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GIGABYTE™

GIGA-BYTE TECHNOLOGY CO., LTD.

2018 ANNUAL GENERAL MEETING
MEETING AGENDA
(Translation)

June 11, 2018

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GIGA-BYTE TECHNOLOGY CO., LTD.

Agenda of the 2018 Annual Meeting of Shareholders

1. Time: 9:00 a.m., Monday, 11 June 2018

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

3. Calling the meeting to order

4. Performing acts of ceremony

5. Management presentations
   5.1 2017 business reports
   5.2 Audit Committee's review report on the 2017 financial statements
   5.3 Reports on the distribution of compensations to employees and directors in 2017
   5.4 Other matters

6. Adoptions
   Proposal 1: Adoption of the 2017 Business Report and Financial Statements (proposed by the Board)
   Proposal 2: Adoption of the Proposal for Distribution of 2017 Profits (proposed by the Board)

7. Proposals and discussions
   Amendment to the Company's "Articles of Incorporation" (proposed by the Board)

8. Elections
   To elect directors (proposed by the Board)

9. Others
   Releasing the restriction of the non-compete clause for new directors (proposed by the Board)

10. Questions and motions

11. Adjournment

1. Management presentations

1.1 2017 business reports

Explanation: Please refer to Appendix 1 2017 Business Report.

1.2 Audit Committee's review report on the 2017 financial statements

Explanation: Please refer to Appendix 2 Approval/Audit Report of the Audit Committee

1.3 Reports on the distribution of compensations to employees and directors in 2017 Explanation。

Explanation:

1. According to Article 28 of the Articles of Incorporation regarding the percentage of profits distributed to employees and directors, if there is profit in the year, this Company will appropriate 3-10% as compensations for employees and not more than 3% as compensations for directors.

2. In 2017, this Company plans to appropriate NT$342,967,946 and NT$46,000,000 as compensations for employees and directors respectively. The appropriation ratio is 10% and 1.34% respectively. Both are distributed in cash.

3. This proposal has been approved by the Compensations Committee Meeting and the Board Meeting.

1.4 Other matters: None.

2. Adoptions

Proposal 1: Adoption of the 2017 Business Report and Financial Statements (proposed by the Board)

Explanation:

1. The 2017 financial statements have been audited and certified by the certified public accountant.
2. Please refer to Appendix 1, Appendix 3-1, and Appendix 3-2 for the 2017 Business Report, CPA Audit Report, and Financial Statements of this Company.
3. The 2017 Business Report and 2017 Financial Statements have been approved by the Board meeting and audited by the Audit Committee.
4. Please adopt.

Resolution：

Proposal 2: Adoption of the Proposal for Distribution of 2017 Profits (proposed by the Board)

Explanation:

2017 net profit after tax was NT$ 2,786,411,469. After setting aside 10% as the legal reserve, the unappropriated portion will be distributed according to the Articles of Incorporation. Please refer to the 2017 Profit Distribution Table below for details.

GIGA-BYTE TECHNOLOGY CO., LTD.
PROFIT DISTRIBUTION TABLE
Year 2017

(Unit: NT$)

Items	Total
Beginning retained earnings	6,812,267,801
Other adjustments[3]	(30,701,831)
Add: 2017 Net profit before tax	3,040,711,517
Income tax expense	(254,300,048)
Net profit after tax	2,786,411,469
Less: 10% legal reserve	(278,641,147)
Distributable net profit	9,289,336,292
Cash dividend to shareholders@NT$4 (see note)	(2,542,755,544)
Unappropriated retained earnings	6,746,580,748

Note:

1. Profit of 2017 is prioritized for profit distribution this year.
2. The dividend of this year is calculated at 635,688,886 shares (shares circulated on the market by 13 April 2018).
3. Other adjustments: Actuarial losses on defined benefit plans NT$30,701,831.
4. Cash dividends will be distributed up to one dollar (rounded down values below NT$1). The odd amount will be combined to the Company's non-operating income.
5. With the approval of the cash dividend by the meeting of shareholders, the Board will be authorized to determine the base date and distribution date of dividends.

Resolution:

3. Proposals and Discussions

Amendment to the Company's "Articles of Incorporation" (proposed by the Board)

Explanation:

1. To amend the "Articles of Incorporation" in coordination with the practice needs of the Company.
2. Below shows the correspondence of the amendment to the "Articles of Incorporation". Please discuss.

Revised Edition	Previous Edition	Description
Article 17 This Company shall have five to nine (7-11) authorized directors elected from by the meeting of shareholders among competent shareholders. The term of each role shall be three (3) years, and each role is eligible for a second term. Items 2-6 (omitted)	Article 17 This Company shall have five to nine (5-9) authorized directors elected from by the meeting of shareholders among competent shareholders. The term of each role shall be three (3) years, and each role is eligible for a second term. Items 2-6 (omitted)	Amended in coordination with the practice needs of the Company.
Article 31 This "Articles of Incorporation" was established on March 24, 1986. 1st amendment was made on September 1, 1986. 2nd amendment was made on August 30, 1988. 3rd amendment was made on March 20, 1989. 4th amendment was made on June 3, 1991. 5th amendment was made on July 2, 1995. 6th amendment was made on May 15, 1996. 7th amendment was made on January 27, 1997. 8th amendment was made on April 19, 1997. 9th amendment was made on March 25, 1998. 10th amendment was made on May 4, 2000. 11th amendment was made on May 11, 2001. 12th amendment was made on May 23, 2002. 13th amendment was made on June 17, 2003. 14th amendment was made on June 9, 2004. 15th amendment was made on June 9, 2005. 16th amendment was made on April 12, 2006. 17th amendment was made on June 13, 2008. 18th amendment was made on June 16, 2009. 19th amendment was made on June 17, 2010. 20th amendment was made on June 15, 2011. 21st amendment was made on June 18, 2012. 22nd amendment was made on June 11, 2014. 23rd amendment was made on June 17, 2015. 24th amendment was made on June 15, 2016. 25th amendment was made on June 11, 2018.	Article 31 This "Articles of Incorporation" was established on March 24, 1986. 1st amendment was made on September 1, 1986. 2nd amendment was made on August 30, 1988. 3rd amendment was made on March 20, 1989. 4th amendment was made on June 3, 1991. 5th amendment was made on July 2, 1995. 6th amendment was made on May 15, 1996. 7th amendment was made on January 27, 1997. 8th amendment was made on April 19, 1997. 9th amendment was made on March 25, 1998. 10th amendment was made on May 4, 2000. 11th amendment was made on May 11, 2001. 12th amendment was made on May 23, 2002. 13th amendment was made on June 17, 2003. 14th amendment was made on June 9, 2004. 15th amendment was made on June 9, 2005. 16th amendment was made on April 12, 2006. 17th amendment was made on June 13, 2008. 18th amendment was made on June 16, 2009. 19th amendment was made on June 17, 2010. 20th amendment was made on June 15, 2011. 21st amendment was made on June 18, 2012. 22nd amendment was made on June 11, 2014. 23rd amendment was made on June 17, 2015. 24th amendment was made on June 15, 2016.	Added the date of the latest amendment.

Resolution:

4. Elections

To elect Directors (proposed by the Board)

Explanation:

1. Upon the expiration of the tenure of the Directors on June 16, 2018, in accordance with the stipulations of Article 192-1 of the Company Act and Article 17 of the Articles of Incorporation of the company, the Board of Directors demands the early election of all Directors.
2. The annual shareholders' meeting will elect six Directors and three Independent Directors. The Tenure of the newly elected Directors is three years, commencing on June 11, 2018 and expiring on June 10, 2021. The tenure of the current Directors will expire when the newly elected Directors take office.
3. Please refer to Appendix 5 for the Rules for Director Elections.
4. According to the Article of Incorporation, candidates for directors should be nominated by the Board. The follow shows the "List of Candidates for Directors" approved by the Board meeting dated 17 April, 2018.
5. Please elect.

List of Candidates for Directors

No.	Name	Shares held as of the book closure date for the meeting of shareholders	Education	Experience
1	Pei-Cheng Yeh	30,151,237	Ming Hsin Engineering College	Chairman and President of Giga-byte Technology Co., Ltd.
2	Ming Wei Investments Co., Ltd. Represented by: Ming-Hsiung Liu	14,062,200	EMBA, National Cheng Chi University	Vice Chairman and General Manager of Giga-byte Technology Co., Ltd.
3	Shija Investments Co., Ltd. Represented by: Mou-ming Ma	3,959,725	Electronic & Computer Engineering, National Taiwan University of Technology	Director and Vice President of Giga-byte Technology Co., Ltd.
4	Yue Ye Development & Investments Co., Ltd. Represented by: Chun-ming Tseng	2,192,200	Ming Hsin Engineering College	Director and Vice President of Giga-byte Technology Co., Ltd.
5	Shida Investments Co., Ltd. Represented by: Cong-yuan Ko	9,453,000	Master of Engineering Management, Tsinghua University	Director of Giga-byte Technology Co., Ltd. Engineer of Acer group
6	Xi Wei Investment Co., Ltd. Represented by: E-tay Lee	9,063,075	California State University (CSU), Chico Master of Computer Engineering	Manager at Intel BU General Manager of Giga-byte Technology Co., Ltd.

List of Candidates for Independent Directors

No.	Name	Shares held as of the book closure date for the meeting of shareholders	Education	Experience
1	Yi-hong Chan	0	California State University, Fullerton EMBA, National Chengchi University	Chairman, Taisun Enterprise Co., Ltd.
2	Wen-lai Huang	0	Department of Electronics, Ming Hsin Engineering College	Chairman, Pharmally International Holding Co., Ltd.
3	Hwei-min Wang	0	Chung Hua University Master of Industrial Management	Chairman, Moores Rowland CPAs

5. Other Proposals and discussions

Releasing the restriction of the non-compete clause for new directors (proposed by the Board)

Explanation:

1. According to the Paragraph 1, Article 209 of the Company Act: "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.".
2. A new Director who invests in or operates a business within the scope of the company's business, under the premise that there is no harm to the interest of the company, shall seek the approval of the shareholders' meeting. If a newly elected director has the circumstances mentioned above, the shareholders' meeting agrees to release the non-compete clause restriction of the director and the representative.
3. The roster of the director candidates that the company proposes to release from the restriction of the non-compete clause is listed below.
4. Please discuss.

Name	Other mail positions in other companies
Ming-Hsiung Liu Ming Wei Investments Co., Ltd. Representative	Director of Info-Tek Corporation
Cong-yuan Ko Shida Investments Co., Ltd. Representative	President of Albatron technology Co., Ltd.

6. Questions and Motions

7. Meeting Adjournment

Appendices

Appendix 1

2017 Business Report

Looking back at 2017, the global economy had stable recovered. The recovery in the emerging and developing economies is the primary power to push the global economies robust recovery. With the stable price of international oil and commodity, it is expected that the price will undergo equilibrating fluctuation within the broader range in the extended period and makes the consuming willingness increased. Thus, our sales and profit in these areas rose significantly. In addition, the benefits from the increasing requirement of high-speed computation and virtual currency, the overall business performance grew significantly compared to the prior year, the sales and profits reported a record-high over the last decade.

The 2017 operating outcomes and the summary of 2018 business plan are described as follows:

I、2017 Business Highlights

1.Financial and operating highlights

Unit: NT$100 million

Item	2017	2016	Difference	Percentage of Difference(%)
Operating income	598.85	523.47	+75.38	+14.40
Gross profit	101.99	90.7	+11.29	+12.45
Net profit after tax of the parent company	27.86	22.93	+4.93	+21.50

Item		2017	2016
Financial structure (%)	Debt to total assets (%)	37.54	36.59
	Long-term capital to property & equipment (%)	636.53	599.60
Solvency (%)	Current ratio (%)	240.46	244.69
	Quick ratio (%)	177.65	167.91
Profitability (%)	Return on assets (%)	7.44	6.84
	Return on equity (%)	11.88	10.11
	Profit margin (%)	4.65	4.38
	Basic EPS (NT$)	4.41	3.64

2. New RD/technology innovation outcomes

(1) Top notch mainboard on the planet

We launched the brand new hi-end X299 platform and AX370 platform "Gaming" series motherboards, with a more innovative design, using excellent voltage regulator module (VRM) with ultra-durable high-quality materials, it can perform the ultimate efficacies of the latest Intel 18 cores Core™ i9 7980XE processor perfectly. It will definitely be the best choice for players to build a high-quality computer. Meanwhile, the X299 and AX370 Gaming series motherboards are embedded with a brand-new fancy RGB FUSION which equipped with Turbo B-Clock advanced overclocking only chips, Smart Fan 5 and many other GIGABYTE exclusive technologies to launch the most powerful, trendy, and most complete gaming products with all energy of the company. From the player's experience point of view, close to the most real requirements of player, to build up an ultimate gaming community for players.

(2) Market-leading graphics card

Launched two AORUS water-cooled gaming graphics cards equipped with flagship GTX 1080 Ti graphics chip. It will bring the player with the smoothest and quietest 4K and VR gaming experience, they are:

a.AORUS GeForce® GTX 1080 Ti WATERFORCE Xtreme Edition 11G

The graphics card utilizes the integrated water-cooling module of WATERFORCE, and pre-assembles the most challenging part of the water-cooling system. This eliminates the trouble associated with complicated assembling and subsequent maintenance and making it easy to set up for the users who are unfamiliar with water-cooled installations or its their first upgrade. The key core components are all cooled by the WATERFORCE water-cooling module. The large copper sheet on the front of the graphics card quickly dissipates the waste heat generated by the GPU and VRAM. The exclusive AORUS VR Link function designed only for VR virtual reality applications, it's the only graphics card on the market that supports 3 DPs and 3 HDMI outputs simultaneously, making it easy for players to use the original HDMI port to connect to VR device even when using HDMI screen and then experience an immersive virtual reality game without adapter, and easily meet the I/O output requirements of VR devices or multiple HDMI screens.

b.AORUS GeForce® GTX 1080 Ti WATERFORCE WB Xtreme Edition 11G

This open water-cooled graphics card equipped a fully-covered water-cooled head for easy installation. It is not necessary to use the traditional method to disassemble the fan unit on the card and provide complete product warranty. Together with the exclusive connection of VR output technology, hi-end materials, and full-color RGB lighting, etc. The players who are seeking the ultimate gaming experience will enjoy the smoothness of a top speed gaming experience.

(3) Innovation in Industry and Market-leading Graphics Card

a.R&D, Innovation Cloud Service Server

Cooperate with HyperScalers which is a world-class customer and rich in branding experience, utilize ultra-ultra-dense CPU coverage, full RAM utilization, and highest density design exceed the performance boundaries, launching products to the market with high reliability, high performance, and superior service. The products include the first extendedly used based on the latest Intel platform, Cavium ARM 48/36 core and 8GPU 2U GPGPU server, and provides Gigabyte Server Management (GSM) to perform remote configurations and management functions at the node or cluster level.

b.Cloud Computing Solution

Provide Cloud Computing solution successfully, received the orders from a significant customer and the profit keep increasing. With the launching of more trendy R&D products, Gigabyte will maintain innovations to provide the solution of Cloud market, big IoT, and datacenter.

c.Cooperate with AMD to Launch EPYC™ Platform Products

Adopt multi-core design, provide impressed performance, HPC ultra-dense solution, hi-frequency PCIe support, I/O and power function. It is also equipped with a new server platform of multi-CPU, offered another new option for the x86 field. In addition, the development of AMD's new GPGPU Server has provided a more flexible GPU solution.

(4) Hi-End Gaming Laptop

Gigabyte launched a new generation notebook computer that lead the high-end specification P56 and Sabre 15, which focuses on the new generation gaming community. Along with seventh generation Intel Processor, through remarkable upgrade system performance and excellent energy saving efficiency, advanced and ultra-gaming product series will lead notebook players and professional users to move to move on to a brand new generation.

(5) Champion of Super Micro PC Brix™

Countless award-winning super micro gaming desktop computer BRIX Gaming VR

This computer re-defined the consumer's anticipation of the performance of mini PC, changed the definition and price of the gaming computer, mini, light, upright and trendy appearance but still retained its upgradeability just like a high-performance desktop computer. The innovated design allows for the Gigabyte BRIX Gaming VR to be integrated into house decorations and will not impact daily life because of the operational noise while also providing the best using experience.

(6) Endless Awards Gaming Peripherals

a.Gigabyte launched AORUS K9 Optical Gaming Keyboard

Implementing the latest patented optical axis technology, the optical axis technology uses light shielding to generate signals, which not only speeds up the reaction time to the light speed of 0.03ms but also eliminates the situation of oxidation abrasion like traditional metal domes. Meanwhile, the player can also disassemble and replace the keycap and the switch. No matter the strong key response of green switch or the silence of red switch, with the brand new patented optical switch technology, players can replace with freely, the multi-switch combination will be realized on AORUS K9 Optical. The customized exclusive key response feeling will make players become the highlights of the arena!

b.AORUS M3 Gaming Mouse

Adaption of outstanding gaming optical sensor core (Pixart 3988) will support up to real 6400dpi, while the DPI value can be adjusted to the optimum sensitivity in 50dpi units according to the player's requirements, eliminating the adaptation period required by the player when replacing the new mouse completely. This provides players with the ultimate in control, speed and accuracy.

c.AORUS H5 Beryllium Diaphragm Horn Gaming Headset

With the dual characteristics of light weight and high rigidity, the beryllium diaphragm can prevent the diaphragm from generating unneeded tremors and noise, allowing sound waves to be transmitted freely and shows excellent frequency response.

II. Summary of 2018 Business Plan

1.Market

Since the Asian Olympic Committee has listed e-sports as an official game for the 2022 Asian Games, many countries also listed e-sports as an official sporting event, which is expected to continue to drive its overall value. As the e-sport industry is expected to be flourished in the future, Gigabyte's top-level e-sports brand, AORUS, will inject more resources into its products, including motherboards, 3D graphics cards, gaming notebook computers, ultra-mini PCs and e-sport peripherals. To develop high-performance, high-quality features that will satisfy user groups and become leading brands in the global gaming market. Besides, regarding Netcom products, as the global disbursements of blockchain application solution keep increasing, the demand for products with cloud solutions with high scalability and high-performance will increase. Not only does the company conduct R&D itself, it also co-work closely with key component suppliers to provide more comprehensive and efficient solutions and gain market opportunities.

2.Product

The company always insists high quality and innovation R&D; the products also won many awards globally. Except focusing on high quality, ultra-durable and high performance, we concentrate more on the strategy of products' intelligent energy saving and electronic safety regulation to develop hi-end gaming products, high-performance block chain application and cloud computing products to satisfy all user groups globally. Gigabyte insists the integrity, efficiency and value to create higher profit.

3. Marketing

In addition to AORUS's enthusiasm and astounding products to realize the player's ultimate entertainment experience, Gigabyte actively participates in global e-sport events and closely links with the gaming community. Through media marketing and close connection with each consumer, the marketing disbursement works effectively and lower than before.

4. Sales Channel Establishment

To emphasize the cooperation relationship with agencies, ensure that the target of marketing strategy will be executed no matter what their time or location. Virtual channels and physical channels will be integrated gradually. Enhanced local marketing, and provide adequate services and support to increase the strength of the brand and sales.

5. Manufacture

Facing the shortage of workforce in Taiwan, the manufacturing cost increasing year by year, the company is planning to invest in intelligent manufacturing, automation and intelligent material supporting system to solve the short-term workforce issue and decrease manufacturing costs over the long-term..

6. Service

With the upcoming digital new generation, network and physical full channel service will help to build the relationship with customers more efficiently and lasting. Make further improvements on the customer's satisfaction and delivering promised value faster than ever.

7. Social Responsibility

The vision for sustainable development starts with the corporate philosophy of Gigabyte's "Innovative Technology and Upgrade Your Life." It sets forth four significant sustainable development policies to encourage business operation, products, environment, and social responsibility. Commencing from excellent R&D and innovation ability, developing low-carbon technology, in addition to the company were awarded numbers of prizes such as the Taiwan Enterprise Sustainable Award in 2017 years, AORUS X7 won the iF design award with renewable crops fiber environmental protection packaging in 2018. The company keeps providing environmentally friendly products, service and social care. Actively create substantial value for us, for the environment and the society to reach the target of mutually beneficial.

III. Future development strategy, impact from outside compete environment, regulation environment and overall operation environment:

1.The advantage element for company operation

Looking ahead to 2018, the global economy continues to grow but is slow down. The impact of interest rate raising from the United States, as well as the depreciation in Taiwan Dollar recently, will make the sales and profit of first quarter this year remarkable. However, there are still some uncertainties that may affect actual results.

2.The disadvantage element for company operation

(1)Since the beginning of 2018, trade friction between Sino-US trade has risen, which may accelerate global funds movements and cause more significant volatility in the financial markets. This has caused enormous fluctuations and unpredictability of the exchange rate of the Taiwan dollar against the US dollar. Once the appreciation in Taiwan dollar's increased, it will make export-oriented companies suffered substantial exchange losses.

(2)The rising of trade protectionism in major economic entities will be detrimental to our export-oriented companies.

(3)Shortage of water, electricity will affect the company's production capacity and operations.

(4)The implementation of General Data Protection Regulations (GDPR) in EU in May 2018. It strictly regulated the collection and processing of personal data, affecting the company's marketing methods and increasing the cost of the company's related personal data protection measures.

3.Company's Future Development Strategy

(1)To create "AORUS" as the synonymous with global high-quality e-sports products

"AORUS" is Gigabyte's top-level e-sports brand and builds a full range of products only for enthusiastic gamers. It includes notebook computer which supports GeForce® GTX series of graphics card, ultimate gaming motherboards, graphics cards, and mechanical gaming keyboard, gaming mice, etc. provide the ultimate gaming experience for professional gamers. Gigabyte understands the love of the game for players. Therefore, with the spirit of unlimited innovation, create advanced texture for players, design with strong efficiency and thoughtfulness to achieve the ultimate entertainment experience for players, and become synonymous with global high-quality gaming products.

(2)Continuing investment in R&D and innovation of cloud products.

The company dedicated to R&D of enterprise IT products, providing a full product line from the user's terminal to the computing facilities.

- Along with Intel and AMD launched a new generation of server processors in the second half of 2017, Gigabyte gradually expanded its server product line supporting the new generation of dual-processor architectures in the first half of 2018. In addition to server motherboards and standard rack servers that are simultaneously listed on the market, we also introduced ultra-dense server for hyper-converged architectures, GPU acceleration servers and storage equipment for deep learning and artificial intelligence.
- Gigabyte invested in the R&D and manufacturing of artificial intelligence infrastructure products in very early stage and cooperated with the artificial intelligence software provider in the industry to provide solutions. We are one of the few Tesla NVLINK integrated server providers that received full support from NVIDIA and innovation technology authorization.
- In terms of the popular AI server requirements recently, Gigabyte has developed support for the NVIDIA Tesla V100/P100 NVLINK Accelerator's high-performance server products, and use its full server product line to present the virtual operating platform computing resource allocation that can be provided based on the cloud infrastructure.
- Regarding the applications of blockchain issues and artificial intelligence, we will

strengthen cooperation with customers and suppliers to provide more advanced and differentiated highly integrated products. Since 2018, the standard RACK Servers and GPGPU Servers has adopted ASIC modules developed by customers and began to co-work on the development of new-generation hardware solutions to provide customers with more efficient and comprehensive solutions.

Looking ahead, Gigabyte still adheres to the faith in brand spirit and sustainable operation, launch more diversified and more innovative products to continue to create profits for the company, share shareholders, to benefit people, and feedback to society.

Wish You Health and Happiness.

Dandy Yeh
Chairman

Chairman: Pei-Cheng Yeh CEO: Ming-Hsiung Liu CFO: Chun-Ying Chen

Appendix 2

Audit Committee Approval/Audit Report

This Audit Committee has approved the individual financial statements of the Company and the consolidated financial statements of the Group for fiscal year 2017 that have been passed by the Board of Directors. The CPA firm PwC Taiwan was then retained to audit such statements by CPAs Chun-yuan Xiao and Fang-yu Wang and issued the "unqualified opinion with explanatory paragraph" audit report. These statements have been reviewed and determined to be compliant with all relevant laws and regulations. In addition, this Audit Committee has audited the business report and earnings allocation proposal of fiscal year 2017 passed by the Board of Directors and determined they have complied with relevant laws and regulations. This report is thus issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

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

Cheng-li Yang
Convener
Audit Committee
17 April 2018

Appendix 3-1

REPORT OF INDEPENDENT ACCOUNTANTS

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, 2017 and 2016, 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 significant accounting policies.

In our opinion, based on our audits and the report of the other independent accountants, as described in the *Other matters* section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2017 and 2016, and its financial performance and cash flows for the years then ended in accordance with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers".

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the *Auditor's 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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 parent company only financial statements of the current period. 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 parent company only financial statements of the current period are stated as follows:

Revenue from significant new counterparties

Description

Please refer to Note 4(26) for the accounting policies on revenue recognition. For the year ended December 31, 2017, the parent company only operating revenue amounted to NT$57,213,666 thousand.

The Company has various customers across the world and there was no revenue from a single customer that exceeds 10% of parent company only operating revenue. Given that verifying 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 terms 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. Issued accounts receivable confirmation letters to significant new counterparties. Understood 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 balance sheet if no confirmation reply was received.

Assessment of allowance for valuation of inventory loss

Description

Please refer to Note 4(11) for the accounting policies on evaluation of inventories; Note 5(2) for uncertainty of accounting estimates and assumption on inventory evaluation; and Note 6(4) for the details of the inventories. As of December 31, 2017, the inventories and allowance for valuation loss amounted to NT$8,533,810 thousand and NT$152,724 thousand, respectively.

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 realisable value; Valuation loss are recognized for those inventories which exceed certain aging period or individually identified as obsolete inventories based on its net realisable value.

Given that inventories amount are significant and the net realisable value of individually identified 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 adopts for inventories valuation purpose, and verified that obsolete inventories which exceeds certain aging periods 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 result obtained from observation of physical inventory count.

5. For inventories which exceed certain aging period of aging and individually identified as obsolete and damaged, discussed with management and obtained supporting documentation of the evaluation on net realisable value, and performed recalculation.

Other matter – Report of the other independent accountants

We did not audit the financial statements of certain parent company only subsidiaries and investments accounted for using the equity method. Those financial statements were audited by the other independent accountants, whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the amounts included in the financial statements was based solely on the reports of the other independent accountants. The aforementioned equity investments were $76,901 thousand and $78,782 thousand, representing 0.20% and 0.22% of total parent company only assets as of December 31, 2017 and 2016, respectively, and total net comprehensive loss were $14,189 thousand and $36,783 thousand, representing (0.50%) and (2.00%) of total parent company only comprehensive loss for the years then ended, respectively.

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 Preparations 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 audit committee, are responsible for overseeing the Company's financial reporting process.

Auditor's 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 auditor's 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 ROC GAAS 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 ROC GAAS, we exercise professional judgement and maintain 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 auditor's 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 auditor's 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 group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Chun-Yuan Hsiao　　Fang-Yu Wang
For and on behalf of PricewaterhouseCoopers, Taiwan
March 15, 2018

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 report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

			December 31, 2017		December 31, 2016	
	Assets	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 11,036,514	29	$ 9,307,785	26
1110	Financial assets at fair value through profit or loss - current	6(2)	421,007	1	460,599	1
1150	Notes receivable-net		5,352	-	8,048	-
1170	Accounts receivable-net	6(3)	3,949,604	11	3,094,347	9
1180	Accounts receivable-related parties-net	7	2,338,274	6	2,325,325	7
1200	Other receivables		295,560	1	276,231	1
130X	Inventories-net	6(4)	8,381,086	22	9,264,512	26
1470	Other current assets		61,237	-	84,561	-
11XX	**Total current assets**		26,488,634	70	24,821,408	70
	Non-current assets					
1550	Investments accounted for under equity method	6(5)	8,809,612	23	7,586,732	22
1600	Property, plant and equipment-net	6(6)	2,160,918	6	2,213,725	6
1760	Investment property-net	6(7)	176,700	-	210,891	1
1780	Intangible assets		14,014	-	27,774	-
1840	Deferred income tax assets	6(20)	232,111	1	235,905	1
1900	Other non-current assets	6(8) and 8	180,300	-	177,186	-
15XX	**Total non-current assets**		11,573,655	30	10,452,213	30
1XXX	**Total assets**		$ 38,062,289	100	$ 35,273,621	100

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2017 Amount	%	December 31, 2016 Amount	%
	Liabilities					
	Current liabilities					
2150	Notes payable		$ 18,628	-	$ 29,869	-
2170	Accounts payable		8,293,689	22	7,459,360	21
2180	Accounts payable-related parties	7	944,944	2	451,863	1
2200	Other payables	6(9)	3,336,517	9	2,743,958	8
2230	Current income tax liabilities		98,181	-	318,097	1
2250	Provisions for liabilities - current	6(10)	444,706	1	443,832	1
2300	Other current liabilities	7	265,881	1	467,745	2
21XX	**Total current liabilities**		13,402,546	35	11,914,724	34
	Non-current liabilities					
2570	Deferred income tax liabilities	6(20)	7,542	-	10,328	-
2600	Other non-current liabilities	6(11)	562,300	2	538,064	1
25XX	**Total non-current liabilities**		569,842	2	548,392	1
2XXX	**Total liabilities**		13,972,388	37	12,463,116	35
	Equity					
	Capital stock	6(13)				
3110	Common stock		6,356,889	17	6,291,179	18
	Capital surplus	6(14)				
3200	Capital surplus		3,962,314	10	4,602,046	13
	Retained earnings	6(15)				
3310	Legal reserve		3,846,604	10	3,617,317	10
3320	Special reserve		426,354	1	426,354	1
3350	Unappropriated retained earnings	6(20)	9,567,977	25	8,048,962	23
	Other equity					
3400	Other equity		(70,237)	-	(175,353)	-
3XXX	**Total equity**		24,089,901	63	22,810,505	65
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 38,062,289	100	$ 35,273,621	100

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

GIGA-BYTE TECHNOLOGY CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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

	Items	Notes	2017 Amount	2017 %	2016 Amount	2016 %
4000	**Operating revenue**	7	$ 57,213,666	100	$ 49,735,072	100
5000	**Operating costs**	6(4)(18)(19) and 7	(49,124,330)	(86)	(42,420,138)	(85)
5900	**Gross profit**		8,089,336	14	7,314,934	15
	Operating expenses	6(18)(19) and 7				
6100	Selling expenses		(3,233,728)	(6)	(2,687,687)	(6)
6200	General and administrative expenses		(1,031,976)	(2)	(1,069,263)	(2)
6300	Research and development expense		(1,849,544)	(3)	(1,623,503)	(3)
6000	**Total operating expenses**		(6,115,248)	(11)	(5,380,453)	(11)
6900	**Operating profit**		1,974,088	3	1,934,481	4
	Non-operating revenue and expenses					
7010	Other income	6(7)(16)	443,664	1	1,195,414	3
7020	Other gains and losses	6(17)	(162,358)	-	53,111	-
7050	Finance costs		(286)	-	(349)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(5)	785,603	1	(348,858)	(1)
7000	**Total non-operating revenue and expenses**		1,066,623	2	899,318	2
7900	**Profit before income tax**		3,040,711	5	2,833,799	6
7950	Income tax expense	6(20)	(254,300)	(-)	(540,935)	(1)
8200	**Profit for the year**		$ 2,786,414	5	$ 2,292,864	5
	Other comprehensive income-net					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(11)	($ 36,990)	-	($ 32,747)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(20)	6,288	-	5,567	-
8310	**Components of other comprehensive loss that will not be reclassified to profit or loss**		(30,702)	-	(27,180)	-
	Components of other comprehensive income that will subsequently be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		(54,825)	-	(464,646)	(1)
8380	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		159,941	-	(42,141)	-
8360	**Components of other comprehensive loss that will be reclassified to profit or loss**		(105,116)	-	(422,505)	(1)
8300	**Other comprehensive income (loss) for the year, net**		$ 74,414	-	($ 449,685)	(1)
8500	**Total comprehensive income for the year**		$ 2,860,825	5	$ 1,843,179	4
9750	**Basic earnings per share**	6(21)	$	4.41	$	3.64
9850	**Diluted earnings per share**		$	4.30	$	3.56

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

GIGA-BYTE TECHNOLOGY CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(Expressed in thousands of New Taiwan dollars)

				Retained earnings			Other equity		
	Notes	Capital stock-Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealised gain (loss) on valuation of available-for-sale financial assets	Total equity
Year 2016									
Balance at January 1, 2016		$ 6,290,629	$ 4,601,581	$ 3,425,311	$ 426,354	$ 7,547,941	$ 252,106	($ 4,954)	$ 22,538,968
Appropriations of 2015 earnings:	6(15)								
Legal reserve		-	-	192,006	-	(192,006)	-	-	-
Cash dividends		-	-	-	-	(1,572,657)	-	-	(1,572,657)
Share-based payment	6(12)	550	11	-	-	-	-	-	561
Changes in equity of associates accounted for using equity method		-	454	-	-	-	-	-	454
Profit for the year		-	-	-	-	2,292,864	-	-	2,292,864
Other comprehensive income (loss) for the year		-	-	-	-	(27,180)	(464,646)	42,141	(449,685)
Balance at December 31, 2016		$ 6,291,179	$ 4,602,046	$ 3,617,317	$ 426,354	$ 8,048,962	($ 212,540)	$ 37,187	$ 22,810,505
Year 2017									
Balance at January 1, 2017		$ 6,291,179	$ 4,602,046	$ 3,617,317	$ 426,354	$ 8,048,962	($ 212,540)	$ 37,187	$ 22,810,505
Appropriations of 2016 earnings:	6(15)								
Legal reserve		-	-	229,287	-	(229,287)	-	-	-
Cash dividends		-	-	-	-	(1,007,407)	-	-	(1,007,407)
Cash distribution from capital surplus	6(14)	-	(629,630)	-	-	-	-	-	(629,630)
Share-based payment	6(12)	65,710	(2,566)	-	-	-	-	-	63,144
Effects on capital reorganisation		-	1,852	-	-	-	-	-	1,852
Changes in equity of associates and subsidiaries accounted for using equity method		-	(1,966)	-	-	-	-	-	(1,966)
Disposal of investments accounted for using equity method		-	(7,422)	-	-	-	-	-	(7,422)
Profit for the year		-	-	-	-	2,786,411	-	-	2,786,411
Other comprehensive income for the year		-	-	-	-	(30,702)	(54,825)	159,941	74,414
Balance at December 31, 2017		$ 6,356,889	$ 3,962,314	$ 3,846,604	$ 426,354	$ 9,567,977	($ 267,365)	$ 197,128	$ 24,089,901

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Notes	2017	2016
Cash flows from operating activities			
Profit before income tax		$ 3,040,711	$ 2,833,799
Adjustments to reconcile profit before income tax to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation	6(6)(18)	134,828	118,893
Depreciation charge on investment property	6(7)	1,408	1,643
Amortization	6(18)	154,962	153,099
Provision (reversal of provision) for doubtful accounts	6(3)(18)	13,319	(10,576)
Net loss on financial assets at fair value through profit or loss	6(2)(17)	14,807	18,449
Interest expense		286	349
Interest income	6(16)	(66,068)	(56,229)
Share of (income) loss of subsidiaries and associates accounted for using the equity method	6(5)	(785,603)	348,858
Gain on disposal of property, plant and equipment	6(17)	(400)	(1,233)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		24,785	(199,047)
Notes receivable		2,696	(2,250)
Accounts receivable		(881,525)	(711,318)
Other receivables		(18,868)	20,108
Inventories		883,426	(972,072)
Other current assets		23,324	(17,605)
Net changes in liabilities relating to operating activities			
Notes payable		(11,241)	(5,346)
Accounts payable		1,327,410	2,574,166
Other payables		592,559	(18,591)
Provisions for liabilities		874	(1,018)
Other current liabilities		(201,864)	(155,878)
Other non-current liabilities		11,181	4,404
Cash generated from operations		4,261,007	3,922,605
Interest received		65,607	56,155
Interest paid		(286)	(349)
Income tax paid		(466,920)	(452,109)
Net cash provided by operating activities		3,859,408	3,526,302

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Notes	2017	2016
Cash flows from investing activities			
Proceeds from disposal of held-to-maturity financial assets		$ -	$ 150,990
Acquisition of investments accounted for using equity method		(349,317)	(140,000)
Acquisition of property, plant and equipment	6(6)	(49,238)	(171,131)
Proceeds from disposal of property, plant and equipment		400	9,574
Increase in refundable deposits		(3,829)	(1,863)
Acquisition of intangible assets		(45,843)	(156,597)
Decrease in other financial assets		-	290,000
(Increase) decrease in other non-current assets		(94,643)	4,771
Net cash used in investing activities		(542,470)	(14,256)
Cash flows from financing activities			
(Decrease) increase in deposits received		(14,316)	10,109
Cash dividends paid	6(15)	(1,007,407)	(1,572,657)
Employee stock options exercised	6(12)	63,144	561
Cash distribution from capital surplus	6(14)	(629,630)	-
Net cash used in financing activities		(1,588,209)	(1,561,987)
Increase in cash and cash equivalents		1,728,729	1,950,059
Cash and cash equivalents at beginning of year		9,307,785	7,357,726
Cash and cash equivalents at end of year		$ 11,036,514	$ 9,307,785

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

Appendix 3-2

REPORT OF INDEPENDENT ACCOUNTANTS

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

Opinion

We have audited the accompanying consolidated balance sheets of Giga-Byte Technology Co., Ltd. and subsidiaries (the "Group") as at December 31, 2017 and 2016, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of the other independent accountants, as described in the *Other matters* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

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

Revenue from significant new counterparties

Description

Please refer to Note 4(30) for the accounting policies on revenue recognition. For the year ended December 31, 2017, the consolidated operating revenue amounted to NT$59,884,781 thousand.

Giga-Byte Technology Group has various customers across the world and there was no revenue from a single customer that exceeds 10% of consolidated operating revenue. Given that verifying 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. Issued accounts receivable confirmation letters to significant new counterparties. Understood the reason and tested reconciling items made by the Group if the result in confirmation reply did not correspond to records, or tested collections after balance sheet if no confirmation reply was received.

Assessment of allowance for valuation of inventory loss

Description

Please refer to Note 4(13) for the accounting policies on evaluation of inventories; Note 5(2) for uncertainty of accounting estimates and assumption on inventory evaluation; and Note 6(5) for the details of the inventories. As of December 31, 2017, the inventories and allowance for valuation loss amounted to NT$9,022,874 thousand and NT$355,866 thousand, respectively.

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

Given that inventories amount are significant and the net realisable value of individually identified 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 adopts for inventories valuation purpose, and verified that obsolete inventories which exceeds certain aging periods 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 result obtained from observation of physical inventory count.
5. For inventories which exceed certain aging period of aging and individually identified as obsolete and damaged, discussed with management and obtained supporting documentation of the evaluation on net realisable value, and performed recalculation.

Other matter – Report of the other independent accountants

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for using the equity method. Those financial statements were audited by the other independent accountants, whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the amounts included in the financial statements was based solely on the reports of the other independent accountants. The aforementioned equity investments were $76,901 thousand and $78,782 thousand, representing 0.20% and 0.22% of total consolidated assets as of December 31, 2017 and 2016, respectively, and total net comprehensive loss were $14,189 thousand and $36,783 thousand, representing (0.51%) and (2.00%) of total consolidated comprehensive loss for the years then ended, respectively.

Other matter – Parent company only financial statements

We have audited and expressed an unmodified opinion on the parent company only financial statements of Giga-Byte Technology Co., Ltd. as at and for the years ended December 31, 2017 and 2016.

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

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

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 ROC GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Chun-Yuan Hsiao　　Fang-Yu Wang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 15, 2018

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2017 Amount	%	December 31, 2016 Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 15,451,598	40	$ 12,924,700	35
1110	Financial assets at fair value through profit or loss - current	6(2)	1,235,415	3	988,469	3
1125	Available-for-sale financial assets-current	6(3)	323,893	1	278,195	1
1150	Notes receivable - net		4,157	-	10,230	-
1170	Accounts receivable - net	6(4)	6,685,770	17	5,396,357	15
1200	Other receivables		613,494	2	610,629	2
130X	Inventories - net	6(5)	8,667,008	22	9,551,259	26
1470	Other current assets	6(6) and 8	641,949	2	1,195,878	3
11XX	**Total current assets**		33,623,284	87	30,955,717	85
	Non-current assets					
1523	Available-for-sale financial asset-non-current	6(3)	352,667	1	266,309	1
1550	Investments accounted for under equity method	6(7)	76,901	-	79,106	-
1600	Property, plant and equipment - net	6(8)	3,876,017	10	3,905,043	11
1760	Investment property - net	6(9)	182,992	-	270,107	1
1780	Intangible assets		33,056	-	54,230	-
1840	Deferred income tax assets	6(25)	325,459	1	346,204	1
1900	Other non-current assets	6(10) and8	327,296	1	347,334	1
15XX	**Total non-current assets**		5,174,388	13	5,268,333	15
1XXX	**Total assets**		$ 38,797,672	100	$ 36,224,050	100

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2017 Amount	%	December 31, 2016 Amount	%
	Liabilities					
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 329,689	1	$ 141,120	-
2150	Notes payable		22,781	-	34,358	-
2170	Accounts payable		8,583,399	22	7,884,351	22
2200	Other payables	6(12)	3,712,477	10	2,975,505	8
2230	Current income tax liabilities		189,769	-	390,557	1
2250	Provisions for liabilities - current	6(13)	551,921	1	561,233	2
2300	Other current liabilities	6(14)(15)	593,102	2	663,900	2
21XX	**Total current liabilities**		13,983,138	36	12,651,024	35
	Non-current liabilities					
2540	Long-term borrowings	6(15)	3,834	-	5,667	-
2570	Deferred income tax liabilities	6(25)	7,646	-	10,484	-
2600	Other non-current liabilities	6(16)	570,730	2	587,932	2
25XX	**Total non-current liabilities**		582,210	2	604,083	2
2XXX	**Total liabilities**		14,565,348	38	13,255,107	37
	Equity					
	Equity attributable to owners of the parent					
	Capital stock	6(18)				
3110	Common stock		6,356,889	16	6,291,179	17
	Capital surplus	6(19)				
3200	Capital surplus		3,962,314	10	4,602,046	13
	Retained earnings	6(20)				
3310	Legal reserve		3,846,604	10	3,617,317	10
3320	Special reserve		426,354	1	426,354	1
3350	Unappropriated retained earnings	6(25)	9,567,977	25	8,048,962	22
	Other equity					
3400	Other equity		(70,237)	-	(175,353	-
31XX	**Total equity attributable to owners of the parent**		24,089,901	62	22,810,505	63
36XX	**Non-controlling interest**		142,423	-	158,438	-
3XXX	**Total equity**		24,232,324	62	22,968,943	63
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 38,797,672	100	$ 36,224,050	100

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	2017 Amount	2017 %	2016 Amount	2016 %
4000	**Operating revenue**	14(5)	$ 59,884,781	100	$ 52,347,389	100
5000	**Operating costs**	6(5)(23)(24)	(49,685,924)	(83)	(43,277,692)	(83)
5900	**Gross profit**		10,198,857	17	9,069,697	17
	Operating expenses	6(23)(24)				
6100	Selling expenses		(4,535,079)	(8)	(4,095,557)	(8)
6200	General and administrative expenses		(1,493,427)	(2)	(1,561,928)	(3)
6300	Research and development expenses		(1,944,001)	(3)	(1,723,214)	(3)
6000	**Total operating expenses**		(7,972,507)	(13)	(7,380,699)	(14)
6900	**Operating profit**		2,226,350	4	1,688,998	3
	Non-operating revenue and expenses					
7010	Other income	6(9)(21)	584,476	1	1,449,989	3
7020	Other gains and losses	6(22)	390,413	1	8,753	-
7050	Finance costs		(3,905)	-	(98,445)	-
7060	Share of loss of associates and joint ventures accounted for under the equity method	6(7)	(21,707)	-	(86,974)	-
7000	**Total non-operating revenue and expenses**		949,277	2	1,273,323	3
7900	**Profit before income tax**		3,175,627	6	2,962,321	6
7950	Income tax expense	6(25)	(462,121)	(1)	(677,971)	(1)
8200	**Profit for the year**		$ 2,713,506	5	$ 2,284,350	5

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	2017 Amount	2017 %	2016 Amount	2016 %
	Other comprehensive income-net					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(16)	($ 36,990)	-	($ 32,747)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	6,288	-	5,567	-
8310	**Components of other comprehensive loss that will not be reclassified to profit or loss**		(30,702)	-	(27,180)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		(54,830)	-	(464,646)	(1)
8362	Unrealised loss on valuation of available-for-sale financial assets	6(3)	159,941	-	42,141	-
8360	**Components of other comprehensive loss that will be reclassified to profit or loss**		105,111	-	(422,505)	(1)
8300	**Other comprehensive income (loss), net**		$ 74,409	-	($ 449,685)	(1)
8500	**Total comprehensive income for the year**		$ 2,787,915	5	$ 1,834,665	4
	Profit attributable to:					
8610	Owners of parent		$ 2,786,411	5	$ 2,292,864	5
8620	Non-controlling interest		(72,905)	-	(8,514)	-
	Total		$ 2,713,506	5	$ 2,284,350	5
	Comprehensive income attributable to:					
8710	Owners of parent		$ 2,860,825	5	$ 1,843,179	4
8720	Non-controlling interest		(72,910)	-	(8,514)	-
	Total		$ 2,787,915	5	$ 1,834,665	4
9750	**Basic earnings per share**	6(26)	$ 4.41		$ 3.64	
9850	**Diluted earnings per share**		$ 4.30		$ 3.56	

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to equity holders of the company									
				Retained earnings			Other equity interest				
	Notes	Capital stock-Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealised gain (loss) on valuation of available-for-sale financial assets	Total	Non-controlling interest	Total equity
Year 2016											
Balance at January 1, 2016		$ 6,290,629	$ 4,601,581	$ 3,425,311	$ 426,354	$ 7,547,941	$ 252,106	($ 4,954)	$ 22,538,968	$ 14,451	$ 22,553,419
Appropriations of 2015 earnings:	6(20)										
Legal reserve		-	-	192,006	-	(192,006)	-	-	-	-	-
Cash dividends		-	-	-	-	(1,572,657)	-	-	(1,572,657)	(961)	(1,573,618)
Share-based payment	6(17)	550	11	-	-	-	-	-	561	-	561
Changes in equity of associates accounted for using equity method		-	454	-	-	-	-	-	454	-	454
Changes in non-controlling interest		-	-	-	-	-	-	-	-	153,462	153,462
Profit (loss) for the year		-	-	-	-	2,292,864	-	-	2,292,864	(8,514)	2,284,350
Other comprehensive loss for the year		-	-	-	-	(27,180)	(464,646)	42,141	(449,685)	-	(449,685)
Balance at December 31, 2016		$ 6,291,179	$ 4,602,046	$ 3,617,317	$ 426,354	$ 8,048,962	($ 212,540)	$ 37,187	$ 22,810,505	$ 158,438	$ 22,968,943
Year 2017											
Balance at January 1, 2017		$ 6,291,179	$ 4,602,046	$ 3,617,317	$ 426,354	$ 8,048,962	($ 212,540)	$ 37,187	$ 22,810,505	$ 158,438	$ 22,968,943
Appropriations of 2016 earnings:	6(20)										
Legal reserve		-	-	229,287	-	(229,287)	-	-	-	-	-
Cash dividends		-	-	-	-	(1,007,407)	-	-	(1,007,407)	(3,161)	(1,010,568)
Cash dividends from capital surplus	6(19)	-	(629,630)	-	-	-	-	-	(629,630)	-	(629,630)
Share-based payment	6(17)	65,710	(2,566)	-	-	-	-	-	63,144	-	63,144
Effects on reorganisation		-	1,852	-	-	-	-	-	1,852	-	1,852
Changes in equity of associates and subsidiaries accounted for using equity method		-	(1,966)	-	-	-	-	-	(1,966)	-	(1,966)
Disposal of investments accounted for using equity method		-	(7,422)	-	-	-	-	-	(7,422)	-	(7,422)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	60,056	60,056
Profit (loss) for the year		-	-	-	-	2,786,411	-	-	2,786,411	(72,905)	2,713,506
Other comprehensive income (loss) for the year		-	-	-	-	(30,702)	(54,825)	159,941	74,414	(5)	74,409
Balance at December 31, 2017		$ 6,356,889	$ 3,962,314	$ 3,846,604	$ 426,354	$ 9,567,977	($ 267,365)	$ 197,128	$ 24,089,901	$ 142,423	$ 24,232,324

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Notes	2017	2016
Cash flows from operating activities:			
Profit before income tax		$ 3,175,627	$ 2,962,321
Adjustments to reconcile profit before income tax to net cash provided by operating activities:			
Income and expenses having no effect on cash flows			
Depreciation	6(8)(23)	399,685	357,319
Depreciation charge on investment property	6(9)	5,058	4,678
Amortisation	6(23)	180,847	181,552
Provision for doubtful accounts	6(4)(23)	22,014	14,246
Net gain on financial assets at fair value through profit or loss	6(2)(22)	(442,444)	(87,596)
Interest expense		3,905	98,445
Interest income	6(21)	(104,238)	(103,047)
Dividends income	6(21)	(36,709)	(28,014)
Share of loss of associates and joint ventures accounted for using equity method	6(7)	21,707	86,974
Loss on disposal of property, plant and equipment	6(22)	23,372	36,239
Gain on disposal of available-for-sale financial assets	6(3)(22)	(37,477)	(46,481)
Loss (gain) on disposal of investments accounted for using equity method	6(7)(22)	5,684	(25,120)
Impairment loss on financial assets	6(22)	741	-
Impairment loss on non-financial assets	6(22)	-	56,130
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		195,498	286,722
Notes receivable		6,073	(3,343)
Accounts receivable		(1,310,795)	(98,130)
Other receivables		(3,326)	(97,250)
Inventories		882,870	(1,026,547)
Other current assets		112,282	(35,042)
Net changes in liabilities relating to operating activities			
Notes payable		(11,577)	(16,184)
Accounts payable		699,048	2,899,664
Other payables		736,972	(268,081)
Provisions for liabilities		(9,312)	(9,226)
Other current liabilities		(70,798)	(133,316)
Other non-current liabilities		(39,884)	8,612
Cash generated from operations		4,404,823	5,015,525
Dividend received		36,709	28,014
Interest received		104,698	103,122
Interest paid		(3,905)	(98,445)
Income tax paid		(638,714)	(845,354)
Net cash provided by operating activities		3,903,611	4,202,862

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)

	Notes	2017	2016
Cash flows from investing activities:			
Acquisition of available-for-sale financial assets		($ 307,310)	($ 323,724)
Proceeds from disposal of available-for-sale financial assets		373,207	242,630
Capital reduction by returning cash for available-for-sale financial assets		-	8,400
Acquisition of investments accounted for using equity method		(45,225)	(99,257)
Proceeds from disposal of investments accounted for using equity method		11,608	18,544
Proceeds from capital reduction of investments accounted for using equity method		-	44,550
Acquisition of property, plant and equipment	6(8)	(349,353)	(284,741)
Proceeds from disposal of property, plant and equipment		13,855	16,165
Acquisition of intangible assets		(45,843)	(156,597)
Decrease in other financial assets		441,647	444,026
Decrease (increase) in refundable deposits		33,608	(28,159)
Proceeds from disposal of held-to-maturity financial assets		-	150,990
Increase in other non-current assets		(127,400)	(19,911)
Net cash flow from acquisition of subsidiaries		-	32,759
Net cash (used in) provided by investing activities		(1,206)	45,675
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings		188,569	(123,027)
Repayments of long-term debt		(1,833)	(27,025)
(Decrease) increase in deposits received		(14,308)	9,849
Cash distribution from capital surplus	6(19)	(629,630)	-
Cash dividends	6(20)	(1,007,407)	(1,572,657)
Employee stock options exercised	6(17)	63,144	561
Cash dividends paid to non-controlling interest		(3,161)	(961)
Changes in non-controlling interest		60,056	3,847
Net cash used in financing activities		(1,344,570)	(1,709,413)
Effect of exchange rate changes on cash and cash equivalents		(30,937)	(338,035)
Increase in cash and cash equivalents		2,526,898	2,201,089
Cash and cash equivalents at beginning of year		12,924,700	10,723,611
Cash and cash equivalents at end of year		$ 15,451,598	$ 12,924,700

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

Appendix 4

GIGABYTE	GIGA-BYTE TECHNOLOGY CO., LTD.				
Document title	Articles of Incorporation			Ref. No.	—
Establishing date	2016.06.15	Version	25.0	Page	6 — 1
Established by (unit/staff)	Board of Directors			Doc. Level	General

Chapter I General Provisions

Article 1 This Company is incorporated as a company limited by shares in accordance with the Company Act and other applicable laws of the Republic of China in the name of 技嘉科技股份有限公司 in Chinese or GIGA-BYTE TECHNOLOGY CO., LTD. in English.

Article 2 This Company shall conduct business in the following areas:

(1) CC01110 Office Machines Manufacturing
(2) I301010 Software Publication
(3) F113010 Wholesale of Other Machinery and Equipment
(4) CC01080 Electronic Parts and Components Manufacturing
(5) CH01040 Toys Manufacturing
(6) CC01070 Telecommunication Equipment and Apparatus Manufacturing
(7) CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
(8) F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
(9) F118010 Wholesale of Computer Software
(10) F113050 Wholesale of Computing and Business Machinery Equipment
(11) F113070 Wholesale of Telecom Instruments
(12) F213060 Retail Sale of Telecom Instruments
(13) I301030 Digital Information Supply Services
(14) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 The Corporation may provide endorsement and guarantee and act as a guarantor for business purpose in accordance with the rules and regulations of securities competent authorities.

Article 2-2 The total amount of the Company's re-investments shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital.

Article 3 This Company headquarters in New Taipei City, Republic of China. With the resolution made by the Board of Directors, the Company may establish branches inside and outside of the territory of the Republic of China.

Article 4 (Deleted).

Chapter II Shares

Article 5 The total authorized capital of the Company is New Taiwan Dollar Nine Point Five Billion (NTD9.5 billion) divided into nine hundred and fifty million (950,000,000) shares with a par value at New Taiwan Dollar Ten (NTD10) each. The Board of Directors is authorized to issue such shares in a series of issuance. A total of 50,000,000 shares among the above total capital stock should be reserved for issuing employee stock options, preferred shares with warrants, or bonds with warrants for exercising warrants.

Article 6 The Corporation may issue shares without printing share certificate(s) in accordance with Article 162-2 of the Company Act, provided that registration is made to centralized securities depository enterprises.

Article 7 Unless otherwise specified other laws and regulations, the Company shall handle shareholder services in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by securities competent authorities.

Article 8 (Deleted)

Article 9 Registration for transfer of shares shall be suspended sixty (60) days prior to the date of the annual meeting of shareholders, thirty (30) days prior to the date of a provisional meeting of shareholders, or within five (5) days prior to the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter III Meetings of Shareholders

Article 10 Meetings of shareholders include the annual meeting of shareholders and the provisional meeting of shareholders. The Board of Directors according to the law shall convene the former once a year within six (6) months after the end of each accounting year and the latter shall be convened according to the law where necessary.

Article 11 Unless otherwise specified by other laws and regulations, written notices shall be sent to all shareholders at least thirty (30) days prior to the annual meeting of shareholders and at least fifteen (15) days prior to the provisional meeting of shareholders. With the consent of respondents, the notice of shareholders' meetings shall be delivered by e-mail.

Article 12 Shareholders holding more than three percent (3%) of the total amount of issued shares for more than one (1) year may make proposals and specify the explanation in writing to request the Board of Directors to convene a provisional meeting of shareholders. The Board of Directors shall issue the notice of provisional meeting of shareholders within fifteen (15) days after the request is made.

Article 13 The chairman of the Company shall host the meetings of shareholders. In the absence of the chairman, the vice chairman shall host the meetings of shareholders. In the absence of both the chairman and vice chairman, the chairman may assign a director to host such meetings. Where the chairman assigns no agent, directors should elect a director to host the meetings.

Article 14 Where a shareholder is unable to attend a meeting, he/she may appoint a proxy to represent him/her and specify the scope authorization in the proxy issued by the Company. The use of proxies shall be subject to the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by securities competent authorities.

Article 15 Unless otherwise specified by other laws and regulations, each shareholder of the Company is entitled to one vote.

Article 16 Unless otherwise specified by other laws and regulations, a meeting of shareholders shall be held with the attendance of shareholders representing at least half of total amount of issued shares, and resolutions of the meetings of shareholders shall be made with the approval of over 50% vote of shareholders attending the meeting.

Article 16-1 Shareholders of the Company shall make resolutions on the following:

(1)Amendment of this "Articles of Incorporation".

(2)Election and dismissal of directors.

(3)Granting permission for a director to do anything for himself or on behalf of another person within the scope of business of the Company.

(4)Entering into, amending, or terminating any contracts for the lease of the Company's business in whole, or for entrusted business, or for regular joint operations with others.

(5)Transfer of whole of or any essential part of the Company's business or assets.

(6)Acceptance of transfer of whole of the business or assets of others that may bring significant influence to the Company's operations.

(7)Other affairs required for the resolution of the meeting of shareholders according to other applicant laws and regulations.

Article 16-2 When issuing certificates of employee stock operations at a price lower than the closing price of the Company's common shares on the date of issue, this shall be approved by at least two-third of votes at a meeting of shareholders attended by shareholders representing at least more than half of total amount issued shares of the Company prior to issue.

Article 16-3 This Company may buy back shares of the Company and transfer them to employees at an average price lower than the actual buyback price. This shall be approved by at least two-third of votes at a meeting of shareholders attended by shareholders representing at least more than half of total amount issued shares of the Company prior to transfer.

Article 17 This Company shall have five to nine (5-9) authorized directors elected from by the meeting of shareholders among competent shareholders. The term of each role shall be three (3) years, and each role is eligible for a second term.

At least three of these directors shall be independent directors and the number of seats shall at least be one fifth of the board.

The ratio of shares held by all directors shall be subject to the regulations promulgated by securities competent authorities.

In a director election, each share has the same voting rights equal to the number of directors to be elected, and a shareholder may cast all his/her voting rights to one candidate or among several candidates (not more than the total number of candidates in the same election), and candidates receiving more voting rights shall be elected as directors.

Independent directors and non-independent directors shall be elected at the same election, with number of seats calculated separately.

Independent directors shall exercise their authority and follow codes according to relevant regulations promulgated by securities competent authorities.

Article 17-1 This Company adopts the nomination scheme for director elections. Shareholders holding more than one percent (1%) of the total amount of issued shares are eligible for nomination. After reviewing the qualifications of candidates, the Board of Directors shall submit the result to the meeting of shareholders and list qualified shareholders as eligible director candidates for shareholders elect them as directors of the board.

Article 17-2 The Board of Directors of the Company may establish various functional committees according to relevant laws and regulations or based on business needs.
This Company forms the Audit Committee with all independent directors in accordance with Article 14-4 of the Securities and Exchange Act. Committee members of the committee shall exercise the duties and authority of a supervisor specified in the Company Act, Securities and Exchange Act, and relevant laws and regulations.

Article 18 Directors shall elect from among themselves a chairman and a vice chairman of the Board of Directors by at least half of directors at a board meeting attended at least two-third of all directors. The chairman represents the Company externally and administers corporate business internally. The vice chairman shall assist the chairman on carrying out his/her duties.

Article 19 The Board of Directors shall hold at least one board meeting each quarter. Provisional board meetings shall be held where necessary. Except for the first board meeting of every term of the newly established Board of Directors, which shall be convened by the director with the majority votes in the election, board meetings shall be convened and chaired by the chairman of the board. In the absence of the chairman, the vice chairman shall take his/her place at the board meeting. In the absence of both the chairman and vice chairman, the chairman may assign a director to take his/her place at the board meeting. Where the chairman assigns no agent, directors should elect a director to host the meetings. A board meeting notice may be delivered by fax or by e-mail.

Article 20 Unless otherwise specified by the law or the resolutions that shall be made by the meeting of shareholders in this "Articles of Incorporation", business of the Company shall be executive according to the resolution made by the Board of Directors.

Article 21 Unless otherwise specified in the Company Act, a board resolution shall be approved by at least half of all directors and half of directors attending the board meeting.

Article 22 A director may authorize another director to represent him/her at a board meeting by written authorization. Such authorization may include exercising the voting rights of the assignor for all proposals discussed at the board meeting. Each director shall only represent one other director at a board meeting.

Article 23 (Deleted).
Article 23-1 (Deleted).
Article 24 (Deleted).
Article 24-1 (Deleted).

Article 25 The board in accordance with Article 28 of this "Articles of Incorporation" shall determine the remuneration for the directors of the Company. The Board of Directors is authorized to determine through discussions the travel expenses and meeting attendance fee of directors according to the general standard of the same industry. This Company may arrange liability insurance for the scope of business executed by directors during their term.

Chapter V Managerial Officers

Article 26 This Company shall have one president and several vice presidents. Each business unit shall have a unit president and several vice presidents. Their appointment, dismissal, and remuneration shall be approved by at least half of all directors at a board meeting attended by at least half of all directors. These managerial officers shall execute routine business operations and management of the Company in accordance with the internal codes of the Company and the resolutions made by the meeting of shareholders and the Board of Directors. They are authorized to sign documents for and on behalf of the Company within their authority.

Chapter VI Accounting

Article 27: The accounting year of the Company begins from January 1 and ends on December 31 of each year. After the end of each accounting year, the board shall prepare the following reports and statements and submit them meeting of shareholders for recognition:

1. business report;
2. financial statements; and
3. proposal for profit allocation or action to deal with losses and relevant reports and statements.

Article 28: Dividend Policy

If there is a profit after the annual closing of books, the Company shall appropriate 3-10% as compensations for employees and not more than 3% as remuneration for directors. If there are accumulative deficits, the amount for covering the losses of previous years shall first be retained.

The compensations for employees described above shall be distributed in either stock or cash, and the remuneration for directors shall be distributed in cash. Compensations shall be approved by over half of the directors at a board meeting attended by two-third of the board members. In addition, the compensations for employees and directors shall be reported to the meeting of shareholders.

Employees receiving the compensations for employees distributed in stock or cash shall include employees of affiliates meeting relevant requirements. The Board of Directors shall determine the definition of affiliates, distribution requirements, and distribution methods.

This Company is in a highly competitive industry with a changeful environment, and the business life cycle has become mature. In consideration of the need for operating funds in the future and long-term financial planning, and to fulfill the demand for cash in-flow of shareholders, if there is a profit after the annual closing of books, the Company shall appropriate, the Company shall distribute the profit according to the following orders:

1. Cover the losses of previous years and pay the profit-seeking enterprise annual income tax.
2. Appropriate 10% to the legal reserve (except when the amount of legal reserve has reached the total authorized capital of the Company).
3. Appropriate or revert to special reserves according to the laws and regulations or the rules of competent authorities.

4. Appropriate 5-80% of the sum of the balance after deducting the three items described above and the unappropriated profit of last year for the Board of Directors to make distribution proposals submitted to the meeting of shareholders for resolutions. However, the ratio for distribution of this profit and the ratio of cash dividends should be adjusted with the resolution of the meeting of shareholders according to the actual profit and fund condition of that year. The ratio of cash dividends for shareholders shall not be less than 5% of the total shareholder dividend. In addition, cash dividends less than NT$0.1 per share will only be distributed through stock dividends.

Article 28-1 When making the profit distribution proposal, the Board of Directors shall consider the general bonus standard in relevant industries and adopt the dividend equalization policy to distribute bonus on a healthy and steady principle. When distributing bonus in new share or cash with the legal reserve or capital reserve, the Board of Directors shall coordinate with the status of stock dividend from retained earnings and dividend equalization policy and implement in accordance with relevant laws and regulations.

Chapter VII Supplemental Provisions

Article 29 The regulations governing the internal organization of the Company shall be established independently.

Article 30 Matters not addressed by this "Articles of Incorporation" shall be governed by the Company Act and other applicable laws.

Article 31 This "Articles of Incorporation" was established on March 24, 1986.
1st amendment was made on September 1, 1986.
2nd amendment was made on August 30, 1988.
3rd amendment was made on March 20, 1989.
4th amendment was made on June 3, 1991.
5th amendment was made on July 2, 1995.
6th amendment was made on May 15, 1996.
7th amendment was made on January 27, 1997.
8th amendment was made on April 19, 1997.
9th amendment was made on March 25, 1998.
10th amendment was made on May 4, 2000.
11th amendment was made on May 11, 2001.
12th amendment was made on May 23, 2002.
13th amendment was made on June 17, 2003.
14th amendment was made on June 9, 2004.
15th amendment was made on June 9, 2005.
16th amendment was made on April 12, 2006.
17th amendment was made on June 13, 2008.
18th amendment was made on June 16, 2009.
19th amendment was made on June 17, 2010.
20th amendment was made on June 15, 2011.
21st amendment was made on June 18, 2012.
22nd amendment was made on June 11, 2014.
23rd amendment was made on June 17, 2015.
24th amendment was made on June 15, 2016.

Appendix 5

Article 1 For a just, fair, and open election of directors, this "Rules for Director Election" shall be established in accordance with Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies.

Article 2 Unless otherwise specified by other laws and regulations, this "Rules for Director Election" shall apply to the election of directors of this Company.

Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of directors of this Company. The composition of the board of directors shall be determined by considering diversity and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

(1)Basic requirements and value: Gender, age, nationality, and culture.

(2)Professional knowledge and skills: Expertise (e.g. law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

Each board member shall have the knowledge, skill, and experience required for performing their duties; the abilities that must be present in the board as a whole are as follows:

(1)The ability to make judgments about operations.

(2)Accounting and financial analysis ability.

(3)Business management ability.

(4)Crisis management ability.

(5)Knowledge of the industry.

(6)An international market perspective.

(7)Leadership ability.

(8)Decision-making ability.

The board of directors of this Company shall consider adjusting its composition based on the results of performance evaluation

The number of directors (including independent directors) for election shall be subject to the articles of incorporation and the vacancies specified by the board. More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

Article 4 The eligibility and election of independent directors of this Company shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 24 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Article 5 The nomination scheme as specified in Article 192-1 of the Company Act shall apply to the director elections of this Company and be specified in the articles of incorporation. Shareholders shall select directors from the list of candidates. To review the eligibility, education background, and involvement in any one of the situations specified in Article 30 of the Company Act of candidates, documents of proof for other eligibility requirements shall not be added without permission. The review results shall be submitted to shareholders for reference to elect the qualified directors.

This Company shall announce the time for nomination of candidates, the number of vacancies, the acceptance locations, and other requirements prior to the date of suspension of stock transfer before the meeting of shareholders, provided that the nomination period shall at least be ten (10) days.

The board of directors and shareholders holding more than one percent (1%) of the total amount of issued shares of this Company are eligible to nominate in writing candidates for the next director election for the board's reference. The number of candidates shall not exceed the vacancies offered by the board. This shall also apply to candidates nominated by the board.

When nominating candidates for the director election as described above, the board shall also provide the education background, experience, and the number of shares held of candidates, and the name of government or corporation they represent, and their compliance with independence for the reference of shareholders.

Article 6 In a director election, each share has the same voting rights equal to the number of directors to be elected, and a shareholder may cast all his/her voting rights to one candidate or among several candidates (not more than the total number of candidates in the same election).

Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8 Shareholders of this Company shall elect persons with disposing capacity as board members of this Company. These persons may not necessarily be a shareholder of this Company. Where they are shareholders of this Company, they shall be natural person with disposing capacity. The number of directors shall be as specified in the articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10 If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 11 A ballot is invalid under any of the following circumstances:

(1) The board of directors did not prepare the ballot.

(2) A blank ballot is placed in the ballot box.

(3) The writing is unclear and indecipherable or has been altered.

(4) The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.

(5) Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.

(6) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 12 The voting rights shall be calculated on site immediately after the end of the poll, and the chair on the site shall announce the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 13 The board of directors of this Company shall issue notifications to the persons elected as directors.

Article 14 This "Rules for Director Elections" and amendments hereto shall be implemented after approval by the meeting of shareholders.

Appendix 6

1. To establish a strong governance system and optimize supervisory functions of the meeting of shareholders and to strengthen management functions, the Company establishes these Rules in accordance with Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
2. The rules of procedures for the meetings of shareholders of the Company shall comply with these Rules, unless otherwise specified in other laws and regulations.
3. Unless otherwise specified in other laws and regulations, meetings of shareholders of the Company shall be convened by the Board of Directors.
   This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.
   The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
   The election or dismissal of directors or supervisors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the Company, or any matter under paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
   A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.
   Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

4. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

   A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

   After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

5. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

6. This Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

   The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

   Shareholders and their proxies (collectively, "shareholders") shall attend meetings of shareholders based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

   This Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

   This Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

7. If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

   When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

   It is advisable that meetings of shareholders convened by the Board of Directors be chaired by the chairman of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

   If a shareholders meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

   This Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

8. This Company shall videotape or audiotape the whole process of the meeting of shareholders and retain relevant copies for at least one year. Where a shareholder files a lawsuit in accordance with Article 189 of the Company Act, these recorded materials shall be retained until the conclusion of the litigation.

9. Attendance at meetings of shareholders shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

   The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

   If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

10. If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
    The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.
    The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
    The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.
11. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
    A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
    Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
    When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
    When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
    After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
12. Voting at a shareholders meeting shall be calculated based the number of shares.
    With respect to resolutions of meetings of shareholders, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
    When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

13. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means (in accordance with the proviso of Article 177-1 of the Company Act regarding companies that shall adopt electronic voting. When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

14. The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

    The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

15. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

    This Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

    The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

    Where shareholders express no objection to the resolution method described above when enquired by the chairman, this shall be noted as "unanimous approval of all attending shareholders when enquired by the chairman". Where shareholders express an objection, the voting method and the number of passing votes and their proportion shall be specified.

16. On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

    If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Company (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

17. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

18. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

    If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

    A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

19. These Rules, and any amendments hereto, shall be implemented after adoption by meetings of shareholders.

Appendix 7

GIGA-BYTE TECHNOLOGY CO., LTD.

Shareholding Status by Directors

1. The amount of paid-in capital of the Company is NT$6,356,888,860, and the number of issued shares is 635,688,886.
2. Referring to Article 26 of the Securities and Exchange Act, the minimum amount of shares held by all directors shall be 20,342,044 shares.
3. Shares held by individual and all directors registered in the list of shareholders by the date of stock transfer suspension for the present meeting of shareholders are tabulated below. This number complies with the minimum requirement specified in Article 26 of the Securities and Exchange Act.

2018/04/13

Title	Name	Shares held	Remarks
Chairman	Pei-Cheng Yeh	30,151,237	
Vice Chairman	Ming Wei Investments Co., Ltd. Represented by: Ming-Hsiung Liu	14,062,200	
Director	Shija Investments Co., Ltd. Represented by: Mou-ming Ma	3,959,725	
Director	Yue Ye Development & Investments Co., Ltd. Represented by: Chun-ming Tseng	2,192,200	
Director	Shida Investments Co., Ltd. Represented by: Cong-yuan Ko	9,453,000	
Independent Director	Cheng-li Yang	-	
Independent Director	Yi-hong Chan	-	
Independent Director	Wen-lie Huang	-	
Total of all directors		59,818,362	

Other Matters

Report on handing proposals made by shareholders for the present annual meeting of shareholders.

Description

1. According to Article 172-1 of the Company Act, shareholders holding more than one percent (1%) of the total amount of issued shares may make one written proposal of not more than 300 words at the annual meeting of shareholders.
2. This Company accepts proposals made by shareholders for the present annual meeting of shareholders during April 6-April 16, 2018. All proposals have been published on the Market Observation Post System (MOPS) according to the law.
3. No shareholder proposal was received this year.