>(\$ 5,890)</u>	<u>\$ 5,890</u>	<u>\$ -</u>	<u>\$ -</u>

D. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2024 and 2023, the amounts of temporary difference unrecognized as deferred tax liabilities were \$1,063,810 and \$916,162, respectively.

E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority.

(25) Earnings per share

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 9,788,540	651,134	<u>\$ 15.03</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	4,762	
-Convertible bonds	<u>251,227</u>	<u>38,412</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 10,039,767</u>	<u>694,308</u>	<u>\$ 14.46</u>
	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 4,742,979	635,689	<u>\$ 7.46</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	4,180	
-Convertible bonds	<u>72,753</u>	<u>10,768</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 4,815,732</u>	<u>650,637</u>	<u>\$ 7.40</u>

(26) Organizational Restructuring

On June 14, 2022, as approved by the shareholders at the shareholders' meeting, the Company transferred the operations related to the networking communication business group and its investment in GIGAIPC CO., LTD. to the Company's wholly-owned investee, Giga Computing Technology Co., Ltd., through surviving spin-off method. In consideration, Giga Computing Technology Co., Ltd. issued 83,360,000 shares (at NT\$10 per share) to the Company, with the split effective date being January 1, 2023.

The consideration and details of assets/liabilities for the transaction are as follows:

	<u>January 1, 2023</u>
Received Consideration	
Equity instruments	\$ 833,600
The book value of assets/liabilities from the spin off	
Cash	1,990,657
Inventories	217,788
Investments accounted for using equity method	229,922
Property, plant and equipment	81,422
Intangible assets	9,124
Other non-current assets	4,801
Contract assets- current	(697,364)
Accounts payable	(513,097)
Other payables	(384,053)
Provisions for liabilities - current	(51,960)
Other current liabilities	(53,640)
Total net assets	<u>\$ 833,600</u>

(27) Supplemental cash flow information

Investing activities with partial cash payments

	<u>Year ended December 31</u>	
	<u>2024</u>	<u>2023</u>
Purchase of property, plant and equipment	\$ 231,716	\$ 184,259
Add: Opening balance of payable on equipment	7,157	6,321
Less: Ending balance of payable on equipment	(44,701)	(7,157)
Cash paid during the year	<u>\$ 194,172</u>	<u>\$ 183,423</u>

(28) Changes in liabilities from financing activities

	<u>December 31, 2024</u>			
	<u>Bonds payable</u>	<u>Guarantee deposits received</u>	<u>Lease liability</u>	<u>Liabilities from financing activities-gross</u>
At January 1	\$ 8,920,465	\$ 98,779	\$ 69,059	\$ 9,088,303
Changes in cash flow from financing activities	9,738,672	12,256	(42,288)	9,708,640
Payment of interest expense on lease liabilities(Note)	-	-	(1,428)	(1,428)
Conversion option of convertible bonds	(526,862)	-	-	(526,862)
Amortization of convertible bonds discount(Note)	271,054	-	-	271,054
Changes in other non-cash items	-	-	24,439	24,439
At December 31	<u>\$ 18,403,329</u>	<u>\$ 111,035</u>	<u>\$ 49,782</u>	<u>\$ 18,564,146</u>

	December 31, 2023			
	Bonds payable	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	\$ -	\$ 90,966	\$ 36,304	\$ 127,270
Changes in cash flow from financing activities	9,291,186	7,813 (38,892)	9,260,107
Payment of interest expense on lease liabilities(Note)	-	- (1,152)	(1,152)
Conversion option of convertible bonds	(449,693)	-	- (449,693)
Amortization of convertible bonds discount(Note)	78,972	-	-	78,972
Changes in other non-cash items	-	-	72,799	72,799
At December 31	<u>\$ 8,920,465</u>	<u>\$ 98,779</u>	<u>\$ 69,059</u>	<u>\$ 9,088,303</u>

Note: Listed under cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
G.B.T., Inc. (G.B.T.-USA)	The Company's subsidiary
G.B.T. Technology Trading GmbH (G.B.T.-DE)	"
Freedom International Group Ltd. (Freedom)	"
Giga-Byte Technology B.V. (G.B.T.-NL)	"
Giga-Byte Technology (India) Private Limited (G.B.T.-India)	"
Gigabyte Technology Pty. Ltd. (G.B.T.-AU)	"
Gigabyte Communications Inc.	"
G-Style Co., Ltd. (G-Style)	"
BYTE International Co., Ltd. (BYTE International)	"
Nippon Giga-Byte Corp.(G.B.T.-Japan)	"
Gigabyte Information Technology Commerce Limited Company (G.B.T.-Turkey)	"
Gigabyte Technology LLC (G.B.T.-Korea)	"
Giga Computing Technology Co., Ltd.(Giga C.T.)	"
GBT. Tech. Co., Ltd. (G.B.T.-UK)	"
Gigabyte Technology ESPANA S.L.U. (G.B.T.-Spain)	"

Names of related parties	Relationship with the Company
Gigabyte Technology Poland SP Z O.O. (G.B.T.-PL)	The Company's indirect subsidiary
Dongguan Gigabyte Electronics Co., Ltd. (Dongguan Gigabyte)	"
Ningbo Gigabyte Technology Co., Ltd. (Ningbo Gigabyte)	"
Ningbo BestYield Tech. Services Co., Ltd. (Ningbo BestYield)	"
Ningbo Giga-Byte Boxinda Trading Co., Ltd. (Ningbo Giga-Byte Boxinda Trading) (Note 1)	"
Giga-Trend International Investment Group Ltd.	"
Ningbo Zhongjia Technology Co. Ltd. (Ningbo Zhongjia)	"
Senyun Precise Optical Co., Ltd.	"
OGS Europe B.V. (OGS)	"
Selita Precision Co., Ltd. (Selita Precision)	"
GIGAIPC CO., LTD. (GIGAIPC)(Note)	"
Cloudmatrix Co., Ltd.	"
Aorus Pte. Ltd. (Aorus)	"

Note 1: On April 10, 2024, Ningbo Giga-Byte International Trade Co., Ltd. was renamed as Ningbo Boxinda Trading Co., Ltd.

Note2: GIGAIPC was originally a subsidiary of the Company. As of January 1, 2023, the Company transferred it to Giga C.T. through an existing split method, making it an indirect subsidiary of the Company.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2024	2023
Sales of goods:		
Ningbo Zhongjia	\$ 22,654,599	\$ 18,139,880
G.B.T.-USA	16,932,554	14,953,891
Giga C.T.	159,664	2,808,343
Subsidiaries	2,220,510	1,480,226
Indirect subsidiaries	171,365	132,456
Revenue from processing:		
Giga C.T.	426,412	206,198
Indirect subsidiaries	15,972	12,618
	<u>\$ 42,581,076</u>	<u>\$ 37,733,612</u>

The sales prices to related parties were based on the agreed contracts. Credit terms to related parties were within 30~90 days after receipt of goods or 30~60 days for monthly billings. Credit terms to third parties were up to 120 days or 30~90 days for monthly billings after receipt of goods purchases.

B. Purchases

	Year ended December 31	
	2024	2023
Purchases of goods:		
Giga C.T.	\$ 36,670,696	\$ 689,370
Dongguan Gigabyte	763,847	652,232
Ningbo Gigabyte	645,388	641,746
Subsidiaries	-	72,193
	<u>\$ 38,079,931</u>	<u>\$ 2,055,541</u>

All purchases from related parties are based on negotiated terms because the related products are unique and cannot be purchased from third parties. The payment terms for related parties are 30~60 days or 30~60 days for monthly billings after receipt of goods that would be available to third parties. The payment term for third parties is 7~120 days after receipt of goods or 30~120 days for monthly billings.

C. Warranty expense

	Year ended December 31	
	2024	2023
BYTE International	\$ 696,256	\$ 744,106
Ningbo BestYield	163,945	199,263
G.B.T.-USA	143,256	184,247
Subsidiaries	119,391	7,891
	<u>\$ 1,122,848</u>	<u>\$ 1,135,507</u>

Warranty expense is the expenditure arising from the after-sales maintenance service provided by the related party in the area where the related party is. The price is calculated based on the actual incurred cost, and the payment term is 30 days for monthly billings.

D. Marketing service charge (Shown as “Selling expenses”)

	Year ended December 31	
	2024	2023
G.B.T.-NL	\$ 175,235	\$ 129,277
G.B.T.-India	49,550	36,742
G.B.T.-AU	48,810	44,299
Subsidiaries	68,361	77,722
	<u>\$ 341,956</u>	<u>\$ 288,040</u>

Marketing service charge is the expenditure arising from the business development rendered by the related party in the area where the related party is located. The price is calculated based on the actual incurred cost, and the payment term is 30 days for monthly billings.

E. Professional service fees (Shown as “Selling expenses”)

	Year ended December 31	
	2024	2023
G.B.T.-NL	\$ 157,225	\$ 121,711
Indirect subsidiaries	5,093	7,963
	<u>\$ 162,318</u>	<u>\$ 129,674</u>

Professional service fee is the service expenditure arising from the staff who provided business development and after-sales maintenance services in the area where the related party is located. The price is calculated based on the actual incurred cost, and the payment term is 30 days for monthly billings.

F. Other income

	Year ended December 31	
	2024	2023
Rent income		
Giga C.T.	\$ 36,361	\$ 35,103
BYTE International	14,445	14,273
Subsidiaries	12	34
Indirect subsidiaries	5,199	3,455
Other income		
Giga C.T.	121,712	49,488
Subsidiaries	1,656	3,374
Indirect subsidiaries	2,305	115
	<u>\$ 181,690</u>	<u>\$ 105,842</u>

The aforementioned rental income represents the leasing of buildings and other facilities required for operation by the Company to the said company. The rent is priced based on market rates, with payment received either in advance or on a monthly basis. There are no significant differences compared to transactions with unrelated parties.

Others mainly represent the service revenue from the Company purchasing raw materials on behalf of others and promoting the product exhibitions to the said company. The prices are based on the agreed contracts and the payment term is 60 days for monthly billings.

G. Accounts receivable

	Year ended December 31	
	2024	2023
G.B.T.-USA	\$ 5,102,209	\$ 2,338,305
Ningbo Zhongjia	4,985,575	4,448,568
Giga C.T.	1,647,974	4,714,432
Subsidiaries	373,006	176,843
Indirect subsidiaries	2,821,657	1,167,666
	<u>\$ 14,930,421</u>	<u>\$ 12,845,814</u>

H. Other receivables

	Year ended December 31	
	2024	2023
Agency procurement fees:		
Giga C.T.	\$ 18,226,441	\$ 7,017,172
Others:		
Giga C.T.	323,164	3,071
Subsidiaries	3,980	3,668
Indirect subsidiaries	1,523	82
	<u>\$ 18,555,108</u>	<u>\$ 7,023,993</u>

I. Accounts payable

	Year ended December 31	
	2024	2023
Dongguan Gigabyte	\$ 2,550,133	\$ 1,774,846
Ningbo Gigabyte	1,526,321	809,586
Subsidiaries	46,474	341,497
Indirect subsidiaries	9	176
	<u>\$ 4,122,937</u>	<u>\$ 2,926,105</u>

J. Other payables

	Year ended December 31	
	2024	2023
BYTE International	\$ 49,730	\$ 65,710
G.B.T. -NL	37,965	30,673
Ningbo BestYield	19,149	21,578
G.B.T.-USA	4,307	23,227
Subsidiaries	30,077	11,655
Indirect subsidiaries	3,896	401
	<u>\$ 145,124</u>	<u>\$ 153,244</u>

K. Property transactions - Acquisition of investments accounted for using equity method

	No of shares	Objects	December 31, 2024
			Consideration
G.B.T.-Japan	180,000	Common Stock shares	\$ 372,600
Gigabyte Communications Inc.	3,007	"	52
	No of shares	Objects	December 31, 2023
			Consideration
Freedom	17,000,000	Common Stock shares	\$ 531,420
G.B.T.-Japan	2,000	"	4,580

(3) Key management compensation

	Year ended December 31	
	2024	2023
Salaries and other short-term employee benefits	\$ 717,172	\$ 452,609
Share-based payments	39,691	124,715
Post-retirement benefits	15,287	1,365
Total	<u>\$ 772,150</u>	<u>\$ 578,689</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value		Purpose
	December 31, 2024	December 31, 2023	
Pledged assets - non-current (accounted for as "Financial assets at amortized cost - non-current")			
- Time deposits	\$ 62,023	\$ 61,668	Guarantee for the customs duties

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On March 14, 2025, the Company's Board of Directors resolved to propose at the shareholders' meeting to authorize the Board of Directors to issue new common shares for the capital increase and sponsor the issuance of global depositary receipts (GDRs) under a limit of 50,000 thousand shares of common shares.

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue employee stock option or buyback and retire treasury stock. The Company monitors capital on the basis of the liabilities to assets ratio. Total capital is shown as "Equity" in the balance sheet, which is also equal to total assets minus total liabilities.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial assets</u>		
Financial assets mandatorily measured at fair value through profit or loss	\$ 193,834	\$ 92,260
Financial assets at amortized cost		
Cash and cash equivalents	10,208,550	14,343,246
Financial assets at amortized cost	60,023	61,668
Notes receivable	2,029	2,029
Accounts receivable (including related parties)	31,579,356	19,873,965
Other receivables	19,047,000	7,136,061
Other financial assets	-	257,500
Guarantee deposits paid	35,692	36,374
	<u>\$ 61,126,484</u>	<u>\$ 41,803,103</u>
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Financial liabilities</u>		
Financial liabilities held for trading	\$ 2,216	\$ -
Financial liabilities at amortized cost		
Notes payable	10,785	9,340
Accounts payable (including related parties)	14,572,823	17,311,025
Other payables	10,224,406	8,600,176
Bonds payable	18,403,329	8,920,465
Guarantee deposits received	111,035	98,779
Lease liabilities	49,782	69,059
	<u>\$ 43,374,376</u>	<u>\$ 35,008,844</u>

B. Financial risk management policies

- (a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (b) Risk management is carried out by a central treasury department (Company Treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.
- (c) Information about derivative financial instruments that are used to hedge financial risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require divisions to manage their foreign exchange risk against their functional currency. The companies are required to hedge its entire foreign exchange risk exposure with the Company treasury. Exchange rate risk is measured through a forecast of highly probable USD expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting forecast transactions.
- iii. The Company hedges foreign exchange rate by using forward exchange contracts. However, the Company does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Company's businesses involve some non-functional currency operations (the Company's functional currency is NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,562,179	32.781	\$51,209,790
RMB:NTD	426,660	4.478	1,910,583
EUR:NTD	17,753	34.132	605,945
<u>Non-monetary items</u>			
USD:NTD	\$ 5,913	32.781	\$ 193,834
<u>Investments accounted for using equity method</u>			
USD:NTD	\$ 312,380	32.781	\$10,240,126
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 466,067	32.781	\$15,278,142
RMB:NTD	640,447	4.478	2,867,922

December 31, 2023			
Foreign currency			
	amount	Exchange	Book value
	(In thousands)	rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,022,078	30.735	\$31,413,567
RMB:NTD	202,070	4.331	875,165
EUR:NTD	2,757	34.014	93,777
<u>Non-monetary items</u>			
USD:NTD	\$ 3,002	30.735	\$ 92,266
<u>Investments accounted for using equity method</u>			
USD:NTD	\$ 294,662	30.735	\$ 9,056,432
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 485,002	30.735	\$14,906,536
RMB:NTD	553,445	4.331	2,396,970

- iv. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2024 and 2023 amounted to gains of \$824,787 and \$79,163, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2024			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 512,098	\$ -
RMB:NTD	1%	19,106	-
EUR:NTD	1%	6,059	
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 152,781	\$ -
RMB:NTD	1%	28,679	-

Year ended December 31, 2023			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 314,136	\$ -
RMB:NTD	1%	8,752	-
EUR:NTD	1%	938	
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 149,065	\$ -
RMB:NTD	1%	23,970	-

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- ii. The Company investments in beneficiary certificates. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1 % with all other variables held constant, pre-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by \$1,938 and \$923, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

- i. The domestic/overseas bond funds investment and bond products with fixed interest rate by the Company was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.
- ii. For fixed interest rate bond investments held by the Company classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At December 31, 2024 and 2023, if market interest rates had 1 % higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2024 and 2023 would have been \$1,938 and \$0 higher/lower, respectively.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at fair value through profit or loss.
- ii. The bond fund held by the Company was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Company trades with several securities investment trust companies, credit risk is low.
- iii. The Company has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Company is the total amount of all book value.
- iv. The Company manages their credit risk taking into consideration the entire Company's concern. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- v. The Company adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.
- vi. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vii. The Company classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collateral. The Company applies the simplified approach to estimate expected credit loss under the provision matrix basis.
- viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;

- (iii) Default or delinquency in interest or principal repayment;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- ix. The Company used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2024 and 2023, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31 to 60 days past due
<u>December 31, 2024</u>			
Expected loss rate	1.19%	1.87%	3.20%
Total book value	\$ 14,405,173	\$ 1,566,623	\$ 533,408
Loss allowance	\$ 12,854	\$ 10,809	\$ 8,506
	61 to 90 days past due	Over 90 days	Total
Expected loss rate	16.55%	100%	
Total book value	\$ 195,655	\$ 149,675	\$ 16,850,534
Loss allowance	\$ 32,380	\$ 137,050	\$ 201,599
	Not past due	Up to 30 days past due	31 to 60 days past due
<u>December 31, 2023</u>			
Expected loss rate	0.94%	1.27%	7.04%
Total book value	\$ 5,137,589	\$ 1,822,676	\$ 90,427
Loss allowance	\$ 13,472	\$ 7,018	\$ 3,495
	61 to 90 days past due	Over 90 days	Total
Expected loss rate	43.26%	100%	
Total book value	\$ 2,365	\$ 10,313	\$ 7,063,370
Loss allowance	\$ 921	\$ 10,313	\$ 35,219

- x. Movements in relation to the Company applying the simplified approach to provide loss allowance for notes receivable and accounts receivable are as follows:

	2024		
	Notes receivable	Accounts receivable	Total
At January 1	\$ -	\$ 35,219	\$ 35,219
Provision for impairment	-	167,766	167,766
Write-offs	-	(1,386)	(1,386)
At December 31	\$ -	\$ 201,599	\$ 201,599

	2023		
	Notes	Accounts	
	receivable	receivable	Total
At January 1	\$ -	\$ 96,475	\$ 96,475
Reversal of impairment	-	(61,204)	(61,204)
Write-offs	-	(52)	(52)
At December 31	<u>\$ -</u>	<u>\$ 35,219</u>	<u>\$ 35,219</u>

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts to \$64,202 and \$36,714 on December 31, 2024 and 2023, respectively. For provisioned loss for the years ended December 31, 2024 and 2023, the impairment gains and losses arising from customers' contracts amounted to loss of \$167,766 and gain of \$61,204, respectively.

(c) Liquidity risk

- i. Company treasury monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.
- ii. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the treasury of the company. Company treasury invests surplus cash in current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Company's undrawn borrowing facilities for floating rate short-term borrowings amounted to \$37,310,099.
- iv. The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the contractual undiscounted cash flows of notes payable, accounts payable (including related parties), other payables and guarantee deposits received were equivalent to their carrying amounts and were expiring within one year, the amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

December 31, 2024	Less than 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	\$ 31,949	\$ 14,836	\$ 4,026	\$ 50,811
Bonds payable	-	9,804,347	10,219,532	20,023,879
Derivative financial liabilities:				
Forward exchange contracts	\$ 2,216	\$ -	\$ -	\$ 2,216
December 31, 2023	Less than 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	\$ 39,729	\$ 23,739	\$ 7,318	\$ 70,786
Bonds payable	-	-	9,804,347	\$ 9,804,347

The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in beneficiary certificates are included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's convertible bonds, debt instruments and derivative instruments are included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

- B. Except for those listed in the table below, the carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, financial assets at amortized cost (bank deposits), notes receivable, accounts receivable (including related parties), other receivables, other financial assets, guarantee deposits paid, notes payable, accounts payable (including related parties), other payables, guarantee deposits received and lease liability) are approximate to their fair values.

		December 31, 2024			
		Fair value			
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Financial liabilities:					
Bonds payable	<u>\$ 18,403,329</u>	<u>\$ -</u>	<u>\$ 18,471,161</u>	<u>\$ -</u>	
		December 31, 2023			
		Fair value			
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Financial liabilities:					
Bonds payable	<u>\$ 8,920,465</u>	<u>\$ -</u>	<u>\$ 8,896,590</u>	<u>\$ -</u>	

The above convertible bonds payable are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2024 and 2023 is as follows:

(a) The related information of natures of the assets is as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>December 31, 2024</u>				
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Debt instruments	<u>\$ -</u>	<u>\$ 193,834</u>	<u>\$ -</u>	<u>\$ 193,834</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 2,216</u>	<u>\$ -</u>	<u>\$ 2,216</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>December 31, 2023</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	<u>\$ 92,260</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,260</u>

(b) The methods and assumptions the Company used to measure fair value are as follows:

- i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

<u>Listed shares</u>	<u>Open-end fund</u>	<u>Government bonds</u>
----------------------	----------------------	-------------------------

Market quoted price	Closing price	Net asset value	Market price
---------------------	---------------	-----------------	--------------

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.
- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions.
- v. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- vi. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vii. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

D. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

E. For the years ended December 31, 2024 and 2023, there was no transfer in or out from Level 3.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: Please refer to table 1.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.

D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 3.

E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 4.

F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.

H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to 6(2) and 12(2).

J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 10.

(4) Major shareholders information

Major shareholders information: Please refer to table 11.

14. SEGMENT INFORMATION

None.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being		Limit on endorsements/ guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2024	Outstanding endorsement/ guarantee amount at December 31, 2024 (Note 5)	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		endorsed/guaranteed	Relationship with the endorser/ guarantor (Note 4)											
		Company name	(Note 4)											
0	Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	2	\$ 646,360	\$ 285,195 (USD 8,700)	\$ 285,195 (USD 8,700)	\$ 285,195 (USD 8,700)	\$ -	0.53%	\$ 16,104,945	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company number is 0.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: The Company's limit on amount of endorsements/ guarantees provided to single party is 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 50% of the paid-in capital of that single party.

The total limit on amount of endorsements/ guarantees of the Company and subsidiaries provided to single party is 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 30% of the net assets of that single party.

However, when endorse/guarantee to subsidiaries which were 100% directly or indirectly held by the Company, the endorsement / guarantee amount should not exceed 20% of net assets in latest audited (reviewed) financial statements of the Company and should not exceed 300% of the paid-in capital of that subsidiary.

Note 3: The ceiling on total endorsements and guarantees shall not exceed 30% of net assets in latest audited (reviewed) financial statements of the Company.

The total limit on amount of endorsements/ guarantees of the Company and subsidiaries is 40% of net assets in latest audited (reviewed) financial statements of the Company.

Note 4: The Company could provide endorsements/ guarantees to the following counterparties:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.

Note 5: The ending balance of this statement is presented in New Taiwan dollars. Where foreign currencies are involved, they are translated into New Taiwan dollars using the U.S. dollar exchange rate of \$32.781 as of the balance sheet date.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
December 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2024				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Giga-Byte Technology Co., Ltd.	Debt instruments - DEUTSCHE BANK AG etc.	None	Financial assets at fair value through profit or loss-current	Omitted	\$ 194,601	-	<u>\$ 193,834</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		(767)			
					<u>\$ 193,834</u>			
			Financial assets at fair value through profit or loss-current	Omitted	\$ 39,227	0.02%~0.16%	<u>\$ 47,984</u>	
Giga-Trend International Investment Group Ltd.	Listed stocks - Gudeng Equipment Co., LTD. etc.	None	Valuation adjustment of financial assets at fair value through profit or loss		8,757			
					<u>\$ 47,984</u>			
			Financial assets at fair value through profit or loss-current	Omitted	\$ 54,313	0.01%~1.21%	<u>\$ 76,241</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		21,928			
	Emerging stocks - Lianyou Metals Co., Ltd. etc.	"			<u>\$ 76,241</u>			
			Financial assets at fair value through profit or loss-current	Omitted	\$ 157,972	-	<u>\$ 150,103</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		(7,869)			
					<u>\$ 150,103</u>			
	Unlisted stocks - Castec International Crop. etc.	"	Financial assets at fair value through profit or loss-current	Omitted	\$ 99,825	-	<u>\$ 96,381</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		(3,444)			
					<u>\$ 96,381</u>			
			Financial assets at fair value through profit or loss-current	Omitted	\$ 77,779	1.86%~13.01%	<u>\$ 128,394</u>	
Giga Investments Corp.	Unlisted stocks - Taiwan Truewin Technology Co., Ltd. etc.	None	Valuation adjustment of financial assets at fair value through profit or loss		50,615			
					<u>\$ 128,394</u>			
	Beneficiary certificates - Yuanta Japan Leaders Equity Fund	"	Financial assets at fair value through profit or loss-current	3,021,148	\$ 30,000	-	<u>\$ 31,994</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		1,994			
					<u>\$ 31,994</u>			

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2024				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Giga Investments Corp.	Beneficiary certificates - NEXUS CVC Partners Fund LP.	None	Financial assets at fair value through profit or loss-non current	-	\$ 150,000	10.73%	<u>\$ 147,679</u>	
			Valuation adjustment of financial assets at fair value through profit or loss	(2,321)				
				<u>\$ 147,679</u>				
	Listed stocks - Walsin Technology Corporation etc.	"	Financial assets at fair value through other comprehensive income-non current	Omitted	\$ 936,387	1.37%~9.43%	<u>\$ 1,519,479</u>	
			Valuation adjustment of financial assets at fair value through other comprehensive income		<u>583,092</u>			
				<u>\$ 1,519,479</u>				
	Unlisted stocks - Northstar Motors Co., Ltd. etc.	"	Financial assets at fair value through other comprehensive income-non current	Omitted	\$ 64,798	3.25%~13.93%	<u>\$ 56,486</u>	
			Valuation adjustment of financial assets at fair value through other comprehensive income		(8,312)			
				<u>\$ 56,486</u>				
	G-Style Co., Ltd.	Unlisted stocks - JM Material Technology Inc.	None	Financial assets at fair value through other comprehensive income—non current	160,000	\$ 20,000	10.00%	
Valuation adjustment of financial assets at fair value through other comprehensive income					(17,907)			
				<u>\$ 2,093</u>				
Freedom International Group Ltd.	Unlisted stocks - Graid Technology Inc.	None	Financial assets at fair value through other comprehensive income-non current	1,600,000	\$ 26,224	6.25%	<u>\$ 26,224</u>	
			Valuation adjustment of financial assets at fair value through other comprehensive income		-			
				<u>\$ 26,224</u>				
Selita Precision Co., Ltd.	Unlisted stocks - P.R.C.E. Ltd.	None	Financial assets at fair value through other comprehensive income-non current	122,990	\$ 1,184	10.24%	<u>\$ 992</u>	
			Valuation adjustment of financial assets at fair value through other comprehensive income		(192)			
				<u>\$ 992</u>				

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2024		Addition		Disposal				Balance as at December 31, 2024		Footnote
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Investments accounted for using equity method	Nippon Giga-Byte Corp.	Parent-subsidiary	3,000	\$ 8,075	180,000	\$ 372,600	-	\$ -	\$ -	\$ -	183,000	\$ 380,675	

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Real estate acquired by	Real estate	Date of the event	Transaction amount (Note)	Status of payment	Counterparty	Relationship	Information on prior transaction if the counterparty is a related party				Price Reference	Purpose of Acquisition	Other commitments
							Owner	Relationship with the issuer	Date of transfer	Amount			
Freedom International Group Ltd.	Land and Buildings	December 20, 2023	\$ 1,259,020 (USD 38,407)	Paid in full	Scind Arenth Point LLC.	None	Not applicable	Not applicable	Not applicable	Not applicable	Refer to the valuation of the professional valuer and market prices	The Company business planning	Need to pay relating taxes and fees
Nippon Giga-Byte Corp.	Land and Buildings	April 17, 2024	\$ 339,930 (JPY 1,618,714)	Paid in full	Enewill Inc.	"	"	"	"	"	"	"	None

Note: Based on U.S. dollar exchange rate of \$32.781 and Japanese Yen exchange rate of \$0.210 as of the balance sheet date.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Year ended December 31, 2024

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidiary	(Sales)	\$ 16,932,554	(12%)	45 days upon receipt of goods	The price was based on the contract price	Normal	\$ 5,102,209	16%	
	G-Style Co., Ltd.	"	"	1,442,159	(1%)	60 days upon receipt of goods	"	"	312,966	1%	
	Giga-Byte Technology B.V.	"	"	778,323	(1%)	30 days upon receipt of goods	"	"	60,040	–	
	Giga Computing Technology Co., Ltd.	"	"	159,664	-	60 days upon receipt of goods	"	"	1,647,974	5%	
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidiary	"	22,654,599	(17%)	90 days upon receipt of goods	"	"	4,985,575	16%	
	Giga Computing Technology Co., Ltd.	Parent-subsidiary	Purchases	36,670,696	41%	60 days upon receipt of goods	"	"	(46,474)	-	
	Dongguan Gigabyte Electronics Co.,Ltd.	Parent-indirect subsidiary	"	763,847	1%	60 days upon receipt of goods	"	"	(2,550,133)	(17%)	
	Ningbo Gigabyte Technology Co., Ltd.	"	"	645,388	1%	30 days upon receipt of goods	"	"	(1,526,321)	(10%)	
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	(Sales)	1,402,710	(92%)	60 days upon receipt of goods	"	"	310,540	95%	
Giga Computing Technology Co., Ltd.	Ningbo Gigabyte Technology Co., Ltd.	Sister companies	Purchases	267,272	-	30 days after billing	"	"	(1,619,394)	(7%)	
	Giga Computing Technology Inc.	Subsidiary-indirect subsidiary	(Sales)	14,607,942	(9%)	60 days upon receipt of goods	"	"	5,889,221	46%	
	Gigaipc Co., Ltd.	"	"	1,028,224	(1%)	60 days after billing	"	"	165,498	1%	
G.B.T. Inc.	Giga Computing Technology Inc.	Subsidiary-indirect subsidiary	(Sales)	279,799	(43%)	60 days upon receipt of goods	"	"	17,135	–	

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
December 31, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024 (Note 1)	Turnover rate	<u>Overdue receivables</u>		Amount collected subsequent to the balance sheet date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidary	\$ 5,102,209	4.55	\$ -	-	\$ 1,809,027	\$ -
	Giga Computing Technology Co., Ltd.	"	20,197,579	16.71	-	-	7,080,733	-
	G-Style Co., Ltd.	"	312,997	6.38	-	-	158,928	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidiary	4,985,575	4.80	-	-	1,182,127	-
	Dongguan Gigabyte Electronics Co., Ltd.	"	1,560,024	5.31	-	-	1,560,024	-
	Ningbo Gigabyte Technology Co., Ltd.	"	1,236,162	3.46	-	-	1,236,162	-
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	310,540	4.77	-	-	68,070	-
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidiary-indirect subsidiary	5,889,221	2.48	-	-	5,718,802	-
	Gigaipc Co., Ltd.	"	165,498	5.84	-	-	-	-
Dongguan Gigabyte Electronics Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB 559,207 thousand	5.68	-	-	RMB 313,700 thousand	-
Ningbo Gigabyte Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB 335,207 thousand	5.50	-	-	RMB 169,502 thousand	-
	Giga Computing Technology Co., Ltd.	Sister companies	RMB 189,195 thousand	4.83	-	-	RMB 77,926 thousand	-

Note 1: Including other receivables.

Note 2: The amount represents collections subsequent to December 31, 2024 up to January 31, 2025.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Year ended December 31, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction			
Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Parent company to subsidiary	Sales	\$ 778,323	Note 6	-
	"	"	Marketing service charge	175,235	Note 3	-
	"	"	Service charge	157,225	"	-
	G.B.T., Inc	Parent company to subsidiary	Sales	16,932,554	Note 7	6%
	"	"	Accounts receivable	5,102,209	"	5%
	"	"	After-sale service fees	143,256	Note 3	-
	G-Style Co., Ltd.	Parent company to subsidiary	Sales	1,442,159	Note 5	1%
	"	"	Accounts receivable	312,966	"	-
	Giga Computing Technology Co., Ltd.	Parent company to subsidiary	Sales	159,664	Note 5	-
	"	"	Processing revenue	426,412	Note 2	-
	"	"	Other revenue	121,712	Note 5	-
	"	"	Accounts receivables	1,647,974	"	1%
	"	"	Other receivables	18,549,605	"	17%
	"	"	Prurchases	36,670,696	"	14%
	BYTE International Co., Ltd	Parent company to subsidiary	After-sale service fees	696,256	Note 3	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent company to indirect subsidiary	Sales	22,654,599	Note 1	9%
	"	"	Accounts receivable	4,985,575	"	4%
	Dongguan Gigabyte Electronics Co.,Ltd.	Parent company to indirect subsidiary	Purchases	763,847	Note 5	-
	"	"	Accounts payable	2,550,133	"	2%
	"	"	Accounts receivable	1,560,024	Note 2	1%
Giga-Byte Technology B.V. G-Style Co., Ltd.	Ningbo Gigabyte Technology Co., Ltd.	Parent company to indirect subsidiary	Purchases	645,388	Note 6	-
	"	"	Accounts payable	1,526,321	"	1%
	"	"	Accounts receivable	1,236,162	Note 2	1%
	Ningbo BestYield Tech. Services Co.,Ltd.	Parent company to indirect subsidiary	After-sale service fees	163,945	Note 3	-
	G.B.T. Technology Trading GmbH	Subsidiary to subsidiary	Marketing service charge	192,999	Note 4	-
	G.B.T., Inc	Subsidiary to subsidiary	Sales	1,402,710	Note 5	1%
	"	"	Accounts receivable	310,540	"	-

Transaction						Percentage of consolidated total operating revenues or total assets
Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	
Giga Computing Technology Co., Ltd.	BYTE International Co., Ltd.	Subsidiary to subsidiary	After-sale service fees	112,988	Note 3	-
	Ningbo Gigabyte Technology Co., Ltd.	Subsidiary to indirect subsidiary	Purchases	267,272	Note 6	-
	"	"	Accounts payable	1,619,394	"	1%
	Giga Computing Technology Inc.	Subsidiary to indirect subsidiary	Sales	14,607,942	Note 5	6%
	"	"	Accounts receivable	5,889,211	"	5%
	Gigaipc Co., Ltd.	Subsidiary to indirect subsidiary	Sales	994,434	Note 2	-
	"	"	Accounts receivable	165,498	"	-
	Giga Computing Technology Co., Ltd.	Subsidiary to indirect subsidiary	Sales	279799	Note 5	-
G.B.T., Inc						

Note 1 : Credit terms were 90 days upon receipt of goods.

Note 2 : Credit terms were 60 days after billing.

Note 3 : Credit terms were 30 days after billing.

Note 4 : Credit terms were 180 days upon receipt of goods.

Note 5 : Credit terms were 60 days upon receipt of goods.

Note 6 : Credit terms were 30 days upon receipt of goods.

Note 7 : Credit terms were 45 days upon receipt of goods.

Note 8 : Transactions listed above are amount reaching NT\$100 million.

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES											
Information on investees											
Year ended December 31, 2024											
Expressed in thousands of NTD (Except as otherwise indicated)											
Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year ended December 31, 2024	Investment income(loss) recognized by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	\$ 5,251,952	\$ 5,251,952	176,571,692	100.00	\$ 9,588,389	\$ 611,528	\$ 611,746	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Investments Corp.	Taiwan	Holding company	2,815,000	2,815,000	297,756,500	100.00	3,644,968	88,360	88,360	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	310,000	310,000	12,000,000	100.00	119,277	53,720	98,243	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Communication Inc.	Taiwan	Manufacturing and selling of communications	1,647,560	1,647,508	-	-	-	15,424	15,424	Consolidation by merger (Note)
Giga-Byte Technology Co., Ltd.	BYTE International Co., Ltd.	Taiwan	Selling of PC peripherals	583,709	583,709	31,000,000	100.00	393,647	(9,230)	(9,230)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	MyelinTek Inc.	Taiwan	Software service	70,000	70,000	299,999,995	40.00	57,329	9,930	3,972	Investee accounted for using equity method
Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	Taiwan	Sales of computer information products	834,600	834,600	108,498,000	83.93	6,968,513	5,940,459	5,100,734	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Sales of computer information products	25,984	25,984	8,500	100.00	221,790	36,886	36,886	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd.	U.K.	Marketing of computer information products	47,488	47,488	800,000	100.00	31,778	2,123	2,213	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Marketing of computer information products	380,675	8,075	183,000	100.00	396,122	1,675	1,675	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Marketing of computer information products	352,752	352,752	-	100.00	421,678	16,166	16,166	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Marketing of computer information products	55,664	55,664	2,400,000	100.00	61,638	2,492	2,492	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Marketing and maintenance of computer information products	182,868	182,868	4,600,000	100.00	19,782	3,606	3,606	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Marketing of computer information products	241	241	5,000	100.00	11,217	3,027	3,027	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	90,660	90,660	54,116	22.64	429,947	245,209	45,137	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Marketing of computer information products	3,541	3,541	8,000	100.00	2,102	742	742	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC Company	South Korea	Marketing of computer information products	22,534	22,534	168,000	100.00	36,364	4,192	4,192	The Company's subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year ended December 31, 2024	Investment income(loss) recognized by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	\$ 1,844,922	\$ 1,844,922	57,032,142	100.00	\$ 2,936,766	\$ 362,399	-	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	458,239	458,239	184,916	77.36	1,789,605	245,209	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	100.00	3,427,916	123,365	-	The Company's indirect subsidiary
Freedom International Group Ltd.	LCKT Yuan Chan Technology Co., Ltd.(Cayman)	Cayman Islands	Holding company	92,775	92,775	3,000,000	30.00	-	(76,444)	-	Subsidiary's investee company accounted for under the equity method
G.B.T. Inc.	Gigabyte Canada Inc.	Canada	Marketing of computer information products	22	22	1,000	100.00	1,078	490	-	The Company's indirect subsidiary
Giga Investments Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	547,050	515,950	60,000,000	100.00	678,888	59,606	-	The Company's indirect subsidiary
Giga Investments Corp.	Senyun Precision Optical Co., Ltd.	Taiwan	Manufacturing and selling of optical lens	1,547,410	1,547,410	324,586,585	96.41	202,710	(71,764)	-	The Company's indirect subsidiary
Giga Investments Corp.	Selita Precision Co., Ltd.	Taiwan	Manufacturing, wholesale and retail of bicycle and parts	50,000	50,000	5,000,000	100.00	59,890	10,817	-	The Company's indirect subsidiary
Giga Investments Corp.	Cloudmatrix Co., Ltd.	Taiwan	E-commerce platform	30,200	30,200	3,000,000	100.00	37,195	12,250	-	The Company's indirect subsidiary
Giga Investments Corp.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	392,000	392,000	11,200,000	22.92	401,234	23,653	-	Subsidiary's investee company accounted for under the equity method
Giga Investments Corp.	Da Shiang Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	12,500	12,500	1,250,000	25.00	5,915	(18,728)	-	Subsidiary's investee company accounted for under the equity method
BYTE International Co., Ltd.	Aorus Pte. Ltd.	Singapore	Marketing of computer information products	60,757	60,757	3,073,000	100.00	10,613	739	-	The Company's indirect subsidiary
BYTE International Co., Ltd.	Gigabyte Technology Poland SP Z O.O.	Poland	Marketing and maintenance of computer information products	13,997	500	100	100.00	15,291	109	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	Gigaipc Co., Ltd.	Taiwan	Sales of computer information products	120,000	120,000	12,000,000	83.33	262,107	78,661	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	U.S.A.	Sales of computer information products	3,074	-	10,000	100.00	(344,582)	(6,475)	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	We Solutions Techology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	210,000	-	7,000,000	21.50	221,740	59,329	-	Subsidiary's investee company accounted for under the equity method
Giga-Trend International Investment Group Ltd.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	51,480	51,480	1,716,000	3.51	61,468	23,653	-	Subsidiary's investee company accounted for under the equity method
Ningbo BestYield Tech. Services	OGS Europe B.V.	Netherlands	Selling of communications	12,443	12,443	3,000	100.00	47,284	4,444	-	The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Popxing Technology & Trading Co., Limited	Hong Kong	Sales of computer information products	225,680	-	-	100.00	232,516	650	-	The Company's indirect subsidiary

Note: Please refer to note 4(3) of the consolidated interim financial statements for the year 2024 of the company.

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES														
Information on investments in Mainland China														
Year ended December 31, 2024														
Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee as of December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2024	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024		Footnote
					Remitted to Mainland China	Remitted back to Taiwan								
Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	\$ 1,180,938	Note 1	\$ 1,180,938	\$ -	\$ -	\$ 1,180,938	\$ 136,487	100.00	\$ 136,487	\$ 1,617,711	\$ -		The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	259,752	Note 1	259,752	-	-	259,752	264,477	100.00	264,477	1,203,539	-		The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	109,853	Note 3	-	-	-	-	228,096	100.00	228,096	876,065	-		The Company's indirect subsidiary
Ningbo Gigabyte Technology Co., Ltd.	Manufacturing of computer information products	2,780,313	Note 1	2,780,313	-	-	2,780,313	139,034	100.00	139,034	3,285,380	-		The Company's indirect subsidiary
Ningbo BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	181,923	Note 2	165,515	-	-	165,515	24,666	100.00	24,666	286,201	-		The Company's indirect subsidiary
Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	5,507	Note 3	-	-	-	-	148	100.00	148	8,493	-		The Company's indirect subsidiary
Dongguan Senyun Precision Optical Co., Ltd	Selling of mold and industrial plastic products	4,539	Note 2	4,539	-	-	4,539	10	96.41	10 (1,661)	-		The Company's indirect subsidiary

Note 1: Invested by Charleston Investments Limited and Giga Future Limited., which are subsidiaries of Freedom International Group Ltd.

Note 2: Directly invest in a company in Mainland China.

Note 3: Others.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount		Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
		approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)		
Giga-Byte Technology Co., Ltd.	\$ 4,386,518	\$ 4,402,053	\$	33,048,355
Senyun Precision Optical Co., Ltd.	4,539	9,974		126,158

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Significant transactions , either directly or indirectly through a third area, with investee companies in the Mainland Area
Year ended December 31, 2024

Table 10

Expressed in thousands of NTD
(Except as otherwise indicated))

	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Amount	%	Amount	Purpose	Maximum balance during the year ended December 31, 2024	Balance at December 31, 2024	Interest rate	Interest during the year ended December 31, 2024	Others
Investee in Mainland China													
Ningbo Zhongjia Technology Co., Ltd.	\$ 22,654,599	17	\$ -	-	\$ 4,985,575	16	\$ -	-	\$ -	\$ -	-	\$ -	
Ningbo Gigabyte Technology Co., Ltd.	19,765	-	-	-	1,236,162	4	-	-	-	-	-	-	
"	(645,388)	-	-	-	(1,526,321)	(10)	-	-	-	-	-	-	
Dongguan Gigabyte Electronics Co.,	7,317	-	-	-	1,560,024	5	-	-	-	-	-	-	
"	(763,847)	-	-	-	(2,550,133)	(17)	-	-	-	-	-	-	
Ningbo BestYield Tech. Services Co.,Ltd.	57,836	-	-	-	10,577	-	-	-	-	-	-	-	- After-sales service costs paid at \$163,945

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Major Shareholders Information

December 31, 2024

Table 11

Name of Major Shareholders	Shares	
	Name of shares hold	Ownership(%)
MING WEI GLOBAL CO., LTD	42,583,497	6.35%
TAISHIN INTERNATIONAL BANK CO., LTD. Custody storage CATHAY MSCI TAIWAN ESG SUSTAINABILITY HIGH DIVIDEND YIELD ETF ACCOUNT	41,429,000	6.18%

Note 1: The major shareholders' information, which means the ownership above 5%, was calculated by Taiwan Depository & Clearing Corporation on the last operating date of each quarter, using the Company's issuance of common shares. (including treasury shares) and preference shares registered and held by the shareholders. The share capital on the financial statements different from the actual number of shares in dematerialized form due to the difference of calculation basis.

Note 2: If the shares were kept in the trust by the shareholders, it was disclosed as a separate account set by the trustee. As for the shareholder, whose shareholding ratio was greater than 10%, is regarded as an insider in accordance with Securities and Exchange Act, their shareholding ratio included the self-owned shares and trusted shares controlled by themselves. For the information of insiders, please refer to the Market Observation Post System.

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024

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

Statement 1

Item	Description	Amount
Cash on hand and revolving funds		\$ 2,545
Check deposits		245
Demand deposits		
—NTD		3,266,722
—USD	USD 26,328 thousand, conversion rate at 32.781	863,056
—RMB	RMB 326,472 thousand, conversion rate at 4.478	1,461,943
—Other foreign currencies		560,329
Time deposits		
—NTD	Annual interest rate is 4.25%	3,605,910
—USD	Annual interest rate is 2.10%	447,800
		<u>\$ 10,208,550</u>

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2024

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

Statement 2

Customers	Amount	Note
<u>Non-related parties</u>		
GG Company	\$ 10,287,974	
Others		None of the balances of each client is greater than 5% of this account balance.
	<u>6,562,560</u>	
	16,850,534	
Less: Allowance for uncollectible accounts	(<u>201,599</u>)	
	<u>\$ 16,648,935</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OTHER RECEIVABLES (INCLUDING RELATED PARTIES)
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 3

Item	Description	Amount	Note
Receivables arising from purchase of raw materials on behalf of another party - Subsidiary		\$ 18,226,441	
Other			None of the balances of each remaining item is greater than 5% of this account balance.
		820,559	
		<u>\$ 19,047,000</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.

STATEMENT OF INVENTORIES

DECEMBER 31, 2024

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

Statement 4

Item	Amount		Note
	Cost	Net Realizable Value	
Raw materials	\$ 5,113,118	\$ 4,888,736	
Work in progress	1,211,705	1,208,099	
Finished goods and merchandise	5,978,317	6,989,195	
	12,303,140	<u>\$ 13,086,030</u>	
Less: Allowance for valuation loss on inventories	(481,103)		
	<u>\$ 11,822,037</u>		

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 5

Investee	Balance at January 1, 2024		Addition(Note 1)		Deductions (Note 2)		Other adjustments (Note 3)	Balance at December 31, 2024			Market Value or Net Assets Value		Collateral	Note
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Shares	Percentage of Ownership	Amount	Unit Price	Total Amount		
G.B.T. Technology Trading GmbH	-	\$ 405,985	-	\$ 16,166	-	\$ -	(\$ 473)	-	100%	\$ 421,678	\$ -	\$ 421,678	None	
G.B.T. Inc.	54,116	354,797	-	45,138	-	-	30,012	54,116	22.64%	429,947	7,945	429,947	"	
GBT Tech. Co. Ltd	800,000	28,234	-	2,213	-	-	1,331	800,000	100%	31,778	40	31,778	"	
Giga-Byte Technology B.V.	8,500	172,543	-	36,886	-	-	12,361	8,500	100%	221,790	26,093	221,790	"	
Gigabyte Technology Pty. Ltd.	2,400,000	60,992	-	2,492	-	-	(1,846)	2,400,000	100%	61,638	26	61,638	"	
Gigabyte Technology (India) Private Limited	4,600,000	14,422	-	3,606	-	-	1,754	4,600,000	100%	19,782	4	19,782	"	
Freedom International Group Ltd.	176,571,692	8,529,092	-	611,746	-	-	447,551	176,571,692	100%	9,588,389	54	9,588,389	"	
Nippon Giga-Byte Corp.	3,000	17,095	180,000	374,275	-	-	4,752	183,000	100%	396,122	2,165	396,122	"	
Gigabyte Technology ESPANA S.L.U.	5,000	8,215	-	3,027	-	-	(25)	5,000	100%	11,217	2,243	11,217	"	
Gigabyte Information Technology Commerce Limited Company	8,000	1,568	-	741	-	-	(207)	8,000	100%	2,102	263	2,102	"	
G-Style Co., Ltd.	12,000,000	21,034	-	98,243	-	-	-	12,000,000	100%	119,277	10	119,277	"	
Giga-Byte Communication Inc.	2,145,831	20,989	3,007	15,475	(2,148,838)	(36,464)	-	-	-	-	-	-	"	
BYTE International Co., Ltd.	31,000,000	478,568	-	-	-	(93,521)	8,600	31,000,000	100%	393,647	13	393,647	"	
Giga Investment Corp.	297,756,500	3,850,640	-	88,360	-	-	(294,032)	297,756,500	100%	3,644,968	12	3,644,968	"	
Gigabyte Technology LLC	168,000	35,384	-	4,192	-	-	(3,212)	168,000	100%	36,364	216	36,364	"	
Giga Computing Technology Co., Ltd.	83,460,000	2,227,819	25,038,000	5,100,735	-	(417,300)	57,259	108,498,000	83.93%	6,968,513	64	6,968,513	"	
Myelin Tek Inc.	29,999,995	53,357	-	3,972	-	-	-	29,999,995	40%	57,329	2	57,329	"	
		<u>\$ 16,280,734</u>		<u>\$6,407,267</u>		<u>(\$ 547,285)</u>	<u>\$ 263,825</u>			<u>\$22,404,541</u>				

Note 1: Current additions include recognition of investment income of \$6,034,615 and additional investment of \$372,600 and reorganization - receipt of consideration merger \$52.

Note 2: Current deductions include recognition of investment loss of \$9,230, reorganization-merger transfer \$36,464 and appropriated retained earnings of \$501,591.

Note 3: Other adjustments include exchange differences on translation of foreign operations amounting to \$504,693, unrealized gain on financial assets at fair value through other comprehensive income of (\$302,775), and recognition of changes in net equity of associates accounted for using equity method of \$12,260, recognition of change in ownership interests in subsidiaries \$94,792 and recognition of remuneration expense for issuance of employee share options by indirect subsidiary to employees of the parent company (\$45,145).

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 6

Item	Balance as of January 1, 2024	Additions	Deductions	Transferred	Balance as of December 31, 2024	Guaranteed or pledged as collateral	Note
<u>Cost</u>							
Land	\$ 1,231,036	\$ -	\$ -	\$ -	\$ 1,231,036	None	
Buildings and structures	1,696,566	99,774	(8,521)	-	1,787,819	"	
Machinery and equipment	1,152,456	29,158	(8,475)	16,248	1,189,387	"	
Other facilities	720,223	102,784	(146,358)	810	677,459	"	
	<u>\$ 4,800,281</u>	<u>\$ 231,716</u>	<u>(\$ 163,354)</u>	<u>\$ 17,058</u>	<u>\$ 4,885,701</u>		
<u>Accumulated depreciation</u>							
Buildings and structures	(760,400)	(40,187)	8,521	-	(792,066)		
Machinery and equipment	(858,596)	(95,069)	8,475	-	(945,190)		
Other facilities	(515,288)	(99,666)	142,133	-	(472,821)		
	<u>(2,134,284)</u>	<u>(\$ 234,922)</u>	<u>\$ 159,129</u>	<u>\$ -</u>	<u>(2,210,077)</u>		
	<u>\$ 2,665,997</u>				<u>\$ 2,675,624</u>		

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2024

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

Statement 7

Name of suppliers	Amount	Note
<u>Non-related parties</u>		
BB Company	\$ 1,593,972	
CC Company	1,060,774	
FF Company	627,662	
Others		None of the balances of each supplier is greater than 5% of this account balance.
	7,167,478	
	<u>\$ 10,449,886</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.

STATEMENT OF BONDS PAYABLE

DECEMBER 31, 2024

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

Statement 8

Bonds Name	Trustee	Issuance Date	Interest Payment Date	Coupon Rate	Amount					Repayment Term	Collateral	Note
					Issuance Amount	Repayment Paid	Ending Balance	Unamortized Premiums (Discounts)	Carrying Amount			
Third unsecured Convertible bonds overseas	Citicorp International Limited	2023/7/27	Note 1	0%	\$ 9,804,347	\$ -	\$ 9,804,347	(\$ 697,540)	\$ 9,106,807	Note 1	None	Note 3
Fourth unsecured Convertible bonds overseas	Citicorp Limited	2024/7/23	Note 2	0%	10,219,532	-	10,219,532	(923,010)	9,296,522	Note 2	"	Note 3
					<u>\$ 20,023,879</u>	<u>\$ -</u>	<u>\$ 20,023,879</u>	<u>(\$ 1,620,550)</u>	<u>\$ 18,403,329</u>			

Note 1: Upon maturity, the bond will be redeemed in USD at its Book value plus an annual interest rate of 1% (Calculated semi-annually).

Note 2: Upon maturity, the bond will be redeemed in USD at its Book value plus an annual interest rate of 0.875% (Calculated semi-annually).

Note 3: Issued on the Singapore Exchange, for the issuance terms, please refer to 6(12).

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024

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

Statement 9

Item	Quantities	Amount	Note
Computer parts	14,211 thousand pieces	\$ 87,077,945	
Networking communication products	166 thousand pieces	49,406,382	
Others			None of the balances of each remaining item is greater than 5% of this account balance.
		10,320,293	
		146,804,620	
Less: sales returns and discounts		(9,769,799)	
		<u>\$ 137,034,821</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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

Statement 10

Item	Amount
Opening balance of merchandise	\$ 585,719
Add: Purchases during the year	40,271,288
Less: Ending balance of merchandises	(1,052,230)
Merchandises reclassified as expenses	(27,698)
Cost of purchasing and selling	<u>39,777,079</u>
Raw materials at beginning of year	4,514,939
Add: Purchases in the year	80,801,165
Less: Raw materials at end of year	(5,113,118)
Raw materials reclassified for sale	(3,300,712)
Raw materials reclassified as expenses	(331,310)
Direct raw materials used	76,570,964
Direct labour	326,595
Manufacturing expense	<u>1,976,705</u>
Manufacturing cost	78,874,264
Add: Opening balance of work in progress	1,683,551
Purchases during the year	536,928
Less: Ending balance of work in progress	(1,211,705)
Work in progress reclassified for sale	(18,999)
Work in progress reclassified as expenses	(89,401)
Cost of finished goods	79,774,638
Add: Opening balance of finished goods	6,295,786
Purchases during the year	1,749,800
Less: Ending balance of finished goods	(4,926,087)
Finished goods reclassified as expenses	(152,899)
Cost of goods manufactured and sold	<u>82,741,238</u>
Cost of raw materials sold	3,300,712
Cost of work in progress sold	<u>18,999</u>
Cost of goods sold	125,838,028
Warranty cost of after-sale service	1,170,258
Inventory valuation gain	(48,440)
Operating costs	<u><u>\$ 126,959,846</u></u>

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

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

Statement 11

Item	Description	Amount	Note
Export expense		\$ 896,160	
Marketing service charge		696,597	
Advertising expense		328,266	
Wages and salaries		728,367	
Service charge		318,640	
Other expenses			None of the balances of each remaining item is greater than 5% of this account balance.
		<u>528,856</u>	
		<u>\$ 3,496,886</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY
FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 12

Function Nature	Year ended December 31, 2024			Year ended December 31, 2023		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	\$704,340	\$2,714,808	\$3,419,148	647,082	1,948,458	\$2,595,540
Labour and health insurance fees	81,657	101,983	183,640	77,670	110,310	187,980
Pension costs	23,899	54,575	78,474	20,819	51,783	72,602
Directors' remuneration	-	70,220	70,220	-	55,614	55,614
Other personnel expenses	59,349	79,426	138,775	43,999	66,565	110,564
Depreciation Expense	107,836	169,500	277,336	113,738	191,161	304,899
Amortization Expense	1,865	124,913	126,778	1,854	108,779	110,633

Note 1: As at December 31, 2024 and 2023, the Company had 2,157 and 1,999 employees, both including 6 non-employee directors, respectively.

Note 2: The average employee benefit expense and the average employee salaries and wages of the Company were \$1,776 and \$1,489 as well as \$1,590 and \$1,302 for the years ended December 31, 2024 and 2023, respectively; The variation in the adjustments of the average employee salaries and wages was 22.12% for the year ended December 31, 2024.

Note 3: The Company established an audit committee, therefore, no remuneration was paid to supervisors.

GIGA-BYTE TECHNOLOGY CO., LTD.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY
FUNCTION (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 12

- Note 4: In accordance with the Articles of Incorporation of the Company, if the distributable profit of the current year has positive balance after covering losses, 3%~10% of the distributable profit should be distributed as employees' remuneration. The Company has established the management appointment and salary of new employees. Employees' remuneration includes monthly salary and bonus. Salary is referenced from the peer into consideration of employees' position, job grade, education, experience and performance. Salary will be adjusted annually based on the Index and average annual salary adjustment within the peer industry.
- Note 5: The Company has established policies governing the remuneration to directors and managers, which is reviewed by the remuneration committee by the Board of Directors. Managers' remuneration includes monthly salary and bonus. Remuneration paid to managers is referenced from the and bonus is distributed based on the Company's operating performance. Annual salary adjustment of managers is assessed by the remuneration and approved by the Board of Directors.
- Note 6: In accordance with the Articles of Incorporation of the Company, if the distributable profit of the current year has positive balance after covering losses, no more than 3% of the distributable profit should be distributed as directors' remuneration. The Company has established policies remuneration to directors and managers, which is reviewed by the remuneration committee and resolved by the Board of Directors. Remuneration non-independent directors is based on proportional weights that calculated by board attendance rate, degree of operating participation and Independent directors' remuneration includes salary and board conference attendance fees, depending on the content of the job. Independent participate in the distribution of earnings.