

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2025 AND 2024

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, 2025 AND 2024 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, 2025 and 2024, 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, 2025 and 2024,, 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 2025 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 2025 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(18) 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 and evaluated the reasonableness.

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.

Liang, Yi Chang

Chen, Chi-Tung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2026

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, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 29,660,845	25	\$ 10,208,550	10
1110	Financial assets at fair value through profit or loss - current	6(2)	199,589	-	193,834	-
1150	Notes receivable, net	6(3)	-	-	2,029	-
1170	Accounts receivable, net	6(3)	9,908,683	8	16,648,935	17
1180	Accounts receivable-related parties, net	7	13,963,983	12	14,930,421	15
1200	Other receivables		341,601	-	491,892	1
1210	Other receivable-related parties	7	17,458,609	14	18,555,108	19
130X	Inventories, net	6(4)	17,711,824	15	11,822,037	12
1410	Prepayments		1,123,579	1	300,525	-
1470	Other current assets		2,644	-	2,168	-
11XX	Total current assets		90,371,357	75	73,155,499	74
Non-current assets						
1535	Financial assets at amortized cost - non - current	6(5) and 8	62,405	-	62,023	-
1550	Investments accounted for under equity method	6(6) and 7	26,722,507	22	22,404,541	22
1600	Property, plant and equipment, net	6(7)	2,738,890	2	2,675,624	3
1755	Right-of-use assets	6(8)	110,893	-	49,200	-
1780	Intangible assets		162,609	-	160,273	-
1840	Deferred income tax assets	6(25)	632,689	1	596,638	1
1900	Other non-current assets		73,068	-	120,284	-
15XX	Total non-current assets		30,503,061	25	26,068,583	26
1XXX	Total assets		\$ 120,874,418	100	\$ 99,224,082	100

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 6,446,153	5	\$ -	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	-	-	2,216	-
2130	Contract liabilities - current	6(18)	434,746	-	514,938	1
2150	Notes payable		6,792	-	10,785	-
2170	Accounts payable		13,970,382	12	10,449,886	11
2180	Accounts payable - related parties	7	449,171	-	4,122,937	4
2200	Other payables	6(11)	16,850,161	14	10,079,282	10
2220	Other payables-related parties	7	2,023,570	2	145,124	-
2230	Current income tax liabilities		1,177,357	1	149,001	-
2250	Provisions for liabilities - current	6(12)	615,209	1	560,139	1
2280	Lease liabilities - current		44,453	-	31,174	-
2320	Long-term liabilities, current portion	6(13)	9,297,043	8	-	-
2399	Other current liabilities, others		388,069	-	444,223	-
21XX	Total current liabilities		<u>51,703,106</u>	<u>43</u>	<u>26,509,705</u>	<u>27</u>
Non-current liabilities						
2530	Bonds payable	6(13)	9,491,563	8	18,403,329	19
2570	Deferred income tax liabilities	6(25)	77,738	-	172,029	-
2580	Lease liabilities - non-current		67,901	-	18,608	-
2600	Other non-current liabilities	6(14)	433,950	-	437,262	-
25XX	Total non-current liabilities		<u>10,071,152</u>	<u>8</u>	<u>19,031,228</u>	<u>19</u>
2XXX	Total Liabilities		<u>61,774,258</u>	<u>51</u>	<u>45,540,933</u>	<u>46</u>
Equity						
	Capital stock	6(15)				
3110	Common stock		6,698,889	5	6,698,889	7
	Capital surplus	6(16)				
3200	Capital surplus		14,018,015	12	14,011,469	14
	Retained earnings	6(17)				
3310	Legal reserve		8,461,525	7	7,480,218	7
3320	Special reserve		426,354	-	426,354	-
3350	Unappropriated retained earnings		29,107,577	24	24,615,353	25
	Other equity interest					
3400	Other equity interest		387,800	1	450,866	1
3XXX	Total equity		<u>59,100,160</u>	<u>49</u>	<u>53,683,149</u>	<u>54</u>
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		<u>\$ 120,874,418</u>	<u>100</u>	<u>\$ 99,224,082</u>	<u>100</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31			
			2025		2024	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	\$ 130,174,807	100	\$ 137,034,821	100
5000	Operating costs	6(4)(23)(24) and 7	(114,401,090)	(88)	(126,959,846)	(93)
5900	Gross profit		15,773,717	12	10,074,975	7
	Operating expenses	6(23)(24) and 7				
6100	Selling expenses		(4,918,942)	(4)	(3,496,886)	(3)
6200	General and administrative expenses		(2,040,730)	(2)	(2,015,854)	(1)
6300	Research and development expenses		(1,890,132)	(1)	(1,491,326)	(1)
6450	Expected credit loss	6(23)	(26,982)	-	(167,766)	-
6000	Total operating expenses		(8,876,786)	(7)	(7,171,832)	(5)
6900	Operating profit		6,896,931	5	2,903,143	2
	Non-operating revenue and expenses					
7100	Interest income	6(19)	603,935	-	371,775	-
7010	Other income	6(20) and 7	1,400,386	1	986,296	1
7020	Other gains and losses	6(21)	(1,267,121)	(1)	831,943	1
7050	Finance costs	6(22)	(646,900)	-	(379,966)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(6)				
			6,801,751	5	6,025,385	4
7000	Total non-operating revenue and expenses		6,892,051	5	7,835,433	6
7900	Profit before income tax		13,788,982	10	10,738,576	8
7950	Income tax expense	6(25)	(1,599,108)	(1)	(950,036)	(1)
8200	Profit for the year		\$ 12,189,874	9	\$ 9,788,540	7
	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(14)	(\$ 21,432)	-	\$ 30,656	-
8330	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		93,896	-	(302,775)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	4,286	-	(6,131)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		76,750	-	(278,250)	-
	Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		(157,270)	-	504,694	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(157,270)	-	504,694	-
8300	Other comprehensive (loss) income, net		(\$ 80,520)	-	\$ 226,444	-
8500	Total comprehensive income for the year		\$ 12,109,354	9	\$ 10,014,984	7
9750	Basic earnings per share	6(26)	\$ 18.20		\$ 15.03	
9850	Diluted earnings per share	6(26)	\$ 17.18		\$ 14.46	

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, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Capital stock - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Retained earnings		Other equity interest		Total equity
									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 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(17)										
Legal reserve		-	-	473,653	-	(473,653)		-	-		-
Cash dividends		-	-	-	-	(4,259,116)		-	-		(4,259,116)
Cash capital increase - issuance of global depository receipts	6(15)	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 (preference share) issued	6(13)	-	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
<u>Year 2025</u>											
Balance at January 1, 2025		\$ 6,698,889	\$ 14,011,469	\$ 7,480,218	\$ 426,354	\$ 24,615,353		(\$ 106,407)	\$ 557,273		\$ 53,683,149
Profit for the year		-	-	-	-	12,189,874		-	-		12,189,874
Other comprehensive (loss) income for the year		-	-	-	-	(17,146)		(157,270)	93,896		(80,520)
Total comprehensive income (loss)		-	-	-	-	12,172,728		(157,270)	93,896		12,109,354
Appropriations of 2024 earnings:	6(17)										
Legal reserve		-	-	981,307	-	(981,307)		-	-		-
Cash dividends		-	-	-	-	(6,698,889)		-	-		(6,698,889)
Changes in equity of associates accounted for using equity method		-	(4,358)	-	-	-		-	-		(4,358)
Changes in ownerships interests in subsidiaries		-	12,144	-	-	-		-	-		12,144
Organizational restructuring		-	(1,594)	-	-	-		-	-		(1,594)
Past due expired dividends		-	354	-	-	-		-	-		354
Subsidiary's disposal of equity instruments at fair value through other comprehensive income		-	-	-	-	(308)		-	308		-
Balance at December 31, 2025		\$ 6,698,889	\$ 14,018,015	\$ 8,461,525	\$ 426,354	\$ 29,107,577		(\$ 263,677)	\$ 651,477		\$ 59,100,160

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, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 13,788,982	\$ 10,738,576
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(23)	273,566	277,336
Amortization	6(23)	124,667	126,778
Gain from lease modification	6(8)(21)	(1)	(11)
Expected credit loss	6(23)	26,982	167,766
Gain on valuation of financial assets at fair value through profit or loss	6(2)(21)	-	(7,145)
Share of profit of subsidiaries , associates and joint ventures accounted for using the equity method	6(6)	(6,801,751)	(6,025,385)
Loss on disposals of investments	6(21)	40,713	-
Interest income	6(19)	(603,935)	(371,775)
Interest expense	6(22)	646,900	379,966
Employee compensation		-	45,145
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss		(7,971)	(92,213)
Notes receivable		2,029	-
Accounts receivable		7,679,708	(11,873,157)
Other receivables		1,294,307	(11,916,688)
Inventories		(5,889,787)	728,415
Prepayments		(823,054)	294,620
Other current assets		(476)	257,521
Changes in operating liabilities			
Contract liabilities		(80,192)	157,915
Notes payable		(3,993)	1,445
Accounts payable		(153,270)	(2,738,202)
Other payables		8,688,831	1,586,648
Provisions for liabilities		55,070	(181,694)
Other current liabilities		(56,154)	108,090
Other non-current liabilities		(32,992)	(53,827)
Cash inflow (outflow) generated from operations		18,168,179	(18,389,876)
Interest received		556,418	377,524
Dividends received		2,416,490	501,591
Interest paid		(261,623)	(108,912)
Income tax paid		(696,808)	(1,016,301)
Net cash flows from (used in) operating activities		20,182,656	(18,635,974)

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GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost		(\$ 62,405)	(\$ 62,023)
Proceeds from disposal of financial assets at amortized cost		62,023	61,668
Acquisition of investments accounted for using equity method	6(6) and 7	(30,600)	(372,652)
Acquisition of property, plant and equipment	6(27)	(273,479)	(194,172)
Proceeds from disposal of property, plant and equipment		-	4,225
Acquisition of intangible assets		(127,003)	(143,070)
Increase in refundable deposits		6,424	(6,284)
Decrease in refundable deposits		(5,920)	6,966
Reorganization-cash inflow due to merger		-	221
Increase in other non-current assets		(6,360)	(63,682)
Net cash flows used in investing activities		(437,320)	(768,803)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(28)	63,797,650	57,716,365
Decrease in short-term borrowings	6(28)	(57,351,497)	(57,716,365)
Proceeds from issuing bonds	6(28)	-	9,738,672
Increase in guarantee deposits received	6(28)	9,310	296,686
Decrease in guarantee deposits received	6(28)	(1,062)	(284,430)
Payments on lease liabilities	6(28)	(48,907)	(42,288)
Cash dividends	6(17)	(6,698,889)	(4,259,116)
Cash capital increase - issuance of global depository receipts	6(15)	-	9,820,164
Past due expired unpaid dividends for shareholders		354	393
Net cash flows (used in) from financing activities		(293,041)	15,270,081
Net increase (decrease) in cash and cash equivalents		19,452,295	(4,134,696)
Cash and cash equivalents at beginning of year		10,208,550	14,343,246
Cash and cash equivalents at end of year		<u>\$ 29,660,845</u>	<u>\$ 10,208,550</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, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Giga-Byte Technology Co., Ltd. (the “Company”) was incorporated as company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The address of the Company’s registered office is No.6, Baoqiang Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.). The Company 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. 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 12, 2026.

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 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.

(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 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of 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
IFRS 17, ‘Insurance contracts’	January 1, 2023

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026
The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.	

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Amendments to IAS 21, 'Translation to a Hyperinflationary Presentation Currency'	January 1, 2027

Note: The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

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 financial 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, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is a 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 that are expected to be realized, or are intended to be sold or consumed in the normal operating cycle;
 - (b) Assets that are held primarily for the purpose of trading;
 - (c) Assets that are expected to be realized within twelve months after the reporting period;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.
- 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 in the normal operating cycle;
 - (b) Liabilities that are held primarily for the purpose of trading;
 - (c) Liabilities that are due to be settled within twelve months after the reporting period;
 - (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 trade 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 trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.
- D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts and notes receivable

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

(9) Impairment of financial assets

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

(10) Derecognition of financial assets

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

(11) Leasing arrangements (lessor) — operating leases

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

(12) Inventories

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

(13) Investments accounted for using equity method / subsidiaries

- A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealized gains or losses occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.
- D. If changes in the Company's shares in subsidiaries do not result in loss in control (transactions with non-controlling interest), transactions shall be considered as equity transactions, which are transactions between owners. Difference of adjustment of non-controlling interest and fair value of consideration paid or received is recognised in equity.
- E. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) for the year and other comprehensive income (loss) for the year reported in the parent company only financial statements, shall be equal to profit (loss) for the year and other comprehensive income (loss) attributable to owners of the parent reported in the consolidated financial statements, and 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 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;
- (c) Any initial direct costs incurred by the lessee; and
- (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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 and remeasure the lease liability to reflect the partial or full termination of the lease, and recognize the difference in profit or loss. For all other lease modifications, the lessee shall remeasure the lease liability and adjust the right-of-use asset, correspondingly.

(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 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 recognised initially. When the economic characteristics and risks of the embedded call options and put options are closely related to the economic characteristics and risks of the host contract, the multiple embedded derivatives shall be accounted for in accordance with the appropriate standards according to its nature. When the economic characteristics and risks of the embedded call options and put options are not closely related to the economic characteristics and risks of the host contract. Embedded derivatives are separated from the host contract, the host contract shall be accounted for in accordance with the appropriate standards according to its nature.
- (b) The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

- (c) The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus-share options' at the residual amount of total issue price less the amount of bonds payable as stated above. Conversion options are not subsequently remeasured.
- (d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- (e) When bondholders exercise conversion options, the liability component of the bonds (bonds payable) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total 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 is recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognized immediately in profit or loss.

C. Termination benefits

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

D. Employees' compensation and directors' remuneration

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

(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. Deferred tax shall not be recognized for the temporary differences arising from the initial recognition of an asset or liability in a transaction other than a business combination that does not affect accounting profit or taxable profit or loss at the time of the transaction, and does not result in 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.

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable values are determined based on past experience on industrial. Management's judgement on determining net realizable value involves material judgement. As of December 31, 2025, details of the Company's carrying amount of inventories are provided in Note 6(4).

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand and petty cash	\$ 2,614	\$ 2,545
Checking accounts and demand deposits	6,229,478	6,152,295
Time deposits	23,428,753	4,053,710
	<u>\$ 29,660,845</u>	<u>\$ 10,208,550</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, 2025</u>	<u>December 31, 2024</u>
<u>Financial assets mandatorily measured at fair value through profit or loss</u>		
Debt instruments	\$ 194,601	\$ 194,601
Valuation adjustment	4,988	(767)
	<u>\$ 199,589</u>	<u>\$ 193,834</u>
<u>Financial liabilities held for trading</u>		
Derivative instruments	<u>\$ -</u>	<u>\$ 2,216</u>

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>Years ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets mandatorily measured at fair value through profit or loss</u>		
Debt instruments	\$ 5,775	\$ 8,831
<u>Financial liabilities held for trading</u>		
Derivative instruments	(5,775)	(1,686)
	<u>\$ -</u>	<u>\$ 7,145</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: (December 31, 2025: None.)

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, 2025	December 31, 2024
Notes receivable	\$ -	\$ 2,029
Accounts receivable	\$ 10,137,264	\$ 16,850,534
Less: Allowance for uncollectible accounts	(228,581)	(201,599)
	<u>\$ 9,908,683</u>	<u>\$ 16,648,935</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, 2025 and 2024, and January 1, 2024, the balances of receivables (including notes receivable) from contracts with customers amounted to \$10,137,264, \$16,852,563, and \$7,065,399, respectively.
C. The Company has no notes and accounts receivable pledged to others.
D. As at December 31, 2025 and 2024, 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 \$0 and \$2,029; \$9,908,683 and \$16,648,935, respectively.
E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(4) Inventories

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	\$ 7,042,029	(\$ 239,057)	\$ 6,802,972
Work in progress	119,594	(1,591)	118,003
Finished goods and merchandise inventories	10,968,913	(178,064)	10,790,849
	<u>\$ 18,130,536</u>	<u>(\$ 418,712)</u>	<u>\$ 17,711,824</u>
	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>

The cost of inventories recognized as expense for the period:

	Year ended December 31	
	2025	2024
Cost of inventories sold	\$ 113,010,148	\$ 125,838,028
Cost of warranty	1,453,333	1,170,258
Gain on reversal of valuation	(62,391)	(48,440)
	<u>\$ 114,401,090</u>	<u>\$ 126,959,846</u>

Reversal of inventory valuation loss for the years ended December 31, 2025 and 2024 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, 2025	December 31, 2024
Pledged bank deposits	<u>\$ 62,405</u>	<u>\$ 62,023</u>

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

	2025	2024
Interest income	<u>\$ 424</u>	<u>\$ 423</u>

B. As at December 31, 2025 and 2024, 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 \$62,405 and \$62,023, respectively.

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

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

(6) Investments accounted for using the equity method

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Subsidiaries</u>		
Freedom International Group Ltd.	\$ 10,226,923	\$ 9,588,389
Giga Computing Technology Co., Ltd.	10,390,431	6,968,513
Giga Investment Corp.	3,872,136	3,644,968
G.B.T. Inc.	451,448	429,947
G.B.T. Technology Trading GmbH	468,608	421,678
Nippon Giga-Byte Corp.	380,497	396,122
BYTE International Co., Ltd.	475,413	393,647
G-Style Co., Ltd.	104,637	119,277
Giga-Byte Technology B.V.	123,370	221,790
G.B.T. Technology LLC others	299,044	162,881
<u>Joint ventures:</u>		
MyelinTek Inc.	-	57,329
	<u>\$ 26,792,507</u>	<u>\$ 22,404,541</u>

- A. Please refer to Note 4(3) in the consolidated financial statements for the year ended December 31, 2025 for more information on the Company's subsidiary.
- B. For the years ended December 31, 2025 and 2024, shares of profit from subsidiaries accounted for using equity method were \$6,801,751 and \$6,025,385 respectively, based on the audited financial statements.
- C. In April 2025, the Company acquired the remaining 60% of equity for \$30,600 from other shareholders of MyelinTek Inc., resulting in the Company's shareholding ratio increasing to 100% and obtained control over the entity as a subsidiary.
- D. 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.
- E. 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.
- F. Information about the Company's subsidiaries exposure to Pillar Two income taxes arising from the Pillar Two legislation is provided in Note 6(28) of the 2025 consolidated financial statements.
- G. The Company had no material joint venture investment. The Company's share of the operating results of the aforementioned joint venture investment are as follows:

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Profit for the year from continuing operations		
(Total comprehensive income (loss))	<u>\$ 902</u>	<u>\$ 3,972</u>

(7) Property, plant and equipment

2025									
	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	\$ 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>
At January 1	\$ 950,845	\$ 280,191	\$ 1,231,036	\$ 878,681	\$ 117,072	\$ 995,753	\$ 244,197	\$ 204,638	\$ 2,675,624
Additions	-	-	-	66,661	-	66,661	40,604	126,708	233,973
Reclassifications	(4,074)	4,074	-	26,418	1,679	28,097	13,848	11,127	53,072
Depreciation charge	-	-	-	(42,330)	(3,398)	(45,728)	(93,231)	(84,820)	(223,779)
At December 31	<u>\$ 946,771</u>	<u>\$ 284,265</u>	<u>\$ 1,231,036</u>	<u>\$ 929,430</u>	<u>\$ 115,353</u>	<u>\$ 1,044,783</u>	<u>\$ 205,418</u>	<u>\$ 257,653</u>	<u>\$ 2,738,890</u>
<u>At December 31</u>									
Cost	\$ 946,771	\$ 284,265	\$ 1,231,036	\$ 1,704,142	\$ 177,952	\$ 1,882,094	\$ 1,224,562	\$ 753,756	\$ 5,091,448
Accumulated depreciation	-	-	-	(774,712)	(62,599)	(837,311)	(1,019,144)	(496,103)	(2,352,558)
	<u>\$ 946,771</u>	<u>\$ 284,265</u>	<u>\$ 1,231,036</u>	<u>\$ 929,430</u>	<u>\$ 115,353</u>	<u>\$ 1,044,783</u>	<u>\$ 205,418</u>	<u>\$ 257,653</u>	<u>\$ 2,738,890</u>

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>

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, 2025 and 2024.

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

(8) Leasing arrangements – lessee

- A. The Company leases various assets including buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 4 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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Buildings	\$ 77,986	\$ 4,985
Transportation equipment	32,907	44,215
	<u>\$ 110,893</u>	<u>\$ 49,200</u>
	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Buildings	\$ 21,020	\$ 16,176
Transportation equipment	28,767	26,238
	<u>\$ 49,787</u>	<u>\$ 42,414</u>

- D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were \$111,528 and \$25,925, respectively.
- E. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Year ended December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,259	\$ 1,428
Expense on short-term lease contracts	79,428	75,108
Expense on leases of low-value assets	2,494	2,311
Gain on lease modification	1	11

- F. For the years ended December 31, 2025 and 2024, the Company's total cash outflow for leases were \$133,089 and \$121,135, 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 3 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, 2025 and 2024, the Company recognized rent income in the amounts of \$61,264 and \$61,704, 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:

	December 31, 2025	December 31, 2024
2025	\$ -	\$ 59,901
2026	49,729	177
	<u>\$ 49,729</u>	<u>\$ 60,078</u>

(10) Short-term borrowings (December 31, 2024: None.)

	December 31, 2025
Unsecured bank loans	\$ 6,446,153
Credit lines	\$ 27,669,293
Interest rate range	<u>4.080%~4.408%</u>

For the year ended December 31, 2025, details of interest expense recognized in profit or loss are provided in Note 6(22).

(11) Other payables

	December 31, 2025	December 31, 2024
Agency procurement fees payable	\$ 10,107,447	\$ 4,446,072
Salaries and bonus payable	4,318,079	3,407,119
Employees' compensation and directors' remuneration payable	1,249,042	1,249,842
Marketing fee payable	326,916	317,729
Shipping and freight-in payable	301,070	315,038
Royalties payable	23,832	46,722
Others	523,775	296,760
	<u>\$ 16,850,161</u>	<u>\$ 10,079,282</u>

(12) Provisions – current

	Warranty	
	2025	2024
At January 1	\$ 560,139	\$ 741,833
Additional provisions	1,453,333	1,170,258
Used during the year	(1,398,263)	(1,351,952)
At December 31	<u>\$ 615,209</u>	<u>\$ 560,139</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.

(13) Bonds payable

	December 31, 2025	December 31, 2024
Bonds payable	\$ 20,023,879	\$ 20,023,879
Less: Discount on bonds payable	(1,235,273)	(1,620,550)
	18,788,606	18,403,329
Less: Exercisable put options on corporate bonds, current portion (accounted for as 'Long-term liabilities,current portion')	(9,297,043)	-
	<u>\$ 9,491,563</u>	<u>\$ 18,403,329</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\$338.28 per share on August 5, 2025.
- 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\$345.14 per share on August 5, 2025.
 - 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.
- (c) Under the terms of the bonds, 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, with redemption of all or part of the bonds based on semi-annual calculations. As the bondholders will be able to exercise the put options in the third quarter of 2026, the bonds were transferred to ‘Long-term liabilities, current portion’ from the period. After the put options exceed their exercise period, the unexercised put options will be transferred back to ‘Bonds payable’ if they met the definition of non-current liabilities.

(14) 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, 2025</u>	<u>December 31, 2024</u>
Present value of defined benefit obligations	(\$ 560,780)	(\$ 534,552)
Fair value of plan assets	<u>246,111</u>	<u>208,326</u>
Net defined benefit liability	<u>(\$ 314,669)</u>	<u>(\$ 326,226)</u>

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

	2025		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	(\$ 534,552)	\$ 208,326	(\$ 326,226)
Current service cost	(1,676)	-	(1,676)
Interest (expense) income	(8,549)	3,252	(5,297)
	<u>(544,777)</u>	<u>211,578</u>	<u>(333,199)</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,564	14,564
Change in demographic assumptions	(136)	-	(136)
Change in financial assumptions	(13,903)	-	(13,903)
Experience adjustments	(21,957)	-	(21,957)
	<u>(35,996)</u>	<u>14,564</u>	<u>(21,432)</u>
Pension fund contribution	-	37,208	37,208
Paid pension	19,993	(17,239)	2,754
At December 31	<u>(\$ 560,780)</u>	<u>\$ 246,111</u>	<u>(\$ 314,669)</u>
	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>

- (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, 2025 and 2024 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,	
	2025	2024
Discount rate	1.35%	1.65%
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, 2025</u>				
Effect on present value of defined benefit obligation	(\$ 11,632)	\$ 12,031	\$ 11,806	(\$ 11,477)
<u>December 31, 2024</u>				
Effect on present value of defined benefit obligation	(\$ 11,510)	\$ 11,909	\$ 11,722	(\$ 11,388)

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

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

- (e) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2026 amount to \$10,955.
- (f) As of December 31, 2025, 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	\$	53,471
1-2 year(s)		23,877
2-5 years		112,188
Over 5 years		436,734
	\$	<u>626,270</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, 2025 and 2024 were \$83,658 and \$71,748, respectively.

(15) 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>2025</u>	<u>2024</u>
At January 1	669,888,886	635,688,886
Cash capital increase - issuance of global depository receipts	-	34,200,000
At December 31	<u>669,888,886</u>	<u>669,888,886</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 depository receipts (GDRs) in order to support the capital requirements of the procurement of raw materials in foreign currencies. As approved by 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, 2025, there was no outstanding GDRs.

(16) Capital surplus

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

(17) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 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 a majority vote at a meeting of Board of Directors attended by at least two-thirds of the total number of directors, and reported to shareholders, but not needed to be submitted to the shareholders for approval. 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 2024 and 2023 had been resolved by stockholders on June 10, 2025 and June 12, 2024, respectively. Details are summarized below:

	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 981,307		\$ 473,653	
Cash dividends	6,698,889	\$ 10.00	4,259,116	Note

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 2025 has not been resolved by the Board of Directors. Information about the appropriation of earnings proposed by the Board of Directors and resolved by the shareholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(18) Operating revenue

	December 31, 2025	December 31, 2024
Revenue from contracts with customers	\$ 130,174,807	\$ 137,034,821

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:

	2025		
	Global brand business group	Other business group	Total
<u>Product Types</u>			
Computer parts	\$ 117,410,649	\$ -	\$ 117,410,649
Networking communication products	1,499,708	-	1,499,708
Others	10,217,539	1,046,911	11,264,450
	<u>\$ 129,127,896</u>	<u>\$ 1,046,911</u>	<u>\$ 130,174,807</u>
	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>

B. Contract liabilities

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

	December 31, 2025	December 31, 2024	January 1, 2024
Advance sales receipts	\$ 434,746	\$ 514,938	\$ 357,023

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

	Year ended December 31	
	2025	2024
Advance sales receipts	\$ 514,938	\$ 357,023

(19) Interest income

	Year ended December 31	
	2025	2024
Interest income from bank deposits	\$ 603,302	\$ 371,169
Interest income from financial assets measured at amortized cost	424	423
Others	209	183
	<u>\$ 603,935</u>	<u>\$ 371,775</u>

(20) Other income

	Year ended December 31	
	2025	2024
Rent income	\$ 61,264	\$ 61,704
Other income - others	1,339,122	924,592
	<u>\$ 1,400,386</u>	<u>\$ 986,296</u>

(21) Other gains and losses

	Year ended December 31	
	2025	2024
Foreign exchange (losses) gains	(\$ 1,226,409)	\$ 824,787
Gains on financial assets at fair value through profit or loss (non-derivative financial instruments)	5,755	8,831
Losses on financial liabilities at fair value through profit or loss (derivative financial instruments)	(5,755)	(1,686)
Losses on disposal of investment	(40,713)	-
Gains from lease modification	1	11
	<u>(\$ 1,267,121)</u>	<u>\$ 831,943</u>

(22) Finance costs

	Year ended December 31	
	2025	2024
Interest expense		
Amortization of convertible bonds discount	\$ 385,277	\$ 271,054
Bank borrowing	259,358	107,463
Interest expense on lease liabilities	2,259	1,428
Other interest expense	6	21
	<u>\$ 646,900</u>	<u>\$ 379,966</u>

(23) Expenses by nature

	Years ended December 31,	
	2025	2024
Cost of goods sold	\$ 111,879,365	\$ 124,848,485
Employee benefit expense	5,119,793	3,890,257
Warranty cost of after-sale service	1,453,333	1,170,258
Export expense	1,166,776	896,160
Marketing service charge	982,371	696,597
Depreciation and amortization	398,233	404,114
Transportation expenses	308,009	211,132
Gain on reversal of inventory valuation	(62,391)	(48,440)
Expected credit loss	26,982	167,766
Other costs and expenses	2,005,405	1,895,349
	<u>\$ 123,277,876</u>	<u>\$ 134,131,678</u>

(24) Employee benefit expense

	Year ended December 31	
	2025	2024
Wages and salaries	\$ 4,601,357	\$ 3,419,148
Labor and health insurance fees	221,064	183,640
Pension costs	90,631	78,474
Directors' remuneration	65,445	70,220
Other personnel expenses	141,296	138,775
	<u>\$ 5,119,793</u>	<u>\$ 3,890,257</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. The aforementioned employees' compensation shall be distributed no lower than 20% for distributing the compensation to the rank-and-file employees or adjusting the salaries.

B. For the years ended December 31, 2025 and 2024, employees' compensation was accrued at \$1,203,042 and \$1,198,842, respectively; while directors' remuneration was accrued at \$46,000 and \$51,000, respectively. The aforementioned amounts were recognized in salary expenses. The employees' compensation and directors' remuneration were estimated and accrued based on 8% and 0.3% of distributable profit of current year for the year ended December 31, 2025. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$1,203,042 and \$46,000, respectively, and the employees' compensation will be distributed in the form of cash.

For 2024, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to \$1,198,286 and \$46,000, respectively. The difference of \$5,556 between the amounts resolved by the Board of Directors and the employees' compensation of \$1,198,842 and directors' remuneration of \$51,000 that were recognized in the 2024 financial statements, had been adjusted in the profit or loss of 2025.

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

(25) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2025	2024
Current tax:		
Current tax on profits for the year	\$ 1,485,374	\$ 535,860
Tax on undistributed surplus earnings	97,530	-
Prior year income tax underestimation	142,260	41,299
Total current tax	1,725,164	577,159
Deferred tax:		
Origination and reversal of temporary differences	(126,056)	372,877
Income tax expense	\$ 1,599,108	\$ 950,036

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

	Year ended December 31	
	2025	2024
Remeasurement of defined benefit obligations	(\$ 4,286)	\$ 6,131

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31	
	2025	2024
Tax calculated based on profit before tax and statutory tax rate	\$ 2,757,796	\$ 2,147,715
Items disallowed by tax regulation	(1,282,463)	(1,120,356)
Effect from investment tax credits	(116,015)	(118,622)
Prior year income tax underestimation	142,260	41,299
Tax on undistributed surplus earnings	97,530	-
Income tax expense	<u>\$ 1,599,108</u>	<u>\$ 950,036</u>

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

	Year ended December 31, 2025			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
<u>Deferred tax assets</u>				
Provision for warranty expense	\$ 112,027	\$ 11,015	\$ -	\$ 123,042
Loss on inventory valuation	96,221	(12,479)	-	83,742
Pension expense	45,038	(6,598)	-	38,440
Unrealized profit on intercompany sales	183,001	31,321	-	214,322
Remeasurement of defined benefit obligations	8,498	-	4,286	12,784
Others	151,853	8,506	-	160,359
	<u>\$ 596,638</u>	<u>\$ 31,765</u>	<u>\$ 4,286</u>	<u>\$ 632,689</u>
<u>Deferred tax liabilities</u>				
Unrealized exchange gain	<u>(\$ 172,029)</u>	<u>\$ 94,291</u>	<u>\$ -</u>	<u>(\$ 77,738)</u>
	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>

D. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2025 and 2024, the amounts of temporary difference unrecognized as deferred tax liabilities were \$1,263,415 and \$1,063,810, respectively.

E. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(26) Earnings per share

Year ended December 31, 2025			
	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	\$ 12,189,874	669,889	<u>\$ 18.20</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	5,759	
-Convertible bonds	<u>379,833</u>	<u>55,948</u>	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 12,569,707</u>	<u>731,596</u>	<u>\$ 17.18</u>
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>

(27) Supplemental cash flow information

Investing activities with partial cash payments

	Year ended December 31	
	2025	2024
Purchase of property, plant and equipment	\$ 233,973	\$ 231,716
Add: Opening balance of payable on equipment	44,701	7,157
Less: Ending balance of payable on equipment	(5,195)	(44,701)
Cash paid during the year	<u>\$ 273,479</u>	<u>\$ 194,172</u>

(28) Changes in liabilities from financing activities

	Year ended December 31, 2025				
	Short-term borrowings	Bonds payable (Included exercisable put options on corporate bonds, current portion)	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	\$ -	\$ 18,403,329	\$ 111,035	\$ 49,782	\$ 18,564,146
Changes in cash flow from financing activities	6,446,153	-	8,248	(48,907)	6,405,494
Payment of interest expense on lease liabilities (Note)	-	-	-	(2,259)	(2,259)
Amortization of convertible bonds discount (Note)	-	385,277	-	-	385,277
Changes in other non-cash items	-	-	-	113,738	113,738
At December 31	<u>\$ 6,446,153</u>	<u>\$ 18,788,606</u>	<u>\$ 119,283</u>	<u>\$ 112,354</u>	<u>\$ 25,466,396</u>

	Year ended December 31, 2024			
	Bonds payable	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
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>

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
Freedom International Group Ltd. (Freedom)	The Company's subsidiary
G.B.T. Inc. (G.B.T.-USA)	"

Names of related parties	Relationship with the Company
G.B.T. Technology Trading GmbH (G.B.T.-DE)	The Company's subsidiary
Nippon Giga-Byte Corp. (G.B.T.-Japan)	"
GBT Tech. Co. Ltd. (G.B.T.-UK)	"
Giga-Byte Technology B.V. (G.B.T.-NL)	"
Gigabyte Technology Pty. Ltd. (G.B.T.-AU)	"
Giga Investment Corp. (Giga Investment)	"
Gigabyte Technology (India) Private Limited (G.B.T.-India)	"
G-Style Co., Ltd. (G-Style)	"
BYTE International Co., Ltd. (BYTE International)	"
Gigabyte Technology ESPANA S.L.U. (G.B.T.-Spain)	"
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.)	"
MyelinTek Inc. (MyelinTek) (Note 1)	"
Charleston Investments Limited (Charleston)	The Company's indirect subsidiary
Giga Future Limited (Giga Future)	"
Gigabyte Canada Inc. (G.B.T.-Canada)	"
Dongguan Gigabyte Electronics Co., Ltd. (Dongguan Gigabyte)	"
Ningbo Boxinda Trading Co., Ltd. (Ningbo Boxinda) (Note 2)	"
Ningbo Gigabyte Technology Co., Ltd. (Ningbo Gigabyte)	"
Ningbo Zhongjia Technology Co. Ltd. (Ningbo Zhongjia)	"
Popxing Technology & Trading Co., Limited (Popxing Technology & Trading)	"
Giga-Trend International Investment Group Ltd. (Giga-Trend International Investment)	"
Selita Precision Co., Ltd. (Selita Precision)	"
Cloudmatrix Co., Ltd. (Cloudmatrix)	"
Ningbo BestYield Tech. Services Co., Ltd. (Ningbo BestYield)	"
Giga Computing Singapore Pte. Ltd. (G.C.T.-SG) (Note 3)	"
Gigabyte Technology Poland SP Z O.O. (G.B.T.-PL)	"
Bestyield (Thailand) Limited (Bestyield (Thailand))	"
Zaozhuang Bestyield Resources Recycling Co., Ltd. (Zaozhuang Bestyield)	"

Names of related parties	Relationship with the Company
OGS Europe B.V. (OGS)	The Company's indirect subsidiary
GIGAIPC Co., Ltd. (GIGAIPC)	"
Giga Computing Technology Inc. (G.C.T.-USA)	"
Senyun Precise Optical Co., Ltd. (Senyun Precise) (Note 4)	Other related party
Dongguan Senyun Precise Optical Co., Ltd. (Dongguan Senyun)	"

Note 1: In April 2025, the Company acquired a 100% equity interest in MyelinTek Inc. Accordingly, MyelinTek Inc. became a subsidiary of the Company starting from the second quarter of 2025.

Note 2: On April 10, 2024, Ningbo Giga-Byte International Trade Co., Ltd. was renamed as Ningbo Boxinda Trading Co., Ltd.

Note 3: On December 9, 2025, Aorus Pte. Ltd. was renamed as Giga Computing Singapore Pte. Ltd.

Note 4: In June 2025, the Company's subsidiary, Giga Investment, sold all the equity of Senyun Precise and its subsidiary, Dongguan Senyun to an investee accounted for using equity method. Consequently, the Company lost control over these second-tier subsidiary. Accordingly, Senyun Precise and Dongguan Senyun were reclassified as the Company's other related parties starting from the second quarter of 2025.

(2) Significant related party transactions

A. Operating revenue

	Year ended December 31	
	2025	2024
Sales of goods:		
Ningbo Zhongjia	\$ 29,739,153	\$ 22,654,599
G.B.T.-USA	23,627,651	16,932,554
Subsidiaries	4,573,938	2,380,174
Indirect subsidiaries	190,891	171,365
Revenue from processing:		
Subsidiaries	507,611	426,412
Indirect subsidiaries	61,457	15,972
	<u>\$ 58,700,701</u>	<u>\$ 42,581,076</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	
	2025	2024
Purchases of goods:		
Giga C.T.	\$ 1,420,235	\$ 36,670,696
Dongguan Gigabyte	1,090,559	763,847
Ningbo Gigabyte	722,688	645,388
Indirect subsidiaries	918	-
	<u>\$ 3,234,400</u>	<u>\$ 38,079,931</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	
	2025	2024
BYTE International	\$ 666,736	\$ 696,256
Ningbo BestYield	256,820	163,945
G.B.T.-USA	104,137	143,256
Subsidiaries	10,949	119,391
	<u>\$ 1,038,642</u>	<u>\$ 1,122,848</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	
	2025	2024
G.B.T.-NL	\$ 242,277	\$ 175,235
G.B.T.-India	54,594	49,550
G.B.T.-AU	62,067	48,810
Subsidiaries	89,609	68,361
	<u>\$ 448,547</u>	<u>\$ 341,956</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	
	2025	2024
G.B.T.-NL	\$ 179,278	\$ 157,225
Indirect subsidiaries	5,702	5,093
	<u>\$ 184,980</u>	<u>\$ 162,318</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 receivables

	Year ended December 31	
	2025	2024
Rent income:		
Giga C.T.	\$ 38,038	\$ 36,361
Subsidiaries	14,431	14,457
Indirect subsidiaries	3,623	1,663
Other related parties	3,536	3,536
Others:		
Giga C.T.	123,301	121,712
Subsidiaries	860	1,656
Indirect subsidiaries	1,240	2,305
	<u>\$ 185,029</u>	<u>\$ 181,690</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 after receipt of goods or 60 days for monthly billings.

G. Accounts receivable

	Year ended December 31	
	2025	2024
G.B.T.-USA	\$ 7,298,753	\$ 5,102,209
Ningbo Zhongjia	5,085,748	4,985,575
Giga C.T.	86,296	1,647,974
G-Style	1,394,181	312,966
Subsidiaries	61,973	60,040
Indirect subsidiaries	37,032	2,821,657
	<u>\$ 13,963,983</u>	<u>\$ 14,930,421</u>

H. Other receivables

	Year ended December 31	
	2025	2024
Agency procurement fees:		
Giga C.T.	\$ 17,329,194	\$ 18,226,441
Others:		
Subsidiaries	128,697	327,144
Indirect subsidiaries	718	1,523
	<u>\$ 17,458,609</u>	<u>\$ 18,555,108</u>

I. Accounts payable

	Year ended December 31	
	2025	2024
Dongguan Gigabyte	\$ 206,455	\$ 2,550,133
Ningbo Gigabyte	105,607	1,526,321
Giga C.T.	107,986	46,474
Indirect subsidiaries	29,123	9
	<u>\$ 449,171</u>	<u>\$ 4,122,937</u>

J. Other payables

	Year ended December 31	
	2025	2024
Dongguan Gigabyte	\$ 1,272,114	\$ -
Ningbo Gigabyte	578,449	-
Subsidiaries	171,992	122,079
Indirect subsidiaries	1,015	23,045
	<u>\$ 2,023,570</u>	<u>\$ 145,124</u>

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

			December 31, 2025
	No of shares	Objects	Consideration
MyelinTek	3,060,000	Common Stock shares	\$ 30,600
	No of shares	Objects	December 31, 2024
			Consideration
G.B.T.-Japan	180,000	Common Stock shares	\$ 372,600
Gigabyte Communications	3,007	"	52

(3) Key management compensation

	Year ended December 31	
	2025	2024
Salaries and other short-term employee benefits	\$ 962,364	\$ 717,172
Share-based payments	-	39,691
Post-retirement benefits	1,491	15,287
	<u>\$ 963,855</u>	<u>\$ 772,150</u>

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2025	December 31, 2024	Purpose
Pledged assets - non-current (accounted for as "Financial assets at amortized cost - non -current")			
- Time deposits	\$ 62,405	\$ 62,023	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

- (1) On November 14, 2025, the Company's Board of Directors resolved to purchase the properties located in Xindian District, New Taipei City from the non-related party for a total transaction amount of NTD 1.4 billion. The contract was signed on February 9, 2026.
- (2) On March 12, 2026, 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.

- (3) On November 14, 2025, the Company's Board of Directors resolved to issue its fifth unsecured convertible bonds overseas with a total issuance amount of up to USD 500 million. Due to recent significant fluctuations in the international financial markets, in order to seek the optimal timing for issuance and protect shareholders' interests, the Company's Board of Directors resolved on March 12, 2026, to extend the offering period by 3 months, until July 1, 2026.

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, 2025</u>	<u>December 31, 2024</u>
<u>Financial assets</u>		
Financial assets mandatorily measured at fair value through profit or loss	\$ 199,589	\$ 193,834
Financial assets at amortized cost		
Cash and cash equivalents	29,660,845	10,208,550
Financial assets at amortized cost	62,405	62,023
Notes receivable	-	2,029
Accounts receivable (including related parties)	23,872,666	1,579,356
Other receivables (including related parties)	17,800,210	19,047,000
Guarantee deposits paid	35,188	35,692
	<u>\$ 71,630,903</u>	<u>\$ 31,128,484</u>
<u>Financial liabilities</u>		
Financial liabilities held for trading	\$ -	\$ 2,216
Financial liabilities at amortized cost		
Short-term borrowings	6,446,153	-
Notes payable	6,792	10,785
Accounts payable (including related parties)	14,419,553	14,572,823
Other payables (including related parties)	18,873,731	10,224,406
Bonds payable (included exercisable put options on corporate bonds, current portion)	18,788,606	18,403,329
Guarantee deposits received	119,283	111,035
Lease liabilities	112,354	49,782
	<u>\$ 58,766,472</u>	<u>\$ 43,374,376</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, EUR 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	\$ 1,306,513	31.438	\$ 41,074,156
RMB:NTD	396,621	4.498	1,784,001
EUR:NTD	12,742	36.905	470,244
<u>Non-monetary items</u>			
USD:NTD	\$ 6,349	31.438	199,600
<u>Investments accounted for using equity method</u>			
USD:NTD	\$ 343,593	31.438	\$ 10,801,741
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 879,530	31.438	\$ 27,650,664
RMB:NTD	583,700	4.498	2,625,483

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

- 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, 2025 and 2024 amounted to loss of \$1,226,409 and gains of \$824,787, respectively.

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

Year ended December 31, 2025				
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%	\$ 410,742	\$	-
RMB:NTD	1%	17,840		-
EUR:NTD	1%	4,702		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 276,507	\$	-
RMB:NTD	1%	26,255		-
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		-

Price risk

- The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- The Company investments in beneficiary certificates. The prices of equity securities would change due to the change of the future value of investee companies.

Cash flow and fair value interest rate risk

- 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, 2025 and 2024, if market interest rates had 1 % higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2025 and 2024 would have been \$1,996 and \$1,938 higher/lower, respectively.
 - iii. The Company's main interest rate risk arises from short-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's borrowings mainly bear variable interest rate. During the years ended December 31, 2025, the Company's borrowings were denominated in NTD and USD.
 - iv. At December 31, 2025 and 2024, if interest rates on borrowings had been 0.25% higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2025 and 2024 would have been \$16,115 and \$0 lower/higher. The main factor is that changes in interest expense result from floating rate borrowings.
- (b) Credit risk
- i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments at fair value through profit or loss.
 - ii. The bond fund held by the Company was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Company trades with several securities investment trust companies, credit risk is low.
 - iii. The Company has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Company is the total amount of all book value.
 - iv. The Company manages their credit risk taking into consideration the entire Company's concern. According to the Company's credit policy, each local entity in the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
 - v. The Company adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

- vi. The Company adopts following assumptions under IFRS 9 to assess whether these has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vii. The Company classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collaterals. The Company applies the simplified approach to estimate expected credit loss under the provision matrix basis.
- viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
- (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayment;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- ix. The Company used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2025 and 2024, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31 to 60 days past due
<u>December 31, 2025</u>			
Expected loss rate	1.60%	4.02%	9.52%
Total book value	\$ 7,350,195	\$ 1,815,557	\$ 580,078
Loss allowance	<u>\$ 43,158</u>	<u>\$ 33,352</u>	<u>\$ 49,345</u>
	61 to 90 days past due	Over 90 days	Total
Expected loss rate	41.75%	100.00%	
Total book value	\$ 306,326	\$ 85,108	\$ 10,137,264
Loss allowance	<u>\$ 76,502</u>	<u>\$ 26,224</u>	<u>\$ 228,581</u>

	<u>Not past due</u>	<u>Up to 30 days past due</u>	<u>31 to 60 days past due</u>
<u>December 31, 2024</u>			
Expected loss rate	1.19%	1.87%	3.20%
Total book value	\$ 14,405,173	\$ 1,566,623	\$ 533,408
Loss allowance	<u>\$ 12,854</u>	<u>\$ 10,809</u>	<u>\$ 8,506</u>
	<u>61 to 90 days past due</u>	<u>Over 90 days</u>	<u>Total</u>
Expected loss rate	16.55%	100.00%	
Total book value	\$ 195,655	\$ 149,675	\$ 16,850,534
Loss allowance	<u>\$ 32,380</u>	<u>\$ 137,050</u>	<u>\$ 201,599</u>

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

	<u>2025</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Total</u>
At January 1	\$ -	\$ 201,599	\$ 201,599
Provision for impairment	-	26,982	26,982
At December 31	<u>\$ -</u>	<u>\$ 228,581</u>	<u>\$ 228,581</u>
	<u>2024</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Total</u>
At January 1	\$ -	\$ 35,219	\$ 35,219
Provision for impairment	-	167,766	167,766
Write-offs	-	(1,386)	(1,386)
At December 31	<u>\$ -</u>	<u>\$ 201,599</u>	<u>\$ 201,599</u>

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts to \$223,313 and \$64,202 on December 31, 2025 and 2024, respectively. For provisioned loss for the years ended December 31, 2025 and 2024, the impairment gains and losses arising from customers' contracts amounted to loss of \$26,982 and loss \$167,766, 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 invested in interest bearing 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 \$21,223,140.
- 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 short-term borrowings, notes payable, accounts payable (including related parties), other payables (including related parties) 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, 2025	Less than 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	\$ 46,819	\$ 35,421	\$ 34,473	\$ 116,713
Bonds payable (Included exercisable put options on corporate bonds, current portion)	9,804,347	10,219,532	-	20,023,879
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

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.

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 (including related parties), guarantee deposits paid, short-term borrowings, notes payable, accounts payable (including related parties), other payables (including related parties), guarantee deposits received and lease liability) are approximate to their fair values.

	December 31, 2024			
	Book value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable (Included exercisable put options on corporate bonds,current portion)	<u>\$ 18,788,606</u>	<u>\$ -</u>	<u>\$ 18,967,783</u>	<u>\$ -</u>

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

The fair value of the convertible bonds mentioned above is measured using a report provided by a third-party valuation firm, the binary tree-based convertible bond valuation model is adopted to estimate the bond value and the call option value based on the stock price volatility at the end of the period, the risk-free interest rate, the risk discount rate, and the liquidity risk.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities as at December 31, 2025 and 2024 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, 2025</u>				
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Debt instruments	\$ -	\$ 199,589	\$ -	\$ 199,589
	<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	\$ -	\$ 193,834	\$ -	\$ 193,834
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value				
through profit or loss				
Derivative instruments	\$ -	\$ 2,216	\$ -	\$ 2,216

(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 bond and corporate bond</u>
Market quoted price	Closing price	Net asset value	Market price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.
- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

- iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitized instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions.
- v. The 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, 2025 and 2024, there was no transfer between Level 1 and Level 2.

E. For the years ended December 31, 2025 and 2024, 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 significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. 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 3.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 4.
- F. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 8.

14. SEGMENT INFORMATION

None.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2025

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, 2025	Outstanding endorsement/ guarantee amount at December 31, 2025 (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	\$ 1,163,448	\$ 273,511 (USD 8,700)	\$ 273,511 (USD 8,700)	\$ 273,511 (USD 8,700)	\$ -	0.48%	\$ 17,730,048	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 \$31.438 as of the balance sheet date.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
December 31, 2025

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, 2025				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	-	\$ 194,601	-	<u>\$ 199,589</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		<u>4,988</u>			
					<u>\$ 199,589</u>			
Giga-Trend International Investment Group Ltd.	Unlisted stocks - Castec International Crop. etc.	None	Financial assets at fair value through profit or loss-current	Omitted	\$ 266,719	0.17%~13.2%	<u>\$ 317,194</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		<u>50,475</u>			
					<u>\$ 317,194</u>			
Giga Investment Corp.	Unlisted stocks - Taiwan Truewin Technology Co., Ltd.	None	Financial assets at fair value through profit or loss-current	Omitted	\$ 105,779	1.83%~10.56%	<u>\$ 233,527</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		<u>127,748</u>			
					<u>\$ 233,527</u>			
	Beneficiary certificates - NEXUS CVC Partners Fund LP.	"	Financial assets at fair value through profit or loss-non current	-	\$ 150,000	10.73%	<u>\$ 159,755</u>	
			Valuation adjustment of financial assets at fair value through profit or loss		<u>9,755</u>			
					<u>\$ 159,755</u>			
	Listed stocks - Walsin Technology Corporation etc.	"	Financial assets at fair value through other comprehensive income-non current	Omitted	\$ 934,387	1.37%~ 9.37%	<u>\$ 1,621,771</u>	
			Valuation adjustment of financial assets at fair value through other comprehensive income		<u>687,384</u>			
					<u>\$ 1,621,771</u>			

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

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, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidiary	(Sales)	(\$ 23,627,651)	(18%)	45 days upon receipt of goods	The price was based on the contract price	Normal	\$ 7,298,753	30%	
	Giga-Byte Technology B.V.	"	"	(915,122)	(1%)	30 days upon receipt of goods	"	"	61,973	-	
	G-Style Co., Ltd.	"	"	(3,161,761)	(2%)	60 days upon receipt of goods	"	"	1,394,181	6%	
	Giga Computing Technology Co., Ltd.	"	"	(495,243)	-	60 days upon receipt of goods	"	"	86,296	-	
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidiary	"	(29,739,153)	(23%)	90 days upon receipt of goods	"	"	5,085,748	21%	
	Giga Computing Technology Co., Ltd.	Parent-subsidiary	Purchases	1,420,235	1%	60 days upon receipt of goods	"	"	(107,986)	(1%)	
	Dongguan Gigabyte Electronics Co.,Ltd.	Parent-indirect subsidiary	"	1,090,559	1%	60 days after billing	"	"	(206,455)	(1%)	
	Ningbo Gigabyte Technology Co., Ltd.	"	"	722,688	1%	60 days after billing	"	"	(105,607)	(1%)	
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	(Sales)	(3,106,841)	(94%)	60 days upon receipt of goods	"	"	1,443,845	98%	
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidiary-indirect subsidiary	(Sales)	(3,236,008)	(2%)	60 days upon receipt of goods	"	"	985,602	5%	
	GIGAIPC Co., Ltd.	"	"	(1,407,954)	(1%)	60 days after billing	"	"	186,264	1%	
	Ningbo Zhongjia Technology Co., Ltd.	"	"	(247,997)	-	90 days upon receipt of goods	"	"	15,629	-	
	Ningbo Gigabyte Technology Co., Ltd.	Sister companies	Purchases	168,811	-	60 days after billing	"	"	(21,959)	-	
G.B.T. Inc.	BYTE International Co., Ltd.	"	(Sales)	(107,348)	-	60 days upon receipt of goods	"	"	12,441	-	

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, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025 (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-subsidiary	\$ 7,298,753	3.81	\$ -	-	\$ 1,970,695	\$ -
	Giga Computing Technology Co., Ltd.	"	17,540,655	10.38	-	-	30,028	-
	G-Style Co., Ltd.	"	1,394,217	3.70	-	-	302,482	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidiary	5,085,748	5.91	-	-	1,561,616	-
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	1,443,845	3.54	-	-	532,458	-
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidiary-indirect	985,602	3.28	-	-	350,606	-
	GIGAIPC Co., Ltd.	"	187,253	7.71	-	-	91,420	-
Dongguan Gigabyte Electronics Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB 229,127 thousand	5.55	-	-	RMB 214,446 thousand	-
Ningbo Gigabyte Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidiary	RMB 142,712 thousand	7.73	-	-	RMB 108,985 thousand	-
	Giga Computing Technology Co., Ltd.	Sister companies	RMB 203,359 thousand	5.77	-	-	RMB 42,605 thousand	-

Note 1: Including other receivables.

Note 2: The amount represents collections subsequent to December 31, 2025 up to January 31, 2026.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Year ended December 31, 2025

Table 5

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	\$ 915,122	Note 5	-
	"	"	Marketing service charge	242,277	Note 3	-
	"	"	Service charge	179,278	"	-
	G.B.T. Inc.	Parent company to subsidiary	Sales	23,627,651	Note 6	7%
	"	"	Accounts receivable	7,298,753	"	5%
	"	"	After-sale service fees	104,137	Note 3	-
	G-Style Co., Ltd.	Parent company to subsidiary	Sales	3,161,761	Note 4	1%
	"	"	Accounts receivable	1,394,181	"	1%
	Giga Computing Technology Co., Ltd.	Parent company to subsidiary	Processing revenue	507,611	Note 2	-
	"	"	Sales	495,243	Note 4	-
	"	"	Other revenue	123,301	"	-
	"	"	Other receivables	17,454,359	"	11%
	"	"	Purchases	1,420,235	"	-
	"	"	Accounts payable	107,986	"	-
	BYTE International Co., Ltd.	Parent company to isubsiary	After-sale service fees	666,736	Note 3	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent company to indirect subsidiary	Sales	29,739,153	Note 1	9%
	"	"	Accounts receivable	5,085,748	"	3%
	Dongguan Gigabyte Electronics Co.,Ltd.	Parent company to indirect subsidiary	Purchases	1,090,559	Note 2	-
	"	"	Accounts payable	206,455	"	-
	"	"	Other payable	1,272,114	"	1%
	Ningbo Gigabyte Technology Co., Ltd.	Parent company to indirect subsidiary	Purchases	722,688	"	-
	"	"	Accounts payable	105,607	"	-
	"	"	Other payable	578,449	"	-
Giga-Byte Technology B.V.	Ningbo BestYield Tech. Services Co.,Ltd.	Parent company to indirect subsidiary	After-sale service fees	256,820	Note 3	-
	G.B.T. Technology Trading GmbH	Subsidiary to subsidiary	Marketing service charge	207,746	Note 5	-
G-Style Co., Ltd.	G.B.T. Inc.	Subsidiary to subsidiary	Sales	3,106,841	Note 4	1%
	"	"	Accounts receivable	1,443,845	"	1%
Giga Computing Technology Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Subsidiary to subsidiary	Sales	247,997	Note 1	-
	Ningbo Gigabyte Technology Co., Ltd.	Subsidiary to indirect subsidiary	Purchases	168,811	Note 2	-
	"	"	Other payable	930,559	"	1%
	Giga Computing Technology Inc.	Subsidiary to indirect subsidiary	Sales	3,236,008	Note 4	1%

Transaction						
Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidiary to indirect subsidiary	Accounts receivable	\$ 985,602	Note 4	1%
	GIGAIPC Co., Ltd.	Subsidiary to indirect subsidiary	Sales	1,407,954	Note 2	-
	"	"	Accounts receivable	186,264	"	-
	BYTE International Co., Ltd.	Subsidiary to subsidiary	After-sale service fees	134,002	Note 3	-
G.B.T. Inc	BYTE International Co., Ltd.	Subsidiary to subsidiary	Sales	107,348	Note 4	-

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 60 days upon receipt of goods.

Note 5 : Credit terms were 30 days upon receipt of goods.

Note 6 : Credit terms were 45 days upon receipt of goods.

Note 7 : Transactions listed above are amount reaching NT\$100 million.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Information on investees
Year ended December 31, 2025

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income(loss) recognized by the Company for the year ended December 31, 2025	Footnote
				Balance as at December 31, 2025	Balance as at December 31, 2024	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	\$10,226,923	\$ 853,021	\$ 799,779	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Investment Corp.	Taiwan	Holding company	2,815,000	2,815,000	297,756,500	100.00	3,872,136	220,483	220,483	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	104,637	119,436	22,328	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	BYTE International Co., Ltd.	Taiwan	Selling of PC peripherals	583,709	583,709	31,000,000	100.00	475,413	75,656	75,656	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	MyelinTek Inc.	Taiwan	Software service	100,600	70,000	749,999,993	100.00	42,308	950	(4,908)	The Company's subsidiary (Note 1)
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	10,390,431	6,627,122	5,572,097	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	123,370	35,714	35,714	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	36,068	3,289	3,289	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Marketing of computer information products	380,675	380,675	183,000	100.00	380,497	1,344	1,344	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	468,608	12,103	12,103	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	66,819	3,198	3,198	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	29,138	14,335	14,335	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	10,775	(1,340)	(1,340)	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	451,448	311,465	41,703	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	2,560	962	962	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC	South Korea	Marketing of computer information products	22,534	22,534	168,000	100.00	41,376	5,009	5,009	The Company's subsidiary
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	1,844,922	1,844,922	57,032,142	100.00	3,537,163	589,388	-	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	1,958,652	311,465	-	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	3,398,658	128,410	-	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	-	(53,373)	-	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	1,302	208	-	The Company's indirect subsidiary

				Initial investment amount		Shares held as at December 31, 2025			Investment income(loss) recognized by the Company for the year ended December 31, 2025		Footnote
Investor	Investee	Location	Main business activities	Balance as at December 31, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2025		
Giga Investment Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	\$ 547,050	\$ 547,050	60,000,000	100.00	\$ 718,137	\$ 86,057	-	The Company's indirect subsidiary
Giga Investment Corp.	Senyun Precise Optical Co., Ltd.	Taiwan	Manufacturing and selling of optical lens	-	1,547,410	-	-	-	(2,895)	-	Note 2
Giga Investment Corp.	Selita Precise Co., Ltd.	Taiwan	Manufacturing, wholesale and retail of bicycle and parts	50,000	50,000	5,000,000	100.00	59,818	9,122	-	The Company's indirect subsidiary
Giga Investment Corp.	Cloudmatrix Co., Ltd.	Taiwan	E-commerce platform	30,200	30,200	3,000,000	100.00	29,114	(1,605)	-	The Company's indirect subsidiary
Giga Investment Corp.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	392,000	392,000	11,200,000	23.53	380,473	(53,908)	-	Subsidiary's investee company accounted for under the equity method
Giga Investment Corp.	Da Shiang Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	12,500	12,500	1,250,000	25.00	1,346	(18,276)	-	Subsidiary's investee company accounted for under the equity method
Giga Investment Corp.	GIGA-IMAGE Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	100,000	-	10,000,000	29.41	94,661	(18,078)	-	Subsidiary's investee company accounted for under the equity method
BYTE International Co., Ltd.	Giga Computing Singapore Pte. Ltd.	Singapore	Marketing of computer information products	-	60,757	-	-	-	(474)	-	Note 3
BYTE International Co., Ltd.	Gigabyte Technology Poland SP Z O.O.	Poland	Marketing and maintenance of computer information products	13,997	13,997	100	100.00	15,883	(967)	-	The Company's indirect subsidiary
BYTE International Co., Ltd.	Bestyield (Thailand) Limited	Thailand	Marketing and maintenance of computer information products	3,907	-	400,000	100.00	2,740	(1,217)	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	GIGAIPC Co., Ltd.	Taiwan	Sales of computer information products	120,000	120,000	13,200,000	74.16	305,507	158,154	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	U.S.A.	Sales of computer information products	3,074	3,074	10,000	100.00	(109,781)	60,848	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	We Solutions Techology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	210,000	210,000	7,000,000	20.00	218,870	26,309	-	Subsidiary's investee company accounted for under the equity method
Giga Computing Technology Co., Ltd.	Giga Computing Singapore Pte. Ltd.	Singapore	Marketing of computer information products	60,757	-	3,054,600	100.00	23,830	(480)	-	The Company's indirect subsidiary (Note 3)
Giga-Trend International Investment Group Ltd.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	51,480	51,480	1,716,000	3.61	58,329	(53,908)	-	Subsidiary's investee company accounted for under the equity method
Selita Precision Co., Ltd.	P.R.C.E. Ltd.	Taiwan	Retail sale of electrical appliances	8,145	1,230	845,517	38.42	7,969	(1,058)	-	Subsidiary's investee company accounted for under the equity method (Note 4)
Ningbo BestYield Tech. Services Co., Ltd.	OGS Europe B.V.	Netherlands	Selling of communications	12,443	12,443	3,000	100.00	49,842	(1,249)	-	The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Popxing Technology & Trading Co., Limited	Hong Kong	Sales of computer information products	225,680	225,680	-	100.00	227,894	7,014	-	The Company's indirect subsidiary

Note 1: Provided in Note 4(3) B Note 1.
Note 2: Provided in Note 4(3) B Note 2.
Note 3: Provided in Note 4(3) B Note 3.
Note 4: Provided in Note 6(7) F.

Table 7

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, 2025														
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, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee as of December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2025	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025		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	\$ 112,631	100.00	\$ 103,297	\$ 1,725,504	\$ -		The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	259,752	Note 1	259,752	-	-	259,752	480,712	100.00	480,712	1,688,250	-		The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	109,853	Note 3	-	-	-	-	451,229	100.00	451,229	1,374,489	-		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	148,976	100.00	148,976	3,317,401	-		The Company's indirect subsidiary
Ningbo BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	181,923	Note 2	165,515	-	-	165,515	13,171	100.00	13,171	304,261	-		The Company's indirect subsidiary
Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	5,507	Note 3	-	-	-	-	186	100.00	186	8,723	-		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, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)		Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Giga-Byte Technology Co., Ltd.	\$ 4,386,518	\$ 4,402,053	\$	36,719,522

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, 2025

Table 8

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

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing						Footnote
	Amount	%	Amount	%	Amount	%	Amount	Purpose	Maximum balance during the year ended December 31, 2025	Balance at December 31, 2025	Interest rate	Interest during the year ended December 31, 2025	Others		
Ningbo Zhongjia Technology Co., Ltd.	\$ 29,736,153	23	\$ -	-	\$ 5,085,748	21	\$ -	-	\$ -	\$ -	-	\$ -	-	-	
Ningbo Gigabyte Technology Co., Ltd.	20,557	-	-	-	-	-	-	-	-	-	-	-	-	-	
"	(722,688)	(1)	-	-	(105,607)	(1)	-	-	-	-	-	-	- Other payables	\$578,449	
Dongguan Gigabyte Electronics Co., Ltd.	8,583	-	-	-	-	-	-	-	-	-	-	-	-	-	
"	(1,090,559)	(1)	-	-	(206,455)	-	-	-	-	-	-	-	- Other payables	\$1,272,114	
Ningbo BestYield Tech. Services Co., Ltd.	53,356	-	-	-	7,732	-	-	-	-	-	-	-	- After-sale service fees	\$256,820	
Ningbo Zhongjia Technology Co., Ltd.	247,997	-	-	-	15,629	-	-	-	-	-	-	-	-	-	Note 1
Ningbo Gigabyte Technology Co., Ltd.	(168,811)	-	-	-	(21,959)	-	-	-	-	-	-	-	- Other payables	\$930,559	Note 2

Note 1: Giga Computer Technology Co., Ltd. sales goods to Ningbo Zhongjia Technology Co., Ltd.

Note 2: Giga Computer Technology Co., Ltd. purchases goods from Ningbo Gigabyte Technology Co., Ltd.

Note 3: Transactions listed above are amounts reaching NT\$100 million.

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2025

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

Statement 1

Item	Description	Amount	Note
Cash on hand and revolving funds		\$ 2,614	
Check deposits		420,000	
Demand deposits			
—NTD		2,234,292	
—USD	USD 52,746 thousand, conversion rate at 31.438	1,658,215	
—RMB	RMB 376,065 thousand, conversion rate at 4.498	1,691,539	
—Other foreign currencies		225,432	
Time deposits			
—NTD	Annual interest rate is 1.57%~1.65%	22,600,000	
—USD	Annual interest rate is 3.60%~3.70%	738,793	
—RMB	Annual interest rate is 1.44%	89,960	
		<u>\$ 29,660,845</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2025

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

Statement 2

Customers	Amount	Note
<u>Non-related parties</u>		
AA Company	\$ 562,302	
DD Company	1,376,234	
		None of the balances of each client is greater than 5% of this
Others	8,198,728	account balance.
	10,137,264	
Less: Allowance for uncollectible accounts	(228,581)	
	<u>\$ 9,908,683</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OTHER RECEIVABLES - RELATED PARTIES
DECEMBER 31, 2025

(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 - Giga C.T.		\$ 17,329,194	
Other		129,415	None of the balances of each remaining item is greater than 5% of this account balance.
		<u>\$ 17,458,609</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.

STATEMENT OF INVENTORIES

DECEMBER 31, 2025

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

Statement 4

Item	Amount		Note
	Cost	Net Realizable Value	
Raw materials	\$ 7,042,029	\$ 7,080,992	
Work in progress	119,594	118,050	
Finished goods and merchandise	10,968,913	12,825,408	
	18,130,536	<u>\$ 20,024,450</u>	
Less: Allowance for valuation loss on inventories	(418,712)		
	<u>\$ 17,711,824</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, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 5

	Balance at January 1, 2025		Addition(Note 1)		Deductions (Note 2)		Other adjustments (Note 3)	Balance at December 31, 2025			Market Value or Net Assets Value			
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Shares	Percentage of Ownership	Amount	Unit Price	Total Amount	Collateral	Note
G.B.T. Technology Trading GmbH	-	\$ 421,678	-	\$ 12,103	-	\$ -	\$ 34,827	-	100%	\$ 468,608	\$ -	\$ 468,608	None	
G.B.T. Inc.	54,116	429,947	-	41,703	-	-	(20,202)	54,116	22.64%	451,448	8,342	451,448	"	
GBT Tech. Co., Ltd.	800,000	31,778	-	3,289	-	-	1,001	800,000	100%	36,068	45	36,068	"	
Giga-Byte Technology B.V.	8,500	221,790	-	35,714	-	(137,193)	3,059	8,500	100%	123,370	14,514	123,370	"	
Gigabyte Technology Pty. Ltd.	2,400,000	61,638	-	3,198	-	-	1,983	2,400,000	100%	66,819	28	66,819	"	
Gigabyte Technology (India) Private Limited	4,600,000	19,782	-	14,335	-	-	(4,979)	4,600,000	100%	29,138	6	29,138	"	
Freedom International Group Ltd.	176,571,692	9,588,389	-	799,778	-	-	(161,244)	176,571,692	100%	10,226,923	58	10,226,923	"	
Nippon Giga-Byte Corp.	183,000	396,122	-	1,344	-	-	(16,969)	183,000	100%	380,497	2,079	380,497	"	
Gigabyte Technology ESPANA S.L.U.	5,000	11,217	-	-	-	(1,340)	898	5,000	100%	10,775	2,155	10,775	"	
Gigabyte Information Technology Commerce Limited Company	8,000	2,102	-	962	-	-	(504)	8,000	100%	2,560	320	2,560	"	
G-Style Co., Ltd.	12,000,000	119,277	-	22,328	-	(34,875)	(2,093)	12,000,000	100%	104,637	9	104,637	"	
BYTE International Co., Ltd.	31,000,000	393,647	-	75,656	-	-	6,110	31,000,000	100%	475,413	15	475,413	"	
Giga Investment Corp.	297,756,500	3,644,968	-	220,483	-	(74,462)	81,147	297,756,500	100%	3,872,136	13	3,872,136	"	
Gigabyte Technology LLC	168,000	36,364	-	5,009	-	-	3	168,000	100%	41,376	246	41,376	"	
Giga Computing Technology Co., Ltd.	108,498,000	6,968,513	-	5,572,097	-	(2,169,960)	19,781	108,498,000	83.93%	10,390,431	96	10,390,431	"	
Myelin Tek Inc.	299,999,995	57,329	449,999,998	30,600	-	(4,908)	(40,713)	749,999,993	100%	42,308	-	42,308	"	
		\$ 22,404,541		\$ 6,838,599		(\$ 2,422,738)	(\$ 97,895)			\$ 26,722,507				

Note 1: Current additions include recognition of investment income of \$6,807,999 and additional investment of \$30,600.

Note 2: Current deductions include recognition of investment loss of \$6,248 and appropriated retained earnings of \$2,416,490.

Note 3: Other adjustments include exchange differences on translation of foreign operations amounting to (\$157,270), unrealized gain on financial assets at fair value through other comprehensive income of \$93,896, and recognition of changes in net equity of associates accounted for using equity method of (\$4,358), recognition of change in ownership interests in subsidiaries \$12,144 and , organizational restructuring (\$1,594) and Loss on disposals of investments(\$40,713).

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 6

Item	Balance as of January 1, 2025	Additions	Deductions	Transferred	Balance as of December 31, 2025	Guaranteed or pledged as collateral	Note
<u>Cost</u>							
Land	\$ 1,231,036	\$ -	\$ -	\$ -	\$ 1,231,036	None	
Buildings and structures	1,787,819	66,661	(483)	28,097	1,882,094	"	
Machinery and equipment	1,189,387	40,604	(19,277)	13,848	1,224,562	"	
Others	677,459	126,708	(61,538)	11,127	753,756	"	
	<u>\$ 4,885,701</u>	<u>\$ 233,973</u>	<u>(\$ 81,298)</u>	<u>\$ 53,072</u>	<u>\$ 5,091,448</u>		
<u>Accumulated depreciation</u>							
Buildings and structures	(792,066)	(45,728)	483	-	(837,311)		
Machinery and equipment	(945,190)	(93,231)	19,277	-	(1,019,144)		
Others	(472,821)	(84,820)	61,538		(496,103)		
	<u>(2,210,077)</u>	<u>(\$ 223,779)</u>	<u>\$ 81,298</u>	<u>\$ -</u>	<u>(2,352,558)</u>		
	<u>\$ 2,675,624</u>				<u>\$ 2,738,890</u>		

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2025

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

Statement 7

Nature	Description	Ending Balance	Contract Period	Range of Interest Rate	Credit Line	Collateral	Note
Credit loans	Mega Bank	\$ 2,843,838	2025.11.24~2026.05.22	4.408%	\$ 3,000,000	None	
"	Yuanta Bank	2,843,838	2025.11.24~2026.05.22	4.350%	3,000,000	"	
"	HSBC Bank	758,477	2025.12.24~2026.03.26	4.080%~4.100%	785,950	"	
		<u>\$ 6,446,153</u>					

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2025

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

Statement 8

Name of suppliers	Amount	Note
<u>Non-related parties</u>		
BB Company	\$ 3,547,431	
CC Company	1,014,157	
HH Company	874,710	
Others		None of the balances of each supplier is greater than 5% of this account balance.
	8,534,084	
	<u>\$ 13,970,382</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2025

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

Statement 9

Item	Description	Amount	Note
Agency procurement fees payable		\$ 10,107,447	
Salaries and bonus payable		4,318,079	
Employees' compensation and directors' remuneration payable		1,249,042	
Other		1,175,593	None of the balances of each remaining item is greater than 5% of this account balance.
		<u>\$ 16,850,161</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.

STATEMENT OF BONDS PAYABLE

DECEMBER 31, 2025

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

Statement 10

Bonds Name	Trustee	Issuance Date	Interest Payment Date	Coupon Rate	Amount			Unamortized Premiums (Discounts)	Carrying Amount	Repayment		
					Issuance Amount	Paid	Ending Balance			Term	Collateral	Note
Third unsecured Convertible bonds overseas	Citicorp International Limited	2023/7/27	Note 1	0%	\$ 9,804,347	\$ -	\$ 9,804,347	(\$ 507,304)	\$ 9,297,043	Note 1	None	Note 3
Fourth unsecured Convertible bonds overseas	Citicorp International Limited	2024/7/23	Note 2	0%	10,219,532	-	10,219,532	(727,969)	9,491,563	Note 2	"	Note 3
					<u>\$ 20,023,879</u>	<u>\$ -</u>	<u>\$ 20,023,879</u>	<u>(\$ 1,235,273)</u>	<u>\$ 18,788,606</u>			
Less: Exercisable put options on corporate bonds, current portion (accounted for as 'Long-term liabilities,current portion')									(9,297,043)			
									<u>\$ 9,491,563</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 Note 6(13).

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Statement 11

Item	Quantities	Amount	Note
Computer parts	17,526 thousand pieces	\$ 123,259,172	
Networking communication products	112 thousand pieces	1,755,408	
Others			None of the balances of each remaining item is greater than 5% of this account balance.
		<u>11,264,450</u>	
		136,279,030	
Less: sales returns and discounts		(6,104,223)	
		<u>\$ 130,174,807</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Statement 12

Item	Amount
Opening balance of merchandise	\$ 1,052,230
Add: Purchases during the year	7,025,251
Less: Ending balance of merchandises	(1,723,628)
Merchandises reclassified as expenses	(29,378)
Cost of purchasing and selling	<u>6,324,475</u>
Raw materials at beginning of year	5,113,118
Add: Purchases in the year	106,700,638
Less: Raw materials at end of year	(7,042,029)
Raw materials reclassified for sale	(6,971,147)
Raw materials reclassified as expenses	(350,829)
Direct raw materials used	97,449,751
Direct labour	405,134
Manufacturing expense	<u>2,801,497</u>
Manufacturing cost	100,656,382
Add: Opening balance of work in progress	1,211,705
Purchases during the year	1,698
Less: Ending balance of work in progress	(119,594)
Work in progress reclassified for sale	(9,421)
Work in progress reclassified as expenses	(66,826)
Cost of finished goods	101,673,944
Add: Opening balance of finished goods	4,926,087
Purchases during the year	2,552,826
Less: Ending balance of finished goods	(9,245,285)
Finished goods reclassified as expenses	(202,467)
Cost of goods manufactured and sold	<u>99,705,105</u>
Cost of raw materials sold	6,971,147
Cost of work in progress sold	<u>9,421</u>
Cost of goods sold	113,010,148
Warranty cost of after-sale service	1,453,333
Inventory valuation gain	(62,391)
Operating costs	<u><u>\$ 114,401,090</u></u>

GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Statement 13

Item	Description	Amount	Note
Wages and salaries		\$ 1,191,613	
Export expense		1,166,776	
Marketing service charge		982,371	
Advertising expense		391,473	
Service charge		362,180	
Other expenses			None of the balances of each remaining item is greater than 5% of this account balance.
		824,529	
		<u>\$ 4,918,942</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Statement 14

Item	Description	Amount	Note
Wages and salaries		\$ 1,338,068	
Other		702,662	None of the balances of each remaining item is greater than 5% of this account balance.
		<u>\$ 2,040,730</u>	

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GIGA-BYTE TECHNOLOGY CO., LTD.
STATEMENT OF RESEARCH AND DEVELOPEMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Statement 15

Item	Description	Amount	Note
Wages and salaries		\$ 1,247,242	
Research and experimentation expenses		250,269	
Other		392,621	None of the balances of each remaining item is greater than 5% of this account balance.
		<u>\$ 1,890,132</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, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 16

Function Nature	Year ended December 31, 2025			Year ended December 31, 2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense						
Wages and salaries	\$ 831,425	\$ 3,769,932	\$ 4,601,357	\$ 704,340	\$ 2,714,808	\$ 3,419,148
Labour and health insurance fees	98,688	122,376	221,064	81,657	101,983	183,640
Pension costs	25,506	65,125	90,631	23,899	54,575	78,474
Directors' remuneration	-	65,445	65,445	-	70,220	70,220
Other personnel expenses	60,539	80,757	141,296	59,349	79,426	138,775
Depreciation Expense	111,388	162,178	273,566	107,836	169,500	277,336
Amortization Expense	3,236	121,431	124,667	1,865	124,913	126,778

Note 1: As at December 31, 2025 and 2024, the Company had 2,332 and 2,157 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 \$2,173 and \$1,776 as well as \$1,978 and \$1,590 for the years ended December 31, 2025 and 2024, respectively; The variation in the adjustments of the average employee salaries and wages was 24.4% for the year ended December 31, 2025.

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

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 accumulated losses, 3%~10% of the distributable profit should be distributed as employees' remuneration. The Company has established the management measures for appointment and salary of new employees. Employees' remuneration includes monthly salary and bonus. Salary is referenced from the peer industry, taking into consideration of employees' position, job grade, education, experience and performance. Salary will be adjusted annually based on the Consumer Price Index and average annual salary adjustment within the peer industry.

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, 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Statement 16

- Note 5: The Company has established policies governing the remuneration to directors and managers, which is reviewed by the remuneration committee and resolved by the Board of Directors. Managers' remuneration includes monthly salary and bonus. Remuneration paid to managers is referenced from the peer industry, and bonus is distributed based on the Company's operating performance. Annual salary adjustment of managers is assessed by the remuneration committee 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 accumulated losses, no more than 3% of the distributable profit should be distributed as directors' remuneration. The Company has established policies governing the remuneration to directors and managers, which is reviewed by the remuneration committee and resolved by the Board of Directors. Remuneration of non-independent directors is based on proportional weights that calculated by board attendance rate, degree of operating participation and personal performance. Independent directors' remuneration includes salary and board conference attendance fees, depending on the content of the job. Independent directors do not participate in the distribution of earnings.